

NewDay

NEWDAY PARTNERSHIP MASTER ISSUER PLC

(incorporated under the laws of England and Wales with limited liability under registered number 14879901)

Asset-Backed Note Programme

(ultimately backed by trust property in the Receivables Trust)

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| Programme | <p>NewDay Partnership Master Issuer plc (the "Issuer") has established an asset-backed note programme (the "Programme"). The asset-backed notes (the "Notes") issued under the Programme will be issued in series (each, a "Note Series"). Each Note Series will be: (a) issued on a single date; and (b) subject to the same Note Conditions (as defined below). Each Note Series will contain Notes of one or more classes (each a "Class"), and each Class of Notes may have sub-classes (each a "Sub-Class") of Notes. Notes within the same Class or Sub-Class will rank <i>pari passu</i> and <i>pro rata</i> among themselves. Each Class or Sub-Class of Notes within a Note Series will not, however, be subject to identical terms in all aspects with respect to other Classes or Sub-Classes within that same Note Series (for example, the currency, interest rates, interest calculations and the scheduled and final redemption dates of the Notes may differ). Similarly, one Note Series will not necessarily have the same terms as another Note Series. Details of the then outstanding Note Series at the time of issuance of any Note Series will be set out in the relevant Final Terms or Drawdown Prospectus. There is no programme limit under the Programme.</p> <p>The Notes are governed by English law and subject to the jurisdiction of the English courts in the event of proceedings relating to the Notes.</p> |
| Final Terms/ Drawdown Prospectus | <p>Each Note Series will be subject to a Final Terms or a Drawdown Prospectus, which, for the purpose of that Note Series only, supplements the terms and conditions of the Notes set out in this Base Prospectus (such terms and conditions, as so supplemented, the "Note Conditions"). A Drawdown Prospectus may be used when the Issuer intends to issue Notes in a form not contemplated by the terms and conditions herein, or if the Issuer considers that the information contained in this Base Prospectus needs to be supplemented, amended and/or replaced in the context of an issue of a particular Note Series. In other cases, a Final Terms may be used in relation to a Note Series and must be read in conjunction with this Base Prospectus.</p> |
| Underlying Assets | <p>The Issuer's primary source of funds to make payments on the Notes in a Note Series will be derived from payments made by the Loan Note Issuer to the Issuer under the related series of Loan Notes which will collateralise such Note Series (each, a "Related Loan Note Series"). The Loan Notes are governed by English law and subject to the jurisdiction of the English courts in the event of proceedings relating to the Loan Notes. The ultimate source of payments on the Notes will be Collections on a portfolio of designated consumer credit card, store card and instalment credit accounts (and any other such accounts (together with any charge card accounts) that may be so designated in future) acquired by NewDay Partnership Transferor plc (the "Transferor") and initially originated or acquired by NewDay Ltd (the "Originator") in England and Wales, Scotland and Northern Ireland and certain other permitted jurisdictions. The Receivables arising on these consumer credit accounts have been and will be purchased by the Receivables Trustee, subject to certain criteria being satisfied (please see "<i>The Receivables</i>" for further details of these criteria), and held on trust for certain beneficiaries (including the Loan Note Issuer).</p> |
| Denomination | <p>No Notes may be issued under the Programme which have a minimum denomination of less than €100,000 (or the equivalent in another currency on the date of issue of those Notes as specified in the relevant Final Terms or Drawdown Prospectus, as applicable).</p> |

In the case of any Notes ("**Non-Sterling Notes**") in a Note Series denominated in a currency (a "**Non-Sterling Currency**") other than Sterling, a separate currency swap transaction will be entered into by the Issuer to (i) convert the relevant Non-Sterling Currency (as specified in the relevant Drawdown Prospectus or Final Terms) received by the Issuer on the issuance date for the relevant Non-Sterling Notes in that Note Series into Sterling amounts for payment of the subscription amount for the relevant Loan Note in the Related Loan Note Series, and (ii) convert the Sterling amounts received by the Issuer under the relevant Loan Note into the relevant Non-Sterling Currency (as specified in the relevant Final Terms or Drawdown Prospectus) for payments in respect of the relevant Non-Sterling Notes.

Credit Enhancement for each Series

In summary (please see "*Series Securitisation Cashflows*" for further details):

- subordination of more junior ranking Notes in the same Note Series;
- subordination of the Series Originator VFN Subordination allocable to the relevant Series; and
- excess spread including excess spread not required for certain other Series grouped with the relevant Note Series.

Liquidity Support for each Series

In summary (please see "*Series Securitisation Cashflows*" for further details):

- use of Principal Collections to fund shortfalls for more senior Investor Interests;
- use of Principal Collections and Finance Charge Collections allocated to the Series Originator VFN Subordination allocable to the relevant Series;
- sharing of Finance Charge Collections with other Series grouped with the relevant Series; and
- use of the Series Liquidity Reserve for the Classes of Notes specified in the relevant Final Terms or Drawdown Prospectus to benefit from the Series Liquidity Reserve.

Redemption and Repurchase Provisions

Information on the redemption of the Notes, and the ability of the Issuer to repurchase Notes, is summarised on pages 58 to 59 and set out in full in Note Condition 9 (*Redemption and Purchase*). If specified for any Class of Notes in a Note Series, the Specified Class Scheduled Redemption Date and/or the Series Scheduled Redemption Date for such Notes (as applicable) may be reset or extended, in accordance with Note Condition 9 (*Redemption and Purchase*), the Note Trust Deed and the related Note Trust Deed Supplement. If specified for a Note Series, all the Notes of such Note Series may be repurchased by the Issuer, in accordance with Note Condition 9 (*Redemption and Purchase*), on any Interest Payment Date following the end of the relevant Non-Call Period.

Ratings and Rating Agencies

Each Class or Sub-Class of Notes within a Note Series may be assigned ratings on issue by one or more credit rating agencies appointed by the Issuer (each, a "**Rating Agency**"), as specified in the relevant Final Terms or Drawdown Prospectus. If any Class or Sub-Class of a Note Series is not assigned a rating on issue by one or more Rating Agencies, this will be specified in the relevant Final Terms or Drawdown Prospectus.

A credit rating assigned to the Notes reflects the relevant Rating Agency's assessment of the likelihood of payment of scheduled interest and principal to Noteholders by the relevant Series Final Redemption Date and may not reflect the potential impact of all risks related to the transaction structure, the other risk factors listed in this Base Prospectus, or any other factors that may affect the value of the Notes. These ratings are based on the Rating Agencies' determination of, *inter alia*, the value of the Receivables, the reliability of the payments on the Receivables and the availability of credit enhancement and liquidity.

Any ratings for the Notes will not address the following:

- (i) the likelihood that the principal on the Notes will be redeemed or paid, as expected, on the applicable Scheduled Redemption Date (meaning the expected or targeted repayment dates) for such Notes;
- (ii) the possibility of the imposition of United Kingdom ("UK") or any other withholding tax;
- (iii) the marketability of the Notes, or any market price for the Notes; or
- (iv) whether an investment in the Notes is a suitable investment.

As at the date of this Base Prospectus, it is anticipated that any ratings obtained by the Issuer for any Class or Sub-Class of Notes within a Note Series will be provided by Fitch Ratings Limited ("**Fitch**") and "**DBRS**", which means (i) for the purpose of identifying the DBRS entity which has assigned the credit rating to the Notes, DBRS Ratings Limited and any successor to this rating activity and (ii) in any other case, any entity that is part of the DBRS Morningstar group. Any ratings assigned by DBRS address the risk of default, being the risk that the Issuer will fail to satisfy its financial obligations relating to the Notes in accordance with the terms under which the Notes have been issued.

The assignment of ratings to the Notes is not a recommendation to invest in the Notes. Any credit rating assigned to the Notes may be revised or withdrawn at any time.

In general, European regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued or endorsed by a credit rating agency established in the European Union and registered under Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies (the "**EU CRA Regulation**") and UK regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued or endorsed by a credit rating agency established in the UK and registered under Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "**EUWA**") (the "**UK CRA Regulation**").

Each of Fitch and DBRS Ratings Limited is established and operating in the UK and registered in accordance with the UK CRA Regulation. While neither Fitch nor DBRS Ratings Limited has applied for registration under the EU CRA Regulation, the ratings issued by Fitch and DBRS Ratings Limited will be endorsed by Fitch Ratings Ireland Limited and DBRS Ratings GmbH respectively in accordance with the EU CRA Regulation. Each of Fitch Ratings Ireland Limited and DBRS Ratings GmbH is a credit rating agency established and operating in the European Union and registered under the EU CRA Regulation.

Listing

This Base Prospectus has been approved by the Financial Conduct Authority (the "**FCA**"), as competent authority under Regulation (EU) 2017/1129 (the "**EU Prospectus Regulation**") as it forms part of UK domestic law by virtue of the EUWA (the "**UK Prospectus Regulation**"). The FCA only approves this Base Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the UK Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuer, the Loan Note Issuer or the quality of any Notes that are the subject of this Base Prospectus. Investors should make their own assessment as to the suitability of investing in the Notes.

In compliance with the Financial Services and Markets Act 2000 ("**FSMA**"), this Base Prospectus may not be used to offer any Notes more than 12 months after the date of this Base Prospectus. Application will be made to have any Notes issued under the Programme during the first 12 months following the date of this Base Prospectus admitted to listing on the official list (the "**Official List**") of the FCA and to trading on the main market of London Stock Exchange plc (the "**London Stock Exchange**"). The main market of the London Stock Exchange is a regulated market for the purposes of Regulation (EU) No 600/2014 as it forms part of UK domestic

law by virtue of the EUWA ("**UK MiFIR**") (the "**Main Market of the London Stock Exchange**").

In the case of Notes listed on the Main Market of the London Stock Exchange, a copy of the related Final Terms or Drawdown Prospectus, as applicable, will be delivered to the Main Market of the London Stock Exchange on or before the date of issue of those Notes.

This Base Prospectus is not a prospectus for the purposes of Section 12(a)(2) of the Securities Act or any other provision of, or rule under, the Securities Act.

Obligations The Notes offered pursuant to this Base Prospectus will be obligations of the Issuer alone and will not be guaranteed by, or be the responsibility of, any other entity. The Notes will not be obligations of NewDay Cards Ltd ("**NCL**"), its affiliates or any other party named in this Base Prospectus (including the Programme Arranger) or the relevant Final Terms or Drawdown Prospectus as applicable, other than the Issuer.

UK Risk Retention Undertaking The Transferor, as originator of the securitisation detailed in this Base Prospectus and of which the issue of the Notes forms part for the purposes of Regulation (EU) 2017/2402 and the implementing regulatory and technical standards in respect thereof, in each case as they form part of UK domestic law by virtue of the EUWA, and as subject to any transitional relief of the FCA, the Bank of England, the Prudential Regulation Authority (the "**PRA**"), the Pensions Regulator or any other relevant UK regulator (or their successor) (the "**UK Securitisation Regulation**"), confirms that it will retain a material net economic interest in the securitisation of not less than 5 per cent. of the nominal value of the securitisation in accordance with Article 6 of the UK Securitisation Regulation by way of a retention in accordance with Article 6(3)(b) of an originator's interest of not less than 5 per cent. of the nominal value of the securitised exposures (such retention being in the form of the Originator VFN Loan Note), subject always to any Requirement of Law and **provided that** the Transferor will not be in breach of such undertaking if it fails to so comply due to events, actions or circumstances beyond the control of the Transferor.

For more information on the implications of the UK risk retention requirements for investors, see "*Regulatory Disclosure – UK Securitisation Regulation Requirements*".

U.S. Credit Risk Retention The Transferor, as the "sponsor" of an asset-backed securitisation transaction, is generally required under Section 15G of the U.S. Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), and the regulations relating to credit risk retention promulgated thereunder (the "**U.S. Credit Risk Retention Rules**"), to ensure that it acquires and retains an economic interest in the credit risk of the assets collateralising the issuance of all 'asset backed securities' in an amount of not less than 5 per cent., in one of a number of specified ways. The Transferor intends to satisfy the U.S. Credit Risk Retention Rules by maintaining, either directly or through a wholly-owned affiliate, a "seller's interest" (as defined and measured in accordance with the U.S. Credit Risk Retention Rules) in the Receivables equal to at least 5 per cent. of the aggregate unpaid principal balance of the outstanding Notes of all Series. For more information about the Transferor's retained interest, see "*Regulatory Disclosure – U.S. Credit Risk Retention*".

Volcker Rule The Issuer is of the view that it is not as of the date of this Base Prospectus, and immediately following the issuance of any Note Series and the application of the proceeds thereof it will not be, a "covered fund" as defined in the regulations adopted under Section 13 of the Bank Holding Company Act of 1956, as amended (the "**Volcker Rule**"). In reaching this conclusion, although other exclusions or exemptions under the Investment Company Act of 1940, as amended (the "**Investment Company Act**"), and under the Volcker Rule and related regulations may be available, the Issuer has relied primarily on a determination that it may rely on the exclusion from the definition of "investment company" set forth in Section 3(c)(5)(A) of the Investment Company Act and, accordingly, may rely on the exemption from the definition of a "covered fund" under the Volcker Rule made

available to an entity that does not solely rely on Section 3(c)(1) or Section 3(c)(7) of the Investment Company Act for its exemption from registration under the Investment Company Act. Any prospective investor in any Notes, including a U.S. or foreign bank or a subsidiary or other affiliate thereof, should consult its own legal advisers regarding such matters and the effects of the Volcker Rule.

Benchmarks Interest payable under the Notes may be calculated by reference to the Sterling Overnight Index Average ("**SONIA**") provided by the Bank of England, the Euro Interbank Offered Rate ("**EURIBOR**") provided by the European Money Markets Institute, the Secured Overnight Financing Rate ("**SOFR**") provided by the Federal Reserve Bank of New York or Term SOFR ("**Term SOFR**") provided by CME Group Benchmark Administration Limited or any other reference rate, as specified in the relevant Final Terms or Drawdown Prospectus, as applicable.

The European Money Markets Institute, as administrator of EURIBOR, is included in the public register of administrators and benchmarks established and maintained by the European Securities and Markets Authority ("**ESMA**") in accordance with Article 36 of Regulation (EU) 2016/1011 (the "**EU Benchmarks Regulation**") and in the public register of administrators and benchmarks established and maintained by the FCA in accordance with Article 30 of Regulation (EU) 2016/1011 as it forms part of UK domestic law by virtue of the EUWA (the "**UK Benchmarks Regulation**"). As at the date of this Base Prospectus, CME Group Benchmark Administration Limited, as administrator of Term SOFR, is not included in the public register of administrators and benchmarks established and maintained by ESMA in accordance with Article 36 of the EU Benchmarks Regulation, but is included in the public register of administrators and benchmarks established and maintained by the FCA in accordance with Article 36 of the UK Benchmarks Regulation.

As at the date of this Base Prospectus, the Bank of England, as administrator of SONIA, and the Federal Reserve Bank of New York, as administrator of SOFR, are not included in the public register of administrators and benchmarks established and maintained by ESMA in accordance with Article 36 of the EU Benchmarks Regulation or the public register of administrators and benchmarks established and maintained by the FCA in accordance with Article 36 of the UK Benchmarks Regulation, as central bank set benchmarks are subject to certain exemptions pursuant to Article 2 of the EU Benchmarks Regulation and Article 2 of the UK Benchmarks Regulation. However, the Bank of England and the Federal Reserve Bank of New York have both issued a statement of compliance with the principles for financial benchmarks issued in 2013 by the International Organization of Securities Commissions.

THE "RISK FACTORS" SECTION STARTING ON PAGE 3 CONTAINS DETAILS OF CERTAIN RISKS AND OTHER FACTORS THAT SHOULD BE GIVEN PARTICULAR CONSIDERATION BEFORE INVESTING IN THE NOTES. PROSPECTIVE INVESTORS SHOULD BE AWARE OF THE ISSUES SUMMARISED WITHIN THAT SECTION.

THIS BASE PROSPECTUS SUPERSEDES ANY PREVIOUS PROSPECTUS DESCRIBING THE PROGRAMME. ANY NOTES ISSUED UNDER THE PROGRAMME ON OR AFTER THE DATE OF THIS BASE PROSPECTUS ARE ISSUED SUBJECT TO THE PROVISIONS HEREIN AND TO ANY APPLICABLE FINAL TERMS OR DRAWDOWN PROSPECTUS.

The Notes issued under the Programme have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), or with any securities regulatory authority of any state or other jurisdiction of the United States and may not be offered, sold or delivered within the United States or to or for the account of or benefit of, "U.S. Persons" (within the meaning of Regulation S of the Securities Act ("**Regulation S**")), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The Notes issued under the Programme may only be offered, sold or delivered (i) to persons who are not U.S. Persons (as defined in Regulation S) in "offshore transactions" in reliance on Regulation S (the "**Regulation S Notes**") or (ii) to persons that are "qualified institutional buyers" (as defined in Rule 144A under the Securities Act) (each a "**QIB**") in reliance on Rule 144A under the Securities Act (the "**Rule 144A Notes**"). Prospective purchasers are hereby notified that sellers of the Rule 144A Notes may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A. For a description of these and certain additional

transfer restrictions, see "*Subscription and Sale*" and "*Transfer Restrictions and Investor Representations*".

Programme Arranger
Citigroup Global Markets Limited
Co-Arranger
NewDay Cards Ltd

IMPORTANT NOTICES

THE NOTES WILL BE OBLIGATIONS OF THE ISSUER ONLY. THE NOTES WILL NOT BE OBLIGATIONS OF, OR THE RESPONSIBILITY OF, OR GUARANTEED BY, ANY PERSON OTHER THAN THE ISSUER. IN PARTICULAR, THE NOTES WILL NOT BE OBLIGATIONS OF, OR THE RESPONSIBILITY OF, OR GUARANTEED BY, ANY OF THE TRANSACTION PARTIES (OTHER THAN THE ISSUER) OR ANY COMPANY IN THE SAME GROUP OF COMPANIES AS ANY OF THE TRANSACTION PARTIES (OTHER THAN THE ISSUER) OR THE PROGRAMME ARRANGER, THE CO-ARRANGER OR THE DEALERS. NO LIABILITY WHATSOEVER IN RESPECT OF ANY FAILURE BY THE ISSUER TO PAY ANY AMOUNT DUE UNDER THE NOTES SHALL BE ACCEPTED BY THE PROGRAMME ARRANGER, THE CO-ARRANGER, THE DEALERS OR ANY OF THE TRANSACTION PARTIES (OTHER THAN THE ISSUER), OR ANY COMPANY IN THE SAME GROUP OF COMPANIES AS THE PROGRAMME ARRANGER, THE CO-ARRANGER, THE DEALERS OR ANY OF THE TRANSACTION PARTIES (OTHER THAN THE ISSUER).

YOU SHOULD REVIEW AND CONSIDER THE DISCUSSION UNDER "*RISK FACTORS*" BEGINNING ON PAGE 3 IN THIS BASE PROSPECTUS BEFORE YOU PURCHASE ANY NOTES.

THE DISTRIBUTION OF THIS BASE PROSPECTUS AND ANY FINAL TERMS OR DRAWDOWN PROSPECTUS, AS APPLICABLE, AND THE OFFERING OF THE NOTES IN CERTAIN JURISDICTIONS MAY BE RESTRICTED BY LAW. NO REPRESENTATION IS MADE BY THE PROGRAMME ARRANGER, THE CO-ARRANGER, THE DEALERS OR ANY OF THE TRANSACTION PARTIES THAT THIS BASE PROSPECTUS AND ANY FINAL TERMS OR DRAWDOWN PROSPECTUS, AS APPLICABLE, MAY BE LAWFULLY DISTRIBUTED, OR THAT THE NOTES MAY BE LAWFULLY OFFERED, IN COMPLIANCE WITH ANY APPLICABLE REGISTRATION OR OTHER REQUIREMENTS IN ANY SUCH JURISDICTION, OR PURSUANT TO AN EXEMPTION AVAILABLE THEREUNDER, AND NONE OF THEM ASSUMES ANY RESPONSIBILITY FOR FACILITATING ANY SUCH DISTRIBUTION OR OFFERING. IN PARTICULAR, SAVE FOR OBTAINING THE APPROVAL OF THIS BASE PROSPECTUS AS A PROSPECTUS FOR THE PURPOSES OF THE UK PROSPECTUS REGULATION BY THE FCA, NO ACTION HAS BEEN OR WILL BE TAKEN BY ANY OF THE TRANSACTION PARTIES WHICH WOULD PERMIT A PUBLIC OFFERING OF THE NOTES OR DISTRIBUTION OF THIS BASE PROSPECTUS IN ANY JURISDICTION WHERE ACTION FOR THAT PURPOSE IS REQUIRED. ACCORDINGLY, THE NOTES MAY NOT BE OFFERED OR SOLD, DIRECTLY OR INDIRECTLY, AND NEITHER THIS BASE PROSPECTUS AND ANY FINAL TERMS OR DRAWDOWN PROSPECTUS, AS APPLICABLE, NOR ANY ADVERTISEMENT OR OTHER OFFERING MATERIAL MAY BE DISTRIBUTED OR PUBLISHED, IN ANY JURISDICTION, EXCEPT UNDER CIRCUMSTANCES THAT WILL RESULT IN COMPLIANCE WITH ANY APPLICABLE LAWS AND REGULATIONS. PERSONS INTO WHOSE POSSESSION THIS BASE PROSPECTUS AND ANY FINAL TERMS OR DRAWDOWN PROSPECTUS, AS APPLICABLE, COMES ARE REQUIRED BY THE ISSUER, THE PROGRAMME ARRANGER, THE CO-ARRANGER OR THE DEALERS TO INFORM THEMSELVES ABOUT AND TO OBSERVE ANY SUCH RESTRICTIONS. FOR A DESCRIPTION OF CERTAIN RESTRICTIONS ON OFFERS, SALES AND DELIVERIES OF NOTES AND ON THE DISTRIBUTION OF THIS BASE PROSPECTUS OR ANY FINAL TERMS OR DRAWDOWN PROSPECTUS, AS APPLICABLE, AND OTHER OFFERING MATERIAL RELATING TO THE NOTES, SEE "*SUBSCRIPTION AND SALE*" AND "*TRANSFER RESTRICTIONS AND INVESTOR REPRESENTATIONS*".

THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR ANY OTHER RELEVANT JURISDICTION. THE NOTES MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S) EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE OR LOCAL SECURITIES LAWS. CERTAIN OF THE NOTES MAY BE OFFERED AND SOLD TO U.S. PERSONS WHO ARE QIBS IN RELIANCE ON RULE 144A UNDER THE SECURITIES ACT.

THE NOTES ARE NOT TRANSFERABLE EXCEPT IN ACCORDANCE WITH THE RESTRICTIONS DESCRIBED HEREIN UNDER "*DESCRIPTION OF THE NOTES IN GLOBAL FORM*" AND

"*TRANSFER RESTRICTIONS AND INVESTOR REPRESENTATIONS*". EACH INITIAL PURCHASER AND SUBSEQUENT TRANSFEREE OF THE NOTES WILL BE DEEMED, BY ITS ACQUISITION OR HOLDING OF SUCH NOTES, TO HAVE MADE THE REPRESENTATIONS SET FORTH IN THIS BASE PROSPECTUS (IN THE SECTION ENTITLED "*TRANSFER RESTRICTIONS AND INVESTOR REPRESENTATIONS*"). ANY RESALE OR OTHER TRANSFER, OR ATTEMPTED RESALE OR OTHER ATTEMPTED TRANSFER, OF NOTES WHICH IS NOT MADE IN COMPLIANCE WITH THE APPLICABLE TRANSFER RESTRICTIONS WILL BE VOID. THE NOTES WILL ALSO BEAR RESTRICTIVE LEGENDS.

NONE OF THE ISSUER, THE PROGRAMME ARRANGER, THE CO-ARRANGER OR THE DEALERS MAKES ANY REPRESENTATION TO ANY PROSPECTIVE INVESTOR OR PURCHASER OF THE NOTES REGARDING THE LEGALITY OF INVESTMENT THEREIN BY SUCH PROSPECTIVE INVESTOR OR PURCHASER UNDER APPLICABLE INVESTMENT OR SIMILAR LAWS OR REGULATIONS.

THE ISSUER ACCEPTS RESPONSIBILITY FOR THE INFORMATION CONTAINED IN THIS BASE PROSPECTUS AND DECLARES THAT, TO THE BEST OF ITS KNOWLEDGE, THE INFORMATION IN THIS BASE PROSPECTUS IS IN ACCORDANCE WITH THE FACTS AND DOES NOT OMIT ANYTHING LIKELY TO AFFECT ITS IMPORT. ANY INFORMATION SOURCED FROM THIRD PARTIES CONTAINED IN THIS BASE PROSPECTUS HAS BEEN ACCURATELY REPRODUCED (AND IS CLEARLY SOURCED WHERE IT APPEARS IN THIS BASE PROSPECTUS) AND, AS FAR AS THE ISSUER IS AWARE AND IS ABLE TO ASCERTAIN FROM INFORMATION PUBLISHED BY THAT THIRD PARTY, NO FACTS HAVE BEEN OMITTED WHICH WOULD RENDER THE REPRODUCED INFORMATION INACCURATE OR MISLEADING.

NEWDAY PARTNERSHIP TRANSFEROR PLC ACCEPTS RESPONSIBILITY FOR THE INFORMATION SET OUT IN THE SECTION HEADED "*THE TRANSFEROR*". TO THE BEST OF THE KNOWLEDGE AND BELIEF OF NEWDAY PARTNERSHIP TRANSFEROR PLC, THE INFORMATION CONTAINED IN THE SECTION REFERRED TO IN THIS PARAGRAPH IS IN ACCORDANCE WITH THE FACTS AND DOES NOT OMIT ANYTHING LIKELY TO AFFECT THE IMPORT OF SUCH INFORMATION. NO REPRESENTATION, WARRANTY OR UNDERTAKING, EXPRESS OR IMPLIED, IS MADE AND NO RESPONSIBILITY OR LIABILITY IS ACCEPTED BY NEWDAY PARTNERSHIP TRANSFEROR PLC AS TO THE ACCURACY OR COMPLETENESS OF ANY INFORMATION CONTAINED IN THIS BASE PROSPECTUS (OTHER THAN IN THE SECTION REFERRED TO ABOVE) OR ANY OTHER INFORMATION SUPPLIED IN CONNECTION WITH THE NOTES OR THEIR DISTRIBUTION.

CITICORP TRUSTEE COMPANY LIMITED ACCEPTS RESPONSIBILITY FOR THE INFORMATION SET OUT IN THE SECTION HEADED "*THE NOTE TRUSTEE AND THE SECURITY TRUSTEE*". TO THE BEST OF THE KNOWLEDGE AND BELIEF OF CITICORP TRUSTEE COMPANY LIMITED, THE INFORMATION CONTAINED IN THE SECTION REFERRED TO IN THIS PARAGRAPH IS IN ACCORDANCE WITH THE FACTS AND DOES NOT OMIT ANYTHING LIKELY TO AFFECT THE IMPORT OF SUCH INFORMATION. NO REPRESENTATION, WARRANTY OR UNDERTAKING, EXPRESS OR IMPLIED, IS MADE AND NO RESPONSIBILITY OR LIABILITY IS ACCEPTED BY CITICORP TRUSTEE COMPANY LIMITED AS TO THE ACCURACY OR COMPLETENESS OF ANY INFORMATION CONTAINED IN THIS BASE PROSPECTUS (OTHER THAN IN THE SECTION REFERRED TO ABOVE) OR ANY OTHER INFORMATION SUPPLIED IN CONNECTION WITH THE NOTES OR THEIR DISTRIBUTION.

CITIBANK, N.A., LONDON BRANCH ACCEPTS RESPONSIBILITY FOR THE INFORMATION SET OUT IN THE SECTION HEADED "*THE CALCULATION AGENT, THE PRINCIPAL PAYING AGENT, THE REGISTRAR, THE AGENT BANK, THE U.S. PAYING AGENT, THE U.S. REGISTRAR, THE TRANSFER AGENT AND THE BACK-UP CASH MANAGER*". TO THE BEST OF THE KNOWLEDGE AND BELIEF OF CITIBANK, N.A., LONDON BRANCH, THE INFORMATION CONTAINED IN THE SECTION REFERRED TO IN THIS PARAGRAPH IS IN ACCORDANCE WITH THE FACTS AND DOES NOT OMIT ANYTHING LIKELY TO AFFECT THE IMPORT OF SUCH INFORMATION. NO REPRESENTATION, WARRANTY OR UNDERTAKING, EXPRESS OR IMPLIED, IS MADE AND NO RESPONSIBILITY OR LIABILITY IS ACCEPTED BY CITIBANK, N.A., LONDON BRANCH AS TO THE ACCURACY OR COMPLETENESS OF ANY INFORMATION CONTAINED IN THIS BASE PROSPECTUS (OTHER THAN IN THE SECTION REFERRED TO ABOVE) OR ANY

OTHER INFORMATION SUPPLIED IN CONNECTION WITH THE NOTES OR THEIR DISTRIBUTION.

NEWDAY CARDS LTD ACCEPTS RESPONSIBILITY FOR THE INFORMATION SET OUT IN THE SECTION HEADED "*THE ORIGINATOR, THE SERVICER AND THE NEWDAY GROUP*". TO THE BEST OF THE KNOWLEDGE AND BELIEF OF NEWDAY CARDS LTD, THE INFORMATION CONTAINED IN THE SECTION REFERRED TO IN THIS PARAGRAPH IS IN ACCORDANCE WITH THE FACTS AND DOES NOT OMIT ANYTHING LIKELY TO AFFECT THE IMPORT OF SUCH INFORMATION. NO REPRESENTATION, WARRANTY OR UNDERTAKING, EXPRESS OR IMPLIED, IS MADE AND NO RESPONSIBILITY OR LIABILITY IS ACCEPTED BY NEWDAY CARDS LTD AS TO THE ACCURACY OR COMPLETENESS OF ANY INFORMATION CONTAINED IN THIS BASE PROSPECTUS (OTHER THAN IN THE SECTION REFERRED TO ABOVE) OR ANY OTHER INFORMATION SUPPLIED IN CONNECTION WITH THE NOTES OR THEIR DISTRIBUTION.

NEWDAY PARTNERSHIP LOAN NOTE ISSUER LTD ACCEPTS RESPONSIBILITY FOR THE INFORMATION SET OUT IN THE SECTION HEADED "*THE LOAN NOTE ISSUER*". TO THE BEST OF THE KNOWLEDGE AND BELIEF OF NEWDAY PARTNERSHIP LOAN NOTE ISSUER LTD, THE INFORMATION CONTAINED IN THE SECTION REFERRED TO IN THIS PARAGRAPH IS IN ACCORDANCE WITH THE FACTS AND DOES NOT OMIT ANYTHING LIKELY TO AFFECT THE IMPORT OF SUCH INFORMATION. NO REPRESENTATION, WARRANTY OR UNDERTAKING, EXPRESS OR IMPLIED, IS MADE AND NO RESPONSIBILITY OR LIABILITY IS ACCEPTED BY NEWDAY PARTNERSHIP LOAN NOTE ISSUER LTD AS TO THE ACCURACY OR COMPLETENESS OF ANY INFORMATION CONTAINED IN THIS BASE PROSPECTUS (OTHER THAN IN THE SECTION REFERRED TO ABOVE) OR ANY OTHER INFORMATION SUPPLIED IN CONNECTION WITH THE NOTES OR THEIR DISTRIBUTION.

EACH PANEL SWAP COUNTERPARTY ACCEPTS RESPONSIBILITY FOR THE INFORMATION SET OUT IN THE SECTION HEADED "*THE PANEL SWAP COUNTERPARTIES*" THAT RELATES TO IT. TO THE BEST OF THE KNOWLEDGE AND BELIEF OF EACH PANEL SWAP COUNTERPARTY, THE INFORMATION RELATING TO IT CONTAINED IN THE SECTION REFERRED TO IN THIS PARAGRAPH IS IN ACCORDANCE WITH THE FACTS AND DOES NOT OMIT ANYTHING LIKELY TO AFFECT THE IMPORT OF SUCH INFORMATION. NO REPRESENTATION, WARRANTY OR UNDERTAKING, EXPRESS OR IMPLIED, IS MADE AND NO RESPONSIBILITY OR LIABILITY IS ACCEPTED BY ANY PANEL SWAP COUNTERPARTY AS TO THE ACCURACY OR COMPLETENESS OF ANY INFORMATION CONTAINED IN THIS BASE PROSPECTUS (OTHER THAN IN RESPECT OF THE INFORMATION RELATING TO IT CONTAINED IN THE SECTION REFERRED TO ABOVE) OR ANY OTHER INFORMATION SUPPLIED IN CONNECTION WITH THE NOTES OR THEIR DISTRIBUTION.

NO PERSON IS AUTHORISED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATION IN CONNECTION WITH THE OFFERING OR SALE OF THE NOTES OTHER THAN THOSE CONTAINED IN THIS BASE PROSPECTUS AND, IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATION MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORISED BY ANY OF THE TRANSACTION PARTIES OR ANY OF THEIR RESPECTIVE AFFILIATES OR ADVISERS. NEITHER THE DELIVERY OF THIS BASE PROSPECTUS NOR ANY SALE OR ALLOTMENT MADE IN CONNECTION WITH THE OFFERING OF THE NOTES SHALL, UNDER ANY CIRCUMSTANCES, CREATE ANY IMPLICATION OR CONSTITUTE A REPRESENTATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE ISSUER OR THE ORIGINATOR OR IN THE OTHER INFORMATION CONTAINED HEREIN SINCE THE DATE HEREOF. THE INFORMATION CONTAINED IN THIS BASE PROSPECTUS WAS OBTAINED FROM THE ISSUER AND THE OTHER SOURCES IDENTIFIED HEREIN, BUT NO ASSURANCE CAN BE GIVEN BY THE PROGRAMME ARRANGER, THE CO-ARRANGER, THE DEALERS, THE SECURITY TRUSTEE OR THE NOTE TRUSTEE AS TO THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION. NONE OF THE PROGRAMME ARRANGER, THE CO-ARRANGER, THE DEALERS, THE SECURITY TRUSTEE OR THE NOTE TRUSTEE HAS SEPARATELY VERIFIED THE INFORMATION CONTAINED HEREIN. ACCORDINGLY, NONE OF THE PROGRAMME ARRANGER, THE CO-ARRANGER, THE DEALERS, THE SECURITY TRUSTEE OR THE NOTE TRUSTEE MAKES ANY REPRESENTATION, EXPRESS OR IMPLIED, OR ACCEPTS ANY RESPONSIBILITY, WITH RESPECT TO THE ACCURACY OR COMPLETENESS OF ANY OF THE INFORMATION IN THIS BASE PROSPECTUS OR ANY PART

THEREOF, OR ANY OTHER INFORMATION PROVIDED BY THE ISSUER IN CONNECTION WITH THE NOTES. IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE TERMS OF THIS OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. NONE OF THE PROGRAMME ARRANGER, THE CO-ARRANGER, THE DEALERS, THE SECURITY TRUSTEE OR THE NOTE TRUSTEE UNDERTAKES OR SHALL UNDERTAKE TO REVIEW THE FINANCIAL CONDITION OR AFFAIRS OF THE ISSUER OR TO ADVISE ANY INVESTOR OR POTENTIAL INVESTOR IN THE NOTES OF ANY INFORMATION COMING TO THE ATTENTION OF THE PROGRAMME ARRANGER, THE CO-ARRANGER, THE DEALERS, THE SECURITY TRUSTEE OR THE NOTE TRUSTEE. THE CONTENTS OF THIS BASE PROSPECTUS SHOULD NOT BE CONSTRUED AS PROVIDING LEGAL, BUSINESS, ACCOUNTING OR TAX ADVICE. EACH PROSPECTIVE INVESTOR SHOULD CONSULT ITS OWN LEGAL, BUSINESS, ACCOUNTING AND TAX ADVISERS PRIOR TO MAKING A DECISION TO INVEST IN THE NOTES.

THE DELIVERY OF THIS BASE PROSPECTUS AT ANY TIME DOES NOT IMPLY THAT THE INFORMATION HEREIN IS CORRECT AT ANY TIME SUBSEQUENT TO ITS DATE.

THIS BASE PROSPECTUS DOES NOT CONSTITUTE AN OFFER OF, OR AN INVITATION BY OR ON BEHALF OF THE PROGRAMME ARRANGER, THE CO-ARRANGER, THE DEALERS OR ANY OF THEM TO SUBSCRIBE FOR OR PURCHASE ANY OF THE NOTES IN ANY JURISDICTION WHERE SUCH ACTION WOULD BE UNLAWFUL AND NEITHER THIS BASE PROSPECTUS, NOR ANY PART THEREOF, MAY BE USED FOR OR IN CONNECTION WITH ANY OFFER TO, OR SOLICITATION BY, ANY PERSON IN ANY JURISDICTION OR IN ANY CIRCUMSTANCES IN WHICH SUCH OFFER OR SOLICITATION IS NOT AUTHORISED OR TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE SUCH OFFER OR SOLICITATION.

THIS BASE PROSPECTUS IS PERSONAL TO THE OFFEREE WHO RECEIVED IT FROM THE PROGRAMME ARRANGER, THE CO-ARRANGER OR ANY DEALER AND DOES NOT CONSTITUTE AN OFFER TO ANY OTHER PERSON TO PURCHASE ANY NOTES.

PROSPECTIVE PURCHASERS OF THE NOTES MUST BE ABLE TO HOLD THEIR INVESTMENT FOR AN INDEFINITE PERIOD OF TIME. ANY INVESTMENT IN THE NOTES IS ONLY SUITABLE FOR INVESTORS EXPERIENCED IN FINANCIAL MATTERS WHO ARE IN A POSITION TO FULLY ASSESS THE RISKS RELATING TO SUCH INVESTMENT AND HAVE SUFFICIENT FINANCIAL MEANS TO SUFFER ANY POTENTIAL LOSS STEMMING THEREFROM.

THIS BASE PROSPECTUS IS NOT INTENDED TO FURNISH LEGAL, REGULATORY, TAX, ACCOUNTING, INVESTMENT OR OTHER ADVICE TO ANY PROSPECTIVE PURCHASER OF THE NOTES.

THIS BASE PROSPECTUS SHOULD BE REVIEWED BY EACH PROSPECTIVE PURCHASER AND ITS LEGAL, REGULATORY, TAX, ACCOUNTING, INVESTMENT AND OTHER ADVISERS. PROSPECTIVE PURCHASERS WHOSE INVESTMENT AUTHORITY IS SUBJECT TO LEGAL RESTRICTIONS SHOULD CONSULT THEIR LEGAL ADVISERS TO DETERMINE WHETHER AND TO WHAT EXTENT THE NOTES CONSTITUTE LEGAL INVESTMENTS FOR THEM.

This document (including its appendices), together with any amendments or supplements constitutes a "base prospectus" for the purposes of the UK Prospectus Regulation for the purpose of giving information with regard to the issue of Notes under the Programme during the period of 12 months after the date of this Base Prospectus.

Neither this Base Prospectus nor any Final Terms or Drawdown Prospectus, as applicable, constitutes an offer or an invitation to subscribe for or purchase any Notes and should not be considered as a recommendation by the Issuer, the Programme Arranger, the Co-Arranger, the Dealers, the Security Trustee or the Note Trustee that any recipient of this Base Prospectus or any Final Terms or Drawdown Prospectus, as applicable, should subscribe for or purchase any Notes. Each recipient of this Base Prospectus or any Final Terms or Drawdown Prospectus, as applicable, shall be taken to have made its own investigation and appraisal of the condition (financial or otherwise) of the Issuer.

In this Base Prospectus all references to "**Member State**" are references to a Member State of the European Union, references to "**Pounds**", "**Sterling**", "**GBP**" and "**£**" are references to the lawful currency for the

time being of the United Kingdom, references to "**Euro**", "**EUR**" and "**€**" are references to the currency introduced at the start of the third stage of European economic and monetary union and references to "**Dollars**", "**USD**", "**U.S. Dollars**" and "**\$**" are references to the lawful currency for the time being of the United States of America.

Forward-Looking Statements

Some of the statements contained in this Base Prospectus consist of forward-looking statements relating to future economic performance or projections and other financial items. These statements can be identified by the use of forward-looking terminology, such as the words "believes", "expects", "may", "intends", "should" or "anticipates" or the negative or other variations of those terms. These statements involve known and unknown risks, uncertainties and other important factors that could cause the actual results and performance of the Notes, the Receivables, NewDay Partnership Transferor plc, NewDay Cards Ltd or the United Kingdom consumer credit industry to differ materially from any future results or performance expressed or implied in the forward-looking statements. These risks, uncertainties and other factors include, among others general economic and business conditions in the United Kingdom, currency exchange rate and interest rate fluctuations, government, statutory, regulatory or administrative initiatives affecting NewDay Partnership Transferor plc, NewDay Cards Ltd or their respective businesses, changes in business strategy, lending practices or customer relationships and other factors that may be referred to in this Base Prospectus. Some of the most significant of these risks, uncertainties and other factors are discussed in this Base Prospectus under the section entitled "*Risk Factors*", and potential investors are encouraged to carefully consider those factors prior to making an investment decision in relation to the Notes.

Disclosure of Interests

In addition to the interests described in this Base Prospectus, prospective investors should be aware that each of the Programme Arranger, the Co-Arranger, the Dealers and their respective related entities, associates, affiliates, officers or employees (each a "**Relevant Entity**") may be involved in a broad range of transactions including, without limitation, banking, dealing in financial products, credit, derivative and liquidity transactions, investment management, corporate and investment banking and research in various capacities in respect of the Notes, the Issuer or any other transaction party, both on its own account and for the account of other persons ("**Relevant Transactions**"). It should be further noted that NewDay Cards Ltd as Co-Arranger is a member of the NewDay Group. Relevant Transactions may include, *inter alia*, taking positions in, or providing funding through, other Series, including through the acquisition of Related Debt or Associated Debt and/or providing support to one or more Series through a Qualifying Swap Agreement or other form of Enhancement. In this regard, Relevant Entities are or may become holders Related Debt or Associated Debt forming part of any Series and a Relevant Entity may be or become the counterparty under a Swap Agreement and/or become the counterparty under one or more Qualifying Swap Agreements after the relevant Closing Date for each Series. Further, Relevant Entities may enter into connected transactions in relation to their participation in Relevant Transactions. As such, each Relevant Entity may have various potential and actual direct or indirect conflicts of interest arising in the ordinary course of its business. For example, a Relevant Entity's dealings with respect to any Notes, the Issuer or any other transaction party may affect the value of the Notes as the interests of this Relevant Entity may conflict with the interests of a Noteholder, and that Noteholder may suffer loss as a result. Risks of conflicts of interests will be identified and reported to senior management of each of the Relevant Entities, where applicable, in accordance with the laws, rules and regulations implementing Directive 2014/65/EU ("**EU MiFID II**") in the member states of the European Union and in the United Kingdom (in each case, to the extent applicable to the Relevant Entity).

Such rules and regulations require investment firms subject to their provisions to examine their conflicts of interests processes more carefully than under the previous MiFID regime; they require firms to assess "all risks", rather than just "material risks". Firms will be required to actively manage and prevent conflicts of interests, rather than simply disclose against them. This means that firms must have robust conflicts of interest procedures in place, which comply with these new requirements. Firms must, at least annually, review their conflicts policy, and provide conflicts reports to their senior management.

To the maximum extent permitted by applicable law, no Relevant Entity is restricted from entering into, performing or enforcing its rights in respect of the Transaction Documents or any Relevant Transaction. If potential conflicts are deemed to be insignificant by the senior management of the Relevant Entities, they may act in relation to these interests without notice to the Noteholders or any other person.

Capitalised terms used in this section which are not defined above shall have the meanings given to them in the main body of this Base Prospectus (see "*Appendix B Index of Defined Terms*").

Prohibition of Sales to European Economic Area and United Kingdom Retail Investors

The Notes are not intended to be offered, sold or otherwise made available and should not be offered, sold or otherwise made available to any retail investors in the UK. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of UK domestic law by virtue of the EUWA; (ii) a customer within the meaning of the provisions of FSMA and any rules or regulations made under FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of UK MiFIR; or (iii) not a qualified investor as defined in Article 2 of the UK Prospectus Regulation and any regulatory or implementing technical standards and other delegated or implementing acts adopted under that regulation, in each case to the extent that they form part of UK domestic law by virtue of the EUWA. Consequently, no key information document required by Regulation (EU) No 1286/2014 as it forms part of UK domestic law by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

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 (11) of Article 4(1) of EU MiFID II; (ii) a customer within the meaning of the Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of EU MiFID II; or (iii) not a qualified investor as defined in Article 2 of the EU Prospectus Regulation. Consequently, no key information document required by Regulation (EU) No 1286/2014 (the "**EU 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 EU PRIIPs Regulation.

Product Governance

UK MiFIR Product Governance

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 target market for the Notes is eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook ("**COBS**"), and professional clients, as defined in UK MiFIR, only; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**Distributor**") should take into consideration the manufacturers' target market assessment. However, a Distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**") 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.

EU MiFID II Product Governance

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 target market for the Notes is eligible counterparties and professional clients, each as defined in EU MiFID II, only; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any Distributor should take into consideration the manufacturers' target market assessment. However, a Distributor subject to EU 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.

Documents Incorporated by Reference

The following documents, which have been (1) previously published and (2) approved by the FCA or filed with it shall be deemed to be incorporated in, and form part of, this Base Prospectus:

- (a) the audited annual accounts of the Loan Note Issuer for the year ended 31 December 2021 which have previously been published and filed with the FCA, the notes thereto and the audit report prepared in connection therewith; and
- (b) the audited annual accounts of the Loan Note Issuer for the year ended 31 December 2022 which have previously been published and filed with the FCA, the notes thereto and the audit report prepared in connection therewith,

save that any statement contained herein or any of the documents 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 in any document subsequently incorporated by reference modifies or supersedes such statement (whether expressly, by implication or otherwise), **provided that** such modifying or superseding statement is made by way of a supplement to this Base Prospectus pursuant to Article 23 of the UK Prospectus Regulation. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Base Prospectus. If documents which are incorporated by reference themselves incorporate any information or other documents therein, either expressly or implicitly, such information or other documents will not form part of this Base Prospectus for the purposes of the UK Prospectus Regulation except where such information or other documents are specifically incorporated by reference or attached to this Base Prospectus. Any information in the documents incorporated by reference which is not incorporated by reference in this Base Prospectus and does not form part of this Base Prospectus is not relevant to Noteholders or is contained elsewhere in this Base Prospectus.

A copy of the documents incorporated by reference in this Base Prospectus will be available for viewing on the Regulatory News Service operated by the London Stock Exchange at <http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html>.

The Issuer will provide, without charge, to each person to whom a copy of this Base Prospectus has been delivered, upon the request of such person, a copy of any or all of the documents deemed to be incorporated herein by reference unless such documents have been modified or superseded as specified above. Written requests for such documents should be directed to the Issuer at its registered office as set out at the end of this Base Prospectus.

Available Information

In respect of any Rule 144A Notes issued, the Issuer agrees, for so long as any Rule 144A Notes are "restricted securities" within the meaning of Rule 144(a)(3) under the Securities Act, that it will, during any period in which it is not subject to and in compliance with the reporting requirements of Section 13 or 15(d) of the Exchange Act or exempt from reporting pursuant to Rule 12g3-2(b) under the Exchange Act, make available the information specified in, and meeting the requirements of, Rule 144A(d)(4) under the Securities Act to any holder or beneficial owner of such restricted securities or, in the case of the Rule 144A Notes issued to any prospective purchaser designated by such holder or beneficial owner of such restricted securities in order to permit compliance by such holder or beneficial owner with Rule 144A in connection with the resale of such restricted securities or any interest therein, in each case at the request of such holder, beneficial owner or prospective purchaser. The Issuer does not expect to become subject to such reporting requirements or to become exempt from reporting under Rule 12g3-2(b).

By requesting copies of the documents referred to herein or by making any other requests for additional information relating to the issue of the Notes or to the Issuer, each potential investor agrees to keep confidential the various documents and all written information which from time to time has been or will be disclosed to it, to the extent that such documents or information are not otherwise publicly available, and agrees not to disclose any portion of such information to any person except in connection with the proposed resale of the Notes or as required by law.

Supplementary Base Prospectus

The Issuer has undertaken, in connection with the admission of the Notes to listing on the Official List and the admission of the Notes to trading on the Main Market of the London Stock Exchange, that, if there shall occur any adverse change in the business or financial position of the Issuer or any change in the information set out under "*Terms and Conditions of the Notes*" that is material in the context of issuance of Notes under the Programme, the Issuer will prepare or procure the preparation of an amendment or supplement to this Base Prospectus or, as the case may be, publish a new base prospectus for use in connection with any subsequent issue by the Issuer of Notes to be listed on the Main Market of the London Stock Exchange.

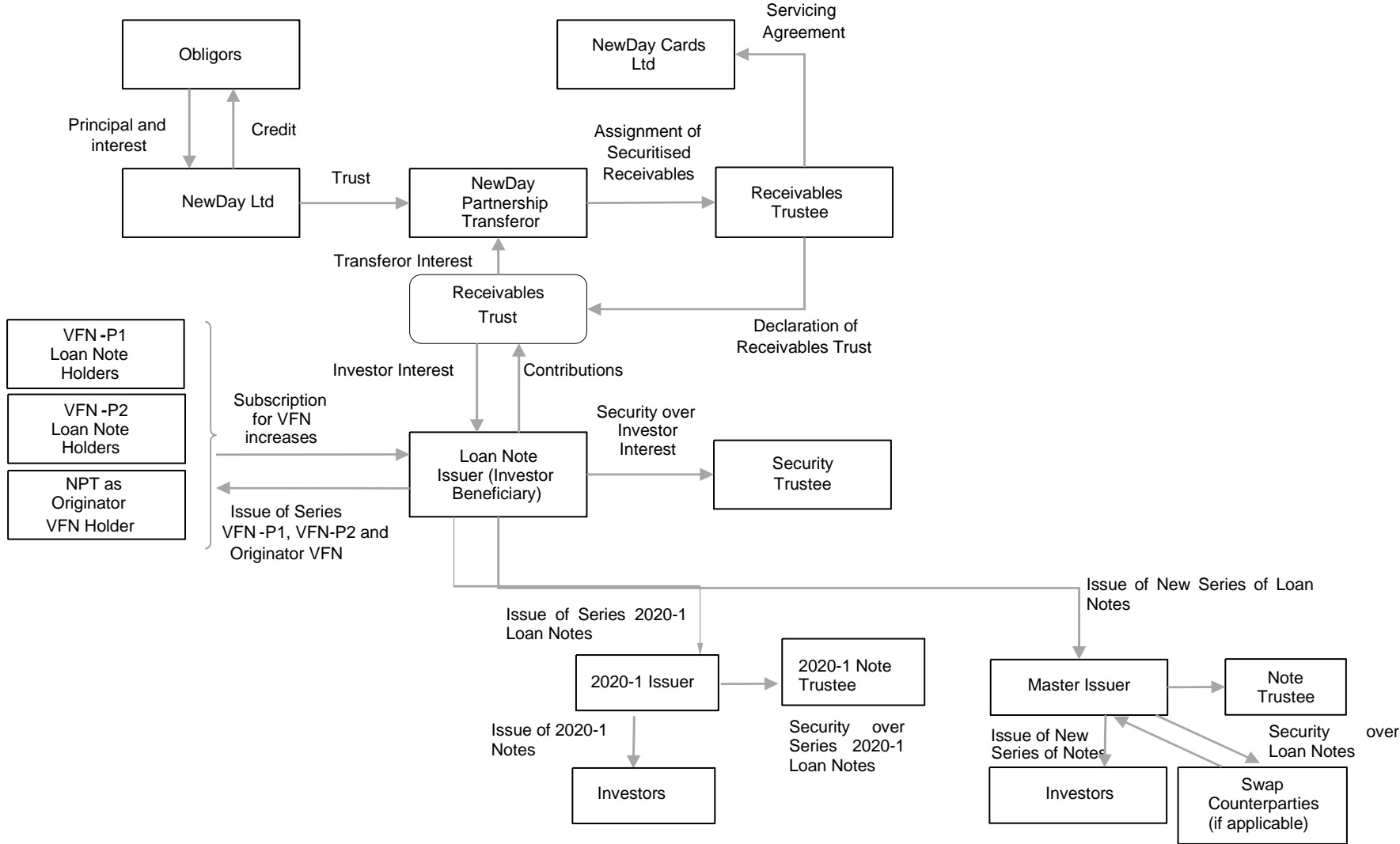
The Issuer will, at the Specified Offices of the Paying Agents, provide, free of charge, upon oral or written request, a copy of this Base Prospectus. Written or telephone requests for such documents should be directed to the Specified Office of any Paying Agent.

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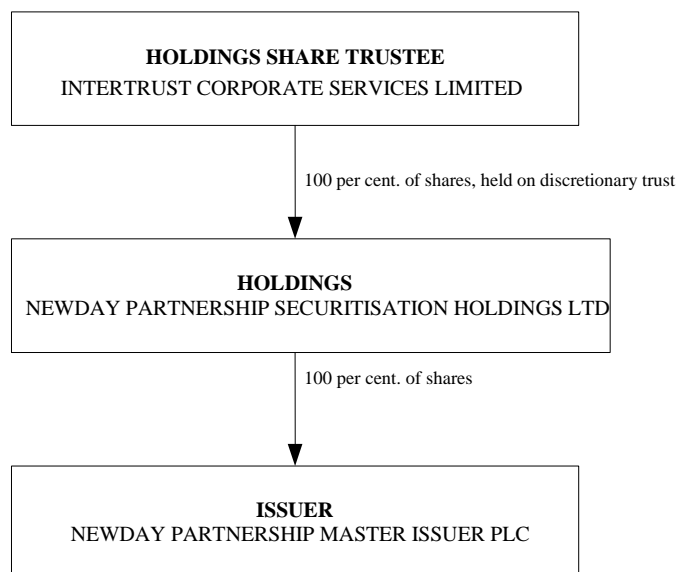
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STRUCTURAL DIAGRAM OF THE PROGRAMME



DIAGRAMMATIC OVERVIEW OF THE ISSUER'S OWNERSHIP STRUCTURE

DIAGRAMMATIC OVERVIEW OF THE ISSUER'S OWNERSHIP STRUCTURE



The above diagram illustrates the ownership structure of the Issuer, as follows:

- The entire issued share capital of the Issuer is beneficially owned by Holdings.
- The entire issued share capital of Holdings is held on trust by the Holdings Share Trustee under the terms of a discretionary trust.

RISK FACTORS

Words and expressions defined in "Terms and Conditions of the Notes" below or elsewhere in this Base Prospectus have the same meanings in this section.

Investing in the Notes involves certain risks. Prospective investors should carefully consider the following risk factors and any additional risk factors set out in a Drawdown Prospectus (if any) before deciding to invest in any Notes offered under this Base Prospectus and the applicable Final Terms or Drawdown Prospectus. Prospective investors should also read the detailed information set out elsewhere in this Base Prospectus and the applicable Final Terms or Drawdown Prospectus and form their own views (together with their own professional advisers) prior to making any investment decision. Prospective investors should consider reading the sections of this Base Prospectus entitled "Transaction Overview" to "Triggers Table" (inclusive) before reading and considering the risks described below.

The Issuer believes that the risks described below are the principal risks inherent in any investment in any Notes for Noteholders, but the Issuer may be unable to pay interest, principal or other amounts on or in connection with any Notes for other reasons and the Issuer does not represent that the statements below regarding the risks relating to any investment in any Notes are exhaustive. Additional risks or uncertainties not presently known to the Issuer or that the Issuer currently considers immaterial may also have an adverse effect on the Issuer's ability to pay interest, principal or other amounts in respect of any Notes. Prospective Noteholders should read the detailed information set out in this Base Prospectus (and the applicable Final Terms or Drawdown Prospectus) and reach their own views, together with their own professional advisers, prior to making any investment decision. Prospective Noteholders should read the sections of this Base Prospectus entitled "Transaction Overview" to "Triggers Table" (inclusive) before reading and considering the risks described below.

A. Risks Relating to the Notes

Ratings can be Revised or Withdrawn After the Notes are Issued

Any Rating Agency may revise or withdraw its rating if, in the sole judgment of the Rating Agency, the credit quality of the Notes has declined or is in question or for other tangible and intangible reasons.

Any Rating Agency may also revise or withdraw its rating with respect to any Swap Counterparty. Under the terms of any Swap Agreement that may be entered into in respect of a Note Series, the Swap Counterparty will be required to transfer or novate the Swap Agreement to a replacement Swap Counterparty or enter into other suitable arrangements (including posting collateral) if the relevant credit rating of the Swap Counterparty is withdrawn or reduced below certain thresholds. It cannot be assured, however, that a replacement Swap Counterparty would be found, or that the Swap Agreement would be transferred or novated and/or other suitable arrangements (including posting collateral) would be entered into in this event or that the ratings of the Notes will not be revised or withdrawn in this event.

If any rating assigned to the Notes is revised or withdrawn, the market value of such Notes (or other Notes of the same or different Note Series) may be reduced and their liquidity in the secondary market adversely affected.

Modifications to the Transaction Documents May be Made Without Noteholder Consent and May also Require Transferor Consent

Pursuant to the terms of the Note Trust Deed, the Note Trustee has an ability in certain circumstances to concur with the Issuer in making modifications to the Transaction Documents without the prior consent of the Noteholders, as further described in Note Condition 17 (*Meetings of Noteholders, Modification and Waiver, Substitution and Additional Rights of Modification*). The Security Trustee has similar rights under the Security Trust Deed and Cash Management Agreement. There can be no assurance that the effect of any such modification made to the Transaction Documents without Noteholder consent will not ultimately adversely affect Noteholders' interests.

The consent of certain counterparties (including members of the NewDay Group) will be required to modify any Transaction Documents to which they are a party. In addition, if an amendment constitutes a Basic Terms Modification (as defined in the Note Trust Deed), the consent of the Transferor to such amendment will be required. Any requirement for such consent may ultimately adversely affect Noteholders' interests.

Ratings Confirmations May Enable Certain Actions to be Taken Without Noteholder Consent

The terms of certain Transaction Documents require either (i) the Rating Agencies to confirm that certain actions proposed to be taken by certain transaction parties will not have an adverse effect on the then current rating of any outstanding Rated Debt, or (ii) the Servicer or the Cash Manager to make a determination, formed on the basis of due consideration, that certain actions proposed to be taken by certain transaction parties will not have an adverse effect on the then current rating of any outstanding Rated Debt (a "**Rating Confirmation**"). Investors should therefore note that certain actions (including the amendment of certain terms of the Transaction Documents) can, if a Rating Confirmation is provided, be taken without the Noteholders being required to provide consent, meaning that such actions would be outside of their control and may ultimately prove to be adverse to Noteholders.

Investors should also note that, if a Rating Agency is asked to provide a Rating Confirmation, it may or may not be provided by such Rating Agency and, if provided, represents only a restatement of the current rating of the Notes by that Rating Agency and cannot be construed as advice for the benefit of any parties to the transaction or any indication of responsibility for the consequences of any action taken on the basis of such Rating Confirmation. Where a Rating Confirmation is given by the Servicer or the Cash Manager, while the relevant party is required to take due consideration (which may involve formal or informal discussions with the Rating Agencies) in forming its opinion, there can be no guarantee that its opinion will reflect the ultimate position of the Rating Agencies, who may at any time take such action as is set out in "*Ratings can be Revised or Withdrawn After the Notes are Issued*" above.

If any rating assigned to the Notes is revised or withdrawn as a result of an action undertaken on the basis of a Rating Confirmation, the market value of the Notes may be reduced and their liquidity in the secondary market adversely affected.

If a Rating Confirmation cannot be obtained in respect of any proposed action where there is a requirement for a Rating Confirmation to be provided, whether or not the proposed action may take place may ultimately depend on, amongst other things, Noteholder approval. In such circumstances, delays in obtaining Noteholder approval for the proposed action may have an adverse effect on Noteholders.

Noteholders May Not Receive Individually Registered Holdings of Notes, Which May Cause Delays in Distributions and Hamper Noteholders' Ability to Grant Security Over or Resell the Notes

Unless beneficial interests in the Notes held through the Clearing Systems are exchanged for individually registered holdings of Notes represented by Individual Note Certificates, which will only occur under a limited set of circumstances, beneficial ownership of the Notes will only be registered in book-entry form with the relevant Clearing System. Investors should be aware that the lack of individually registered holdings of Notes could, among other things, give rise to the following adverse effects for investors:

- (a) payment delays on the Notes arising as a result of the Issuer or the Principal Paying Agent on its behalf sending distributions on the Notes to the applicable Clearing System, where delays may occur, instead of directly to Noteholders;
- (b) difficulties for Noteholders granting security over the Notes if individually registered holdings of Notes are required by the party demanding the security; and
- (c) the liquidity of the Notes in the secondary market being reduced where potential investors are unwilling to buy Notes that are not registered individually.

Risks Associated with Holding the Notes via Book-Entry Interests in the Clearing Systems

Unless and until Book-Entry Interests are exchanged for individually registered holdings of Notes, holders and beneficial owners of Book-Entry Interests will not, in general, be considered the legal owners or holders of the Notes under the Note Trust Deed. After payment by the Principal Paying Agent to the relevant Clearing System, the Issuer will not have responsibility or liability for the payment of interest, principal or other amounts in respect of the Notes to holders or beneficial owners of Book-Entry Interests (see "*Description of the Notes in Global Form*").

The Common Depositary (or its nominee) and/or Cede & Co as nominee of DTC, as applicable, will be the registered holder of the Notes as shown in the records of the applicable Clearing System, and will be the sole Noteholder under the Note Trust Deed while beneficial interests in the Notes are held in the Clearing

Systems and the Notes are represented by Global Note Certificates. Accordingly, each person owning a Book-Entry Interest must rely on the procedures of the relevant Clearing System and, if such person is not a participant in such Clearing System, on the procedures of the participant through which such person owns its interest, to exercise any right of a Noteholder under the Note Trust Deed.

Unlike Noteholders, holders of the Book-Entry Interests will not have the right under the Note Trust Deed to act upon solicitations by or on behalf of the Issuer for consents or requests by or on behalf of the Issuer for waivers or other actions from Noteholders. Instead, a holder of Book-Entry Interests will be permitted to act only to the extent it has received an appropriate proxy to do so from the relevant Clearing System or, if applicable, the participant through which it holds its interest. There can be no assurance that procedures implemented for the granting of such proxies will be sufficient to enable holders of Book-Entry Interests to vote on any requested actions on a timely basis. Similarly, upon the occurrence of an Event of Default under the Notes, holders of Book-Entry Interests will be restricted to acting through the relevant Clearing System, unless and until Book-Entry Interests are exchanged for individually registered holdings of Notes represented by Individual Note Certificates in accordance with the relevant provisions described herein under "*Terms and Conditions of the Notes*". There can be no assurance that the procedures to be implemented by the Clearing Systems in such circumstances will be adequate to ensure the timely exercise of Noteholders' rights under the Note Trust Deed, which could result in actions being taken, or not being taken, in a manner which is detrimental to Noteholders.

Although each of the Clearing Systems have agreed to certain procedures to facilitate transfers of Book-Entry Interests between their respective accountholders, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time.

None of the Issuer, the Note Trustee, any Paying Agent, the Registrar, the U.S. Registrar or any of their agents will have any responsibility for the performance by the Clearing Systems, or their respective participants or accountholders, of their respective obligations under the rules and procedures governing their operations. Consequently, investors should be aware that, should they suffer loss through the actions of the Clearing Systems or their respective participants or accountholders, they will have no recourse to the Issuer, the Note Trustee, any Paying Agent, the Registrar, the U.S. Registrar or any of their agents for any of such loss.

B. Structural Risks

The Issuer's Ability to Meet its Obligations on the Notes in a Note Series Depends on the Receipt of Sufficient Funds from the Loan Notes in Related Loan Note Series

In order to meet its ongoing payment obligations in respect of each Note Series, the Issuer will be entitled to utilise interest payments received under the Loan Notes in the Related Loan Note Series and certain other payments received from the Loan Note Issuer, which amounts will (after application in accordance with any applicable Swap Agreement) be applied, *inter alia*, (i) to pay the fees, costs and expenses of the Issuer, the Note Trustee, the Agents, the Registrar, the U.S. Registrar, the Issuer Account Bank, the Swap Collateral Account Bank and the Issuer Corporate Services Provider and other service providers from time to time, (ii) to meet the Issuer's obligations to pay interest on the Notes in the Note Series to Noteholders in accordance with the Note Conditions, (iii) to pay amounts representing the profit for the Issuer, and (iv) to meet any other payments required to be made by the Issuer. Additionally, in order to meet its obligations to repay principal in respect of each Note Series, the Issuer will be entitled to utilise certain principal payments under the Related Loan Note Series, which amounts will (after application in accordance with any applicable Swap Agreement) be applied in paying principal on the Notes in the corresponding Note Series in accordance with the Note Conditions. The Issuer will not be entitled to use payments received under a Loan Note Series to fund payments in respect of Note Series other than the Note Series to which that Loan Note Series relates.

Prospective investors in the Notes of any Note Series should be aware that the Issuer's receipt of sufficient funds under the Related Loan Note Series to pay the amounts in the Issuer Priority of Payments, including amounts of interest and principal due on the Notes in such Note Series, will be dependent on, among other things:

- (a) payments actually being made by Obligor (from whom no security has been taken in support of those payments) and the proceeds of any relevant guarantees or insurance policies in respect of Obligor (to the extent such are capable of assignment);

- (b) those payments being collected by the Servicer in accordance with the provisions of the Receivables Trust Deed and Servicing Agreement and paid to the Receivables Trustee;
- (c) distribution being made by the Receivables Trustee to the Loan Note Issuer of amounts allocable to the Loan Note Issuer in accordance with the Receivables Trust Deed and Servicing Agreement in respect of the relevant Investor Interest; and
- (d) payment being made by the Loan Note Issuer in respect of its obligations to the Issuer under the Related Loan Note Series.

If the Issuer fails to receive sufficient funds under the Related Loan Note Series from the Loan Note Issuer, then the Notes in the relevant Note Series may be redeemed early and/or the payment of interest and/or the repayment of principal on the Notes in the relevant Note Series may be delayed, be reduced or never be made. In addition, and if applicable, the Issuer's ability to pay amounts due on, and to repay the entire principal amount of, certain Classes or Sub-Classes of Notes in the relevant Note Series may be dependent on the Issuer utilising amounts received under the corresponding Class or Sub-Class of Loan Note in the Related Loan Note Series to make payment to the relevant Swap Counterparty and then payment being made by the relevant Swap Counterparty under any relevant Swap Agreement (see "*The Swap Agreements – Interest Rate Swap Transactions*" and "*The Swap Agreements – Currency Swap Transactions*" below for further detail).

Noteholders Cannot Rely on Any Person Other Than the Issuer to Make Payments on the Notes

The Notes will not represent an obligation or be the responsibility of any party to the Transaction Documents other than the Issuer. If the assets of the Issuer are not sufficient to make payments of interest and/or principal on the Notes when due, such payments may be delayed, be reduced or never be made.

Reliance on Third Parties

Each of the Receivables Trustee, the Loan Note Issuer and the Issuer is a party to contracts with a number of other third parties that have agreed to perform certain services in relation to the Receivables. For example, the Servicer has agreed to provide services, either itself or through its delegates, in respect of the Receivables under the Receivables Trust Deed and Servicing Agreement, each of the Cash Manager and the Calculation Agent has agreed to provide certain cash management and calculation services, either itself or through its delegates, under the Security Trust Deed and Cash Management Agreement, the Paying Agents and the Agent Bank have agreed to provide payment and calculation services in connection with the Notes under the Paying Agency and Agent Bank Agreement and a Swap Counterparty may agree to provide currency and/or interest rate swaps under any relevant Swap Agreement and, either through itself or through its delegates, other ancillary services. Each of the Servicer, the Paying Agents, the Calculation Agent, the Agent Bank, the Cash Manager and a Swap Counterparty may delegate all or part of their service obligations to another party in accordance with the terms of the Receivables Trust Deed and Servicing Agreement, the Paying Agency and Agent Bank Agreement, the Security Trust Deed and Cash Management Agreement and any relevant Swap Agreement, as applicable.

Each of the Receivables Trustee, the Loan Note Issuer and the Issuer will rely on the relevant third party or its delegate to exercise the rights and carry out the obligations under the respective agreement to which it is a party. In the event that any relevant third party or its delegate fails to perform its obligations under the respective agreement, including any failure arising from circumstances beyond their control, one or more Note Series may be adversely affected.

In addition, each of the Issuer, the Loan Note Issuer and the Receivables Trustee may from time to time become subject to regulatory, rating or other requirements that may require the affected entity to appoint additional third parties (or increase the level of responsibility of an existing third party) to provide relevant services and/or incur additional costs and expenses to enable it to comply with the regulatory requirements. The Issuer, the Loan Note Issuer or the Receivables Trustee, as the case may be, could be in breach of the regulatory requirements and adversely affected if it were to be unable to find a third party to provide the relevant services or perform them itself. Moreover, any such regulatory requirements may give rise to additional costs and expenses for the affected entity which would be payable prior to making payments with respect to the Notes and thereby reduce amounts available to make such payments.

Investors should note the following specific third-party risks in the context of the Notes:

- (a) if the appointment of NewDay Cards Ltd as Servicer is terminated under the terms of the Receivables Trust Deed and Servicing Agreement (for example, as a result of the material non-performance of its obligations or the occurrence of an insolvency event in respect of NewDay Cards Ltd), it will be necessary for the Receivables Trustee to appoint a Successor Servicer to undertake the obligations of the Servicer. See "*Servicing of Receivables – Termination of Appointment of Servicer*" for the circumstances in which such termination may occur and the consequences of such termination. There can be no guarantee that, at the time of any termination of the appointment of NewDay Cards Ltd as Servicer, a Successor Servicer can be appointed. Any transfer of the role of Servicer to a Successor Servicer may create disruptions in the collection process that could cause delays in the payments received by the Loan Note Issuer and the Issuer and, ultimately, in payments due on the Notes if amounts available under the Series Liquidity Reserve relating to the relevant Note Series (if applicable to such Note Series and, if applicable, to the extent available to each Class or Sub-Class of the Notes) are insufficient to cover any disruptions in the collections process.
- (b) the Servicer has appointed First Data Global Services Limited ("**Fiserv**") to perform technical and operational services in respect of the Securitised Portfolio. If the Servicer were to choose, or be forced to use, another provider of services currently provided by Fiserv, this may cause substantial migration costs, deterioration in customer service, regulatory censure and/or have a negative impact on the reputation of the NewDay Group. If Fiserv, or any other supplier appointed by the Servicer to perform similar functions, suffers any commercial, financial or operational failure, this may adversely affect the servicing of the Securitised Portfolio. Any of the foregoing may result in a decrease in collections, an increase in default and delinquency rates and/or a decline in the origination of new accounts or the usage by existing customers of their accounts, each of which may, directly or indirectly, adversely affect the Issuer's ability to meet its obligations in respect of the Notes.
- (c) Santander UK plc ("**Santander UK**") provides certain cash management and settlement services in respect of the Securitised Portfolio, and Santander UK and Société Générale, London Branch ("**SocGen UK**") provide certain credit support in respect of the Originator's settlement obligations to Mastercard in respect of the Securitised Portfolio. If Santander UK or SocGen UK, or any other bank appointed by the Servicer to perform similar functions, were to terminate the contractual arrangements under which they are provided (including as a result of any breach by members of the NewDay Group of the terms of such arrangements), this may adversely affect the Originator's ability to ensure the continued operation of Accounts through the Mastercard system and/or the Originator's ability to meet its settlement obligations to Mastercard in respect of newly created receivables on Accounts in the Securitised Portfolio, which may result in the Accounts within the Securitised Portfolio being closed to new spending, which may in turn result in an increase in default and/or delinquency rates or otherwise adversely affect the performance of the Securitised Portfolio, which may adversely affect the Issuer's ability to meet its obligations in respect of the Notes.
- (d) as at the date of this Base Prospectus, Santander UK also provides the Primary Collection Accounts (see "*Risks Related to Origination and Servicing – Commingling of Collections may Delay or Reduce Payments on the Notes*" for a description of the role of the Primary Collection Accounts). The NewDay Group may choose, for commercial reasons, or be required, as a result of Santander UK ceasing to have the requisite ratings (see "*Triggers Table – Ratings Triggers*"), to procure the closure of the existing Primary Collection Accounts and open replacement accounts at another bank. If any operational issues were to arise during such process, this may result in delays in the receipt by the Transferor (and, therefore, the Receivables Trustee) of Collections, which could cause a delay in the payments on the Notes.
- (e) under the Receivables Trust Deed and Servicing Agreement, the Transferor represents that each of the Principal Receivables assigned to the Receivables Trustee is (unless stated otherwise) an Eligible Receivable. If any of those Principal Receivables prove, in fact, to be Ineligible Receivables, this may adversely affect the collectability of those Receivables and hence the gross yield and charge-off rates of the Securitised Portfolio. Although the Transferor is under an obligation to compensate the Receivables Trustee for any Principal Receivables which (contrary to its representation) prove to be Ineligible Receivables, if the Transferor is unable to do so, or

otherwise fails to do so, this may cause a reduction in the credit ratings of the Notes or an early redemption of, or a loss on, the Notes.

Allocations of Defaulted Receivables Could Reduce Payments on the Notes

The Issuer anticipates that the Servicer will, for credit or non-credit reasons, charge off some of the Receivables (such Receivables being "**Defaulted Receivables**"). Each Investor Interest in the Receivables Trust will be allocated a portion of those Defaulted Receivables. If the amount of Defaulted Receivables allocated to the Investor Interest for a Series exceeds the amount of funds available to cover those Defaulted Receivables, such Investor Interest will be reduced. This could cause holders of the Notes in the relevant Note Series to not receive the full amount of principal and interest due to them. Any potential losses attributable to the Defaulted Receivables allocated to a given Series will be reallocated so as to be borne first by the ring-fenced Series Originator VFN Subordination provided to the relevant Series up to the available amount for such Series and second by the different Classes of Notes, with any junior ranking subordinated Classes of Notes within a Note Series absorbing losses prior to the Classes of Notes within that Note Series that are senior to them as described in the relevant Final Terms or Drawdown Prospectus for such Note Series. For additional information, see "*Series Securitisation Cashflows – The Originator VFN and the Series Originator VFN Subordination – Defaulted and Dilution Receivables; Investor Charge-offs; Allocation to the Relevant Series and the Originator VFN*" and "*The Securitised Portfolio – Delinquency, Collections and Loss Experience*".

Credit Enhancement May be Insufficient to Prevent a Loss on the Notes

The only assets that will be available to make payments on the Notes are the assets of the Issuer charged to secure payment of the Notes. If problems develop with the Receivables, such as an increase in losses on the Receivables, or if there are problems in the collection and transfer of the Receivables to the Receivables Trust, or if a Qualifying Swap Provider fails to make payments under its Qualifying Swap Agreement, or if a Swap Counterparty fails to make payments under its Swap Agreement, it is possible that the available credit enhancement on the Notes, including the applicable Series Originator VFN Subordination, will be insufficient to cover such losses and, as a result, Noteholders may not receive the full amount of interest and principal that would otherwise be received.

The Terms of Other Series May Adversely Affect Payments on the Notes

Additional Series may from time to time be created within the Receivables Trust. Payments in respect of the Investor Interest of any new Series – and Related Debt or Associated Debt in respect of that Series – will also be funded principally from Collections in respect of the Receivables in the Receivables Trust. The principal terms of any new Series will be contained in a new supplement to the Receivables Trust Deed and Servicing Agreement, the terms of which will not be subject to Noteholders' prior review or consent and could be materially different from those of an existing Series. Additionally, previously issued Series may also have materially different terms from those of an existing Series, including as a result of amendments to the terms of those Series.

The principal terms of a new or previously issued Series may include methods for determining Investor Percentages and allocating Collections, provisions creating different or additional Security or other credit enhancement, provisions subordinating that Series to other Series, Series Pay Out Events and other amendments or supplements to the Receivables Trust Deed and Servicing Agreement that apply only to that Series and those could be materially different from the equivalent provisions for an existing Series.

It is a condition to the issuance of a new Series that each Rating Agency that has rated any debt forming part of a prior Series that is outstanding – including the Notes in any Note Series – confirms in writing that the issuance of the new Series will not result in a reduction or withdrawal of its then current rating (which may be in the form of a rating of any Rated Debt being issued as part of that new Series). However, there can be no assurance that this requirement will ensure that further Series are not issued on terms which are disadvantageous to holders of Notes in existing Series or that the terms of previously issued Series are not modified in a manner which has similar consequences.

As a result, the terms of new and previously issued Series could adversely affect the timing and amounts of payments on the Notes of any Series.

Issuance of Additional Note Series May Adversely Affect Noteholders' Rights by Diluting their Voting Power

The Issuer may issue additional Note Series from time to time. Noteholders of a given Note Series may be entitled to (a) instruct the Note Trustee to enforce their rights against the Issuer or (b) otherwise direct the Note Trustee in accordance with the Note Series Documents. Under the Note Trust Deed, the giving of some instructions to the Note Trustee may only necessitate the vote of the Noteholders of one particular Note Series. However, the giving of other instructions to the Note Trustee may require the consent or approval of a percentage of the Noteholders of all outstanding Note Series. Thus, under the latter scenario, the issuance of future Note Series that will be entitled to vote together with pre-existing Note Series will dilute the voting power of holders of Notes in those pre-existing Note Series – and holders of Notes in other and/or additional Note Series may have interests that do not coincide with the interests of the holders of the Notes in any other Note Series.

Issuance of Additional Series of Loan Notes May Adversely Affect Noteholders' Rights by Diluting their Voting Power

The Loan Note Issuer may issue additional series of Loan Notes. The Loan Note Holders of each series – including the Issuer – may require the Loan Note Issuer, as Investor Beneficiary, to take action or direct actions to be taken under the Security Trust Deed and Cash Management Agreement or a supplement. However, the consent or approval of Loan Note Holders of a percentage of the total principal balance of the Loan Notes of all series might be necessary to require or direct those actions. Thus, the Loan Note Holder of any new series of Loan Notes (including the Issuer) will have voting rights that will reduce the percentage interest of the Issuer as holder of any outstanding series of Loan Notes. Loan Note Holders of other series – and/or persons with the power to direct their actions – may have interests that do not coincide with the interests of the Issuer or the holders of Notes in any given Note Series. Furthermore, even where the Issuer is the Loan Note Holder in respect of a given series of Loan Notes, it will act in respect of such Loan Notes as directed by the holders of the Notes in the corresponding Note Series, whose interests or views may differ from those of the holders of the Notes in other Note Series.

Subordinated Notes Bear Additional Risk Because They are Subject to the Prior Payment of Amounts due on Notes Senior to Them

Although all Notes in a Note Series benefit from the Principal Collections and Finance Charge Collections allocated to the relevant Series, including those reallocated from amounts originally allocated to the Series Originator VFN Subordination within the Originator VFN Series, the junior ranking Classes of Notes within a Note Series are subordinated in right of payment of principal and interest to the Classes of Notes within the same Note Series that are senior to them. Principal payments to holders of subordinated Notes will not be made until the Noteholders of each senior Class are paid in full. On each Interest Payment Date, interest is paid within a Note Series according to the seniority of the Classes of Notes. This could result in holders of subordinated Notes within the same Note Series not receiving the full amount of principal or interest due to them where the Issuer suffers a cash shortfall and where the Series Originator VFN Subordination with respect to such Series is not available and the Issuer does not have access to sufficient Shared Principal Collections and/or shared Excess Finance Charges.

The Scheduled Redemption Date or Scheduled Put Date of the Notes May be Extended

Extension of Scheduled Redemption Date

In accordance with the Note Conditions and the relevant Supplement, the Specified Class Scheduled Redemption Date for certain Classes or Sub-Classes of Notes in a Note Series may be postponed to a later Interest Payment Date falling within the relevant Class Extension Period if the Servicer delivers a Class Extension Notice, **provided that**, following the delivery of the Class Extension Notice, the Class Scheduled Redemption Date and, if applicable, any Class Scheduled Put Date, in each case, for each Class or Sub-Class in that Note Series which both (a) ranks junior to such Specified Class and (b) if such Specified Class is specified in the relevant Final Terms or Drawdown Prospectus as belonging to a Maturity Stack, is in the same Maturity Stack as such Specified Class, is no earlier than the new Specified Class Scheduled Redemption Date for such Specified Class.

In accordance with the Note Conditions and the relevant Supplement, the Series Scheduled Redemption Date for a Note Series may be postponed to a later Interest Payment Date falling within the Series Extension

Period (which will be specified in the relevant Final Terms or Drawdown Prospectus, as applicable) if the Servicer delivers a Series Extension Notice, in accordance with the terms of the relevant Supplement.

Such Series Extension Notice may provide that the Class Scheduled Redemption Date in respect of certain Classes or Sub-Classes of Notes in a Note Series may be extended by different lengths of time (or not at all), **provided that**, in respect of each Class or Sub-Class of Notes in a Note Series (a "**Relevant Class**"), following the delivery of the Series Extension Notice, the Class Scheduled Redemption Date and, if applicable, any Class Scheduled Put Date, in each case, for each Class or Sub-Class in that Note Series which both (a) ranks junior to such Relevant Class and (b) if such Relevant Class is specified in the relevant Final Terms or Drawdown Prospectus as belonging to a Maturity Stack, is in the same Maturity Stack as such Relevant Class, is no earlier than the new Class Scheduled Redemption Date for the Relevant Class. Any Relevant Class that, following the delivery of a Series Extension Notice, has a Class Scheduled Redemption Date falling prior to the extended Series Scheduled Redemption Date shall, from the date of such Series Extension Notice, if not already a Specified Class, without any further formality become a Specified Class. For further information, see "*Series Securitisation Cashflows*" and "*Terms and Conditions of the Notes*".

Extension of Scheduled Put Date

In accordance with the Note Conditions and the relevant Supplement and if "Class Reset" is so specified in the relevant Drawdown Prospectus or Final Terms, as applicable, any Class Scheduled Put Date for a Specified Class may be postponed to a later Interest Payment Date falling within the relevant Class Extension Period (which will, for such Specified Class, be specified in the relevant Final Terms or Drawdown Prospectus, as applicable), if the Servicer delivers a Class Put Deferral Notice, **provided that** the Class Scheduled Redemption Date and, if applicable, any Class Scheduled Put Date, in each case, for each Class or Sub-Class in the relevant Note Series which both (a) ranks junior to such Specified Class and (b) if such Specified Class is specified in the relevant Final Terms or Drawdown Prospectus as belonging to a Maturity Stack, is in the same Maturity Stack as such Specified Class, is no earlier than the Class Scheduled Put Date for such Specified Class. For further information, see "*Series Securitisation Cashflows*" and "*Terms and Conditions of the Notes*".

The delivery of any extension notice or put deferral notice would lead to some or all of the Notes being redeemed or repurchased on a date later than that which Noteholders may otherwise have anticipated when acquiring the Notes. Extending any Series Scheduled Redemption Date, any Specified Class Scheduled Redemption Date or any Class Scheduled Put Date for a Note Series, could adversely impact the price and liquidity of the relevant Notes in the secondary market.

Notes may be Subject to Optional Repurchase by the Issuer, and a Series Optional Amortisation may, Following the Extension of the Series Scheduled Redemption Date, any Specified Class Scheduled Redemption Date and/or any Class Scheduled Put Date, Result in an Early Redemption of the Notes

In accordance with the Note Conditions and if so specified in the relevant Drawdown Prospectus or Final Terms, all the Notes in a Note Series may be repurchased by the Issuer (acting on the instructions of the Transferor) on and from the end of the relevant Non-Call Period, and prior to the relevant Series Scheduled Redemption Date.

With respect to any Series issued under the Programme, in accordance with the relevant Supplement, the Loan Note Issuer (as the relevant Series Investor Beneficiary), acting on the instructions of the Transferor Beneficiary pursuant to the provisions of the Beneficiaries Deed, may instruct the Receivables Trustee to amortise, by way of a Series Optional Amortisation, (i) the relevant Series Investor Interest after the extension of its Series Scheduled Redemption Date and/or (ii) any Class Investor Interest or any Put Class Investor Interest after the extension or resetting of the relevant Specified Class Scheduled Redemption Date or the extension of the relevant Class Scheduled Put Date, as applicable (subject to certain criteria being met in respect of the maturity dates of the Class Investor Interests or Put Class Investor Interests subject to the Series Optional Amortisation). This would lead to the redemption of the relevant Note Series, the relevant Specified Class and/or the relevant Put Class Notes, as applicable, earlier than would otherwise be the case.

Following any repurchase or early redemption of any Notes, a Noteholder may not be able to reinvest the repurchase or redemption proceeds in a comparable security at an effective interest rate as high as that of the relevant Notes. The market value of the relevant Notes and their liquidity in the secondary market may

also be impacted by an Optional Repurchase or Series Optional Amortisation feature. For further information, see "*Series Securitisation Cashflows – Series Optional Amortisation*" and "*Terms and Conditions of the Notes*".

Early Termination of a Swap Agreement Could Result in an Early Redemption of the Related Notes and/or an Inability of the Issuer to Pay the Amounts Due on such Notes

Each Swap Agreement may be terminated upon the occurrence of certain events (as summarised in "*The Swap Agreements*" below and/or, if applicable, a Drawdown Prospectus). There can be no assurance that a Swap Agreement will not be terminated prior to the payment in full of the relevant Notes of the relevant Note Series.

If a Swap Agreement is terminated before its scheduled termination date, the Issuer or the Swap Counterparty may be liable to make an early termination payment to the other party. The amount of such termination payment will be based:

- (i) where a Swap Agreement is terminated in circumstances in which the Issuer is the Defaulting Party or Affected Party (each as defined therein), on the determination by the Swap Counterparty in good faith of the total losses and costs (or gains) incurred, including any loss of bargain, cost of funding or, at the election of such party but without duplication, the losses or costs incurred as a result of its terminating, liquidating, obtaining or re-establishing any hedge or related trading position (or any gain resulting from any of them); or
- (ii) where a Swap Agreement is terminated due to the Swap Counterparty's failure to comply with remedial actions necessary to ensure continuing compliance with the ratings criteria of the relevant Rating Agency following a Swap Counterparty Downgrade Event or any other circumstances detailed in the relevant Swap Agreement, on the market value of the swap transaction under the relevant Swap Agreement at the time of termination as more fully set out in the relevant Swap Agreement. This market value will be computed on the basis of market quotations of the cost of entering into a replacement swap transaction with the same terms and conditions that would have the effect of preserving the respective full payment obligations of the parties.

Any such termination payment could be substantial if, for example, interest rates or currency exchange rates have changed significantly. If the relevant Swap Counterparty fails to pay all or part of any termination payment owing to the Issuer, the likelihood of the Issuer being unable to fund the payment of any amount necessary to enter into a replacement swap will be increased. In any event, there can be no guarantee that the Issuer would be able to enter into a replacement swap transaction on similar terms or at all. If the swap transaction under a terminated Swap Agreement was a cross-currency swap, and the Issuer is not able to enter into a replacement swap transaction, it would need to make alternative arrangements to swap its sterling receipts under the relevant Loan Note corresponding to the relevant Non-Sterling Notes into the relevant Non-Sterling Currency in order to make payments in respect of such Non-Sterling Notes, which may result in a shortfall in the required amount in the relevant Non-Sterling Currency. If the swap transaction under a terminated Swap Agreement was an interest rate swap, and the Issuer is not able to enter into a replacement swap transaction, it may be unable to make alternative arrangements to hedge the variance in (i) the interest payments received under the Loan Note corresponding to the relevant Notes and (ii) the interest payments to be made in respect of such Notes, which may result in a shortfall in the amount required to make such payments of interest under the Notes. Accordingly, the termination of a Swap Agreement may reduce, accelerate or delay payments of interest and principal on the relevant Notes.

Disruptions to Cashflow due to Swap Counterparty Default

If a Swap Counterparty fails to make payments under a Swap Agreement, it is possible that Noteholders may not receive the full amount of interest and principal that they would otherwise receive on time or at all.

Enforcement of the Security for the Notes

The Note Trustee may take steps to enforce the Security for the Notes of each Note Series created under the Note Trust Deed and the relevant Note Trust Deed Supplement if such security has become enforceable in accordance with the provisions therein, and the Note Trustee shall do so if directed by the requisite

percentage of the Most Senior Note Class in the relevant Note Series, **provided that** the Note Trustee has been indemnified and/or secured and/or prefunded to its satisfaction.

If the Security for the Notes of a relevant Note Series created by the relevant Note Trust Deed Supplement is enforced following an Event of Default in respect of such Note Series, the Note Trustee will have recourse to payments due from the Loan Note Issuer under the Related Loan Note Series and contractual payments in respect of the Available Series Originator VFN Subordination for such Series. However, investors should note that enforcement of the Security for the Notes in a Note Series will not automatically result in the accelerated repayment of such Notes or the acceleration of the payments under the Related Loan Note Series or enforcement of the related security. The Note Trustee will be able to distribute to Noteholders within a particular Note Series only those funds which are available under the Loan Notes in the Related Loan Note Series securing that Note Series. If the Security for the Notes in a Note Series is enforced, the monies deposited in respect of the Related Loan Note Series on each Transfer Date in the Issuer Distribution Account may not be sufficient to make payments of all amounts due from the Issuer. If funds credited to the Issuer Distribution Account, taking into account all payments in priority owed by the Issuer, are insufficient to meet payments of principal and interest on the Notes, payment of principal and interest on the Notes may be delayed, be reduced or never be made.

For a complete description of the priority of payments, refer to "*Series Securitisation Cashflows – Application of Available Funds*". See also "*Insolvency Proceedings and Subordination Provisions*".

Enforcement of the Loan Note Security

The Security Trustee may take steps to enforce the security created under the Security Trust Deed and Cash Management Agreement and each Loan Note Supplement if such security has become enforceable in accordance with the provisions therein, and the Security Trustee shall do so if directed by the relevant Loan Note Holder, **provided that** the Security Trustee has been indemnified and/or secured and/or prefunded to its satisfaction.

Upon enforcement of the security for any Loan Notes comprised in the Security Trust Deed and Cash Management Agreement and the relevant supplement thereto, the Security Trustee will have recourse only to the Loan Note Issuer's beneficial entitlement to trust property under the Receivables Trust to the extent of the Investor Interest backing the relevant Loan Note Series. However, enforcement of the Security in respect of the relevant Loan Note Series in respect of a single Loan Note Series will not result in accelerated repayment of all series of Loan Notes, except in the event of a Trust Pay Out Event (see "*The Receivables Trust – Trust Pay Out Events*"). The Security Trustee will be able to pay to the Issuer as beneficial holder of the Loan Notes only those funds which are credited to the relevant ledger of the Loan Note Issuer Distribution Account. The Loan Note Issuer and the Security Trustee will have no recourse to the Transferor other than the ability (in certain circumstances) to call upon the Receivables Trustee to exercise its rights against the Transferor under the Receivables Securitisation Deed for any breach of certain representations in respect of the Receivables and for any breach of certain other obligations as therein specified. If funds credited to the relevant ledger of the Loan Note Issuer Distribution Account are insufficient to meet payments of principal and interest on the Loan Notes in the Related Loan Note Series, taking into account all payments to be made in priority by the Loan Note Issuer, payments of principal and interest on the Notes in a Note Series may be delayed, be reduced or never be made.

For a complete description of the priority of payments in respect of the Loan Notes, refer to "*The Loan Note Series – Cashflows of the Loan Note Issuer*".

A Partial Amortisation Event May Result in an Early Redemption of the Notes

A Partial Amortisation Event will occur if certain thresholds are breached and there is Cash Available for Investment in the Receivables Trustee Investment Account. These thresholds relate, broadly, to excess spread being below a minimum threshold level or the amount of retained Cash Available for Investment exceeding a maximum amount, in each case, for a specified period of time. Retention of Cash Available for Investment may occur, for example, if the arrangements with a retailer or other party (not being a member of the NewDay Group, or any other person acting on behalf of a member of the NewDay Group) which is party to a retail partner agreement or other affinity or private-label arrangement pursuant to which any Accounts are originated or maintained by or on behalf of the Originator (a "**Retail Partner**") have terminated and that Retail Partner (or a third party) has acquired the Receivables arising on the Accounts originated through that Retail Partner (which, under certain of those arrangements, the relevant Retail

Partner may be entitled to require, pursuant to a purchase option granted in its favour). Retention of Cash Available for Investment may also occur as a result of Collections materially exceeding the amount of new Principal Receivables being added to the Receivables Trust, causing Cash Available for Investment to build-up. Retention of Cash Available for Investment may also occur where a Contribution has been made to the Receivables Trust and such Contribution is not applied to acquire new Principal Receivables or refinance another Series. Investors should be aware that Notes of a given Note Series may be redeemed as a result of the amount of excess spread for another Series falling below the minimum threshold level at a time when the amount of excess spread for the Series in respect of which such investors hold Notes is not below the minimum threshold level.

If a Partial Amortisation Event were to occur, the Servicer would give notice of such event (as described below at "*Series Securitisation Cashflows – Partial Amortisation*"), in respect of all or some of the Outstanding Series, to the Receivables Trustee who in turn would use Cash Available for Investment to amortise (in whole or in part) the Investor Interests selected by the Servicer (in accordance with principles specified in the Transaction Documents), which would lead to the Notes for the related Note Series being redeemed in part or in full earlier than expected. Further details on the order of priority in which the Servicer will select the Investor Interests to be amortised (in whole or in part) are described at "*Series Securitisation Cashflows – Partial Amortisation*".

Insolvency Proceedings and Subordination Provisions

There is some uncertainty (particularly in a cross-border context) as to the validity and/or enforceability of a provision which (based on contractual and/or trust principles) subordinates certain payment rights of a creditor to the payment rights of other creditors of its counterparty upon the occurrence of insolvency proceedings relating to that creditor. In particular, recent cases have focused on provisions involving the subordination of a swap counterparty's payment rights in respect of certain termination payments upon the occurrence of insolvency proceedings or other default on the part of such counterparty. Such provisions are similar in effect to the terms included in the Transaction Documents relating to the subordination of the amount equal to any termination payment which might be due and payable to a Swap Counterparty pursuant to the relevant Swap Agreement where such Swap Agreement has been terminated as a result of the default of the Swap Counterparty, including as a result of the Swap Counterparty's insolvency. Similar considerations would apply if a Qualifying Swap Agreement were to be entered into, as such Qualifying Swap Agreement would also be subject to provisions of similar effect (as a consequence of the provisions of the Security Trust Deed and Cash Management Agreement and the relevant supplement thereto).

The UK Supreme Court has affirmed decisions of the English High Court and Court of Appeal that such a subordination provision is valid under English law. However, there has been some uncertainty regarding the position under U.S. law, in that a U.S. bankruptcy court held in 2010 that such a subordination provision is unenforceable under U.S. bankruptcy law in the case of a U.S. bankruptcy of the counterparty. Whilst leave to appeal was granted, the case was settled before an appeal was heard. In a subsequent case, a U.S. bankruptcy court held that such a subordination provision is enforceable. On appeal, the U.S. district court affirmed that decision and, on 11 August 2020, the U.S. Court of Appeals for the Second Circuit affirmed the district court opinion. Although the U.S. Supreme Court may subsequently consider the issue in another context, the Second Circuit decision significantly reduces the possibility that English and U.S. courts would diverge in their approach to the validity of such a subordination provision. Any such divergence arising from an unfavourable decision in the U.S. may (were a Swap Counterparty or a Qualifying Swap Provider, as applicable, to be subject to U.S. bankruptcy proceedings) adversely affect the Issuer's ability to make payments on the Notes.

Permitted Investments

Amounts standing to the credit of certain accounts may in specific circumstances be invested in Permitted Investments. Volatility in financial markets may adversely affect the credit ratings of Permitted Investments. Although Permitted Investments are required to have specified credit ratings from the Rating Agencies at the time of purchase or to otherwise meet Rating Agency standards intended to minimise risk of loss on such investments, risk of loss (owing to default by the issuer or otherwise) cannot be entirely eliminated. Previous adverse market conditions have led to a number of fixed income securities, especially structured finance or asset-backed securities, being downgraded in a short space of time. Should such a downgrade occur, it may (even in the absence of default by the relevant issuer) lead to a loss on the Permitted Investment when it is sold. Any losses arising in respect of Permitted Investments will decrease

the amount of cash standing to the credit of the relevant account and, ultimately, impact the amount available to the Issuer to apply pursuant to the Issuer Priority of Payments.

C. Risks Relating to Market Issues, Including Regulation

Increased Regulation of Securitisations May Result in Increased Requirements for Investors, Regulatory Sanctions and/or Decreased Liquidity in Respect of the Notes

In Europe, the United States and elsewhere, there has been, and continues to be, increased political and regulatory scrutiny of the asset-backed securities industry. This has resulted in a significant number of measures for increased regulation which are currently at various stages of implementation. These measures (and any future regulatory initiatives affecting the asset-backed securities industry) may have an adverse impact on investors in asset-backed securities (for example, through further changes to the regulatory treatment for certain investors and/or the incentives for certain investors to hold asset-backed securities), and may thereby affect the liquidity or price of such securities (including the Notes) in the secondary market.

UK Risk Retention Rules

The UK Securitisation Regulation sets out the risk retention and disclosure requirements imposed variously on each securitisation special purpose entity, originator, sponsor and/or original lender in a securitisation as well as the due diligence requirements for UK Affected Investors, which apply prior to acquiring the relevant securitisation position and on an ongoing basis whilst the UK Affected Investor holds the securitisation position. For more information on how the Transferor complies with the risk retention requirements of the UK Securitisation Regulation, see "*Regulatory Disclosure - UK Securitisation Regulation Requirements*".

There are a number of specific risks which should be highlighted in respect of the UK Securitisation Regulation:

- (a) The undertakings contained within the Transaction Documents given by the Loan Note Issuer, the Transferor and the Servicer to provide the information required by Articles 7(1)(a), (e), (f) and (g) of the UK Securitisation Regulation are subject to a commercially reasonable efforts (or similar) standard and/or subject to other provisos and the undertaking of the Transferor given in relation to risk retention is subject to certain provisos. Where such provisos apply, if the Transferor and/or Loan Note Issuer fails to comply with their obligations under the UK Securitisation Regulation, there may be no breach of the relevant undertaking in the Transaction Documents on the part of the Loan Note Issuer, the Transferor or the Servicer (as applicable) for such non-compliance. UK Affected Investors should therefore carefully consider any consequences applicable to them in relation to holding the Notes in such circumstances.
- (b) Each UK Affected Investor that is required to comply with Article 5 of the UK Securitisation Regulation is required to independently assess and determine the sufficiency of the information described in this Base Prospectus and which may otherwise be made available to investors for the purposes of its initial and ongoing compliance with Article 5 of the UK Securitisation Regulation. Should a UK Affected Investor determine that they have insufficient information in order to comply with their own due diligence obligations under Article 5 of the UK Securitisation Regulation, there is no obligation on the Loan Note Issuer, the Transferor or any other party (including, for the avoidance of doubt, the Programme Arranger, the Co-Arranger or any Dealer) to provide further information to meet such insufficiency.

"**UK Affected Investor**" means each of CRR firms (as defined by Article 4(1)(2A) of Regulation (EU) No 575/2013 as it forms part of UK domestic law by virtue of the EUWA), FCA investment firms (as defined by Article 4(1)(2AB) of Regulation (EU) No 575/2013 as it forms part of UK domestic law by virtue of the EUWA), UCITSs (as defined by section 236A of the FSMA) which are authorised open ended investment companies (as defined in section 237(3) of the FSMA), AIFMs (as defined in regulation 4(1) of the Alternative Investment Fund Managers Regulations 2013) which market or manage AIFs (as defined in regulation 3 of the Alternative Investment Fund Managers Regulations 2013) in the United Kingdom, insurance and reinsurance undertakings (as defined in section 417(1) of the FSMA), management companies (as defined in section 237(2) of the FSMA) and occupational pension schemes (as defined in section 1(1) of the Pension Schemes Act 1993) that have their main administration in the United Kingdom

or fund managers of such schemes appointed under section 34(2) of the Pensions Act 1995 that, in respect of activity undertaken pursuant to that appointment, are authorised for the purposes of section 31 of the FSMA.

"**UK Securitisation Regulation**" means Regulation (EU) 2017/2402 and the implementing regulatory and technical standards in respect thereof, in each case as they form part of UK domestic law by virtue of the EUWA, and as subject to any transitional relief of the FCA, the Bank of England, the PRA, the Pensions Regulator or any other relevant UK regulator (or their successor).

U.S. Credit Risk Retention Rules

In the U.S., the U.S. Credit Risk Retention Rules generally require "sponsors" to retain, in one of a number of specified ways, not less than 5 per cent. of the credit risk of the assets securitised, and generally prohibit sponsors from directly or indirectly eliminating or reducing their credit exposure by hedging or otherwise transferring the credit risk that the sponsor is required to retain. If the Transferor fails to retain credit risk in accordance with the U.S. Credit Risk Retention Rules, the price and liquidity of the Notes in the secondary market may be adversely impacted. See "*Regulatory Disclosure – U.S. Credit Risk Retention*" for information on how the Transferor complies with the U.S. Credit Risk Retention Rules.

Increased Prudential Regulation for Certain Investors in the Notes

Governmental and regulatory authorities in the United Kingdom, the United States and elsewhere have introduced additional capital and funding requirements and are implementing other measures including increased regulatory control in their respective financial sectors. It remains uncertain how these changes will impact financial institutions and entities involved in securitisations of assets originated by such financial institutions, including the Issuer and the Loan Note Issuer.

The Basel Committee on Banking Supervision ("**BCBS**") approved certain changes to the Basel II regulatory and capital framework (commonly known as "**Basel III**") and the Basel III reform package has been implemented in Europe through amendments to the Capital Requirements Directive (Directive 2013/36/EU) and through an associated Capital Requirements Regulation (Regulation (EU) No 575/2013) (the "**CRR**") (together known as "**CRD IV**"), which were published in the Official Journal of the European Union on 27 June 2013. Full implementation began from 1 January 2014, with particular elements being phased in over a period of time, to be fully effective by 2024. Building on this foundation, amendments were made to CRD IV through Regulation (EU) No 876/2019 and Directive (EU) 2019/878, which both entered into force on 27 June 2019, reflecting changes to international prudential standards following on from the Basel III standards. Further reforms to Basel III were agreed by the BCBS in December 2017, including reforms relating to the standardised and internal ratings-based approaches for credit risk, and a revised output floor. Member countries were expected to implement these 2017 reforms, sometimes referred to as "Basel IV", by 1 January 2023 (with the exception of those relating to the output floor, which are to be phased in from 1 January 2023 and completed by 1 January 2028). On 30 November 2022, the PRA published a consultation paper, "Implementation of the Basel 3.1 standards" (CP16/22), pursuant to which it proposed a five-year transitional period for implementation of the Basel IV reforms (referred to by the PRA as "Basel 3.1") beginning on 1 January 2025. The consultation closed on 31 March 2023. The European Commission adopted legislative proposals in October 2021 for a regulation and a directive to implement the Basel IV reforms by way of amendment of CRD IV (respectively, "**CRR III**" and "**CRD VI**"). The Commission intends for CRR III to apply, in large part, from 1 January 2025 and for measures implementing CRD VI to be adopted 18 months from the date of its entry into force. There is expected to be regulatory divergence between the UK and the EU as a result of these measures. For example, the UK government plans to revoke certain articles of the CRR as it forms part of UK domestic law pursuant to the EUWA (the "**UK CRR**") and replace them with PRA rules, in line with the broader plans for the future UK regulatory framework (see "*The Financial Services and Markets Bill 2022-23*" below).

The market value of the Notes, and the secondary market for the Notes, may be adversely affected as a result of the capital and liquidity requirements described above applying to certain Noteholders and certain potential investors in the Notes. Such consequences may occur as a result of the regulatory reforms discussed above having an impact on the capital requirements associated with the Notes, and/or on incentives to hold the Notes, for investors that are subject to requirements that follow the revised Basel framework (including, in the European Union, CRD IV as amended).

Investors subject to the capital and liquidity requirements described above should seek their own advice in respect of their obligations under such regulations.

Absence of Secondary Market for the Notes, Limited Liquidity

No active and liquid secondary market for any Class of Notes is expected to exist on the relevant Closing Date for each Note Series and no assurance can be given that an active and liquid secondary market for such Notes will develop, or, if it does develop, that it will provide Noteholders with liquidity of investment for the life of the Notes. Any investor in the Notes must be prepared to hold its Notes for an indefinite period of time or until their final maturity date as it may only be possible to sell the Notes in the secondary market at a discount to the original purchase price.

The secondary market for asset-backed securities similar to the Notes has, at times (for example, during, and in the aftermath of, the global financial crisis of 2008-2009 and during the COVID-19 pandemic), experienced limited liquidity, and any recurrence of such conditions may have an adverse effect on the market value of asset-backed securities, including the Notes. Whilst central bank schemes such as the Bank of England's discount window facility, the European Central Bank's liquidity scheme and the European Central Bank's asset-backed securities purchase programme may provide a source of liquidity in respect of eligible securities, there is no certainty that the Notes will be accepted as eligible securities for any such facilities either upon issue or subsequently or that such facilities will be continued or maintained during the life of the Notes.

Further, investors should be aware that, if insufficient information is provided to investors on the performance of the Receivables while the Notes remain outstanding, or if the Transferor fails to maintain the retention required by applicable regulation, potential secondary market purchasers may be less willing to invest in the Notes or, for certain classes of investor, be prevented from, or incur significant capital costs as a result of, making such an investment due to regulation applicable to such investors. Each of these situations may adversely affect the secondary market liquidity for the Notes and therefore the price at which an investor can sell its Notes.

Risks Relating to the Use of Reference Rates

Interest rates or other types of rates and indices which are deemed to be "benchmarks" are the subject of ongoing national and international regulatory reform. As a result of the implementation of any such reforms, the manner of administration of benchmarks may change, with the result that they may perform differently than in the past, or benchmarks could be eliminated entirely, or there could be other consequences which cannot be predicted. For example, on 27 July 2017, the FCA announced that it would no longer persuade or compel banks to submit rates for the calculation of LIBOR and, as at the date of this Base Prospectus, LIBOR has ceased to be published for most currencies and tenors (with the remaining LIBOR rates, which are not meant to be used for new arrangements, to be discontinued at specified points in the future). The Working Group on Sterling Risk-Free Reference Rates, which was established in 2015 to implement the Financial Stability Board's recommendations to replace benchmarks such as LIBOR with risk-free rates, identified SONIA as the preferred alternative risk-free rate to Sterling LIBOR. Similarly, the New York Federal Reserve's Alternative Reference Rates Committee identified SOFR, and SOFR-derived rates such as Term SOFR, as the preferred alternative to U.S. Dollar LIBOR. SONIA relates exclusively to Sterling and SOFR relates exclusively to U.S. Dollars, and both SONIA and SOFR are derived from historical data. Term SOFR relates exclusively to U.S. Dollars and is based on market expectations of SOFR derived from derivatives markets.

Investors should be aware that the use of SONIA, SOFR and Term SOFR as a benchmark rate for asset-backed securities such as the Notes is a relatively recent development, and market practice continues to develop in relation to the use of SONIA, SOFR and Term SOFR as a reference rate in the capital markets for, as applicable, Sterling and U.S. Dollars. Market terms for debt securities indexed to SONIA, SOFR and Term SOFR, such as the spread over the reference rate reflected in interest rate provisions or the applicable observation method, may evolve over time, and the trading prices of the Notes adopting a particular formulation may, as a result, be lower than those of later-issued debt securities (including other Notes) which adopt a different formulation. The market or a significant part thereof may adopt an application of risk-free rates that differs significantly from that set out in the Note Conditions and used in relation to floating rate Notes that reference a risk-free rate issued under this Base Prospectus. In this respect, from 3 August 2020, the Bank of England started publishing a daily SONIA compounded index, an approach similar to that already taken by the Federal Reserve Bank of New York in respect of SOFR.

This means that a screen rate based on an observable publicly available average rate or index may evolve over time (although there is no guarantee of this).

Investors should be aware that, if any benchmark were discontinued or otherwise unavailable, the Rate of Interest on any Notes which are linked to or which reference such benchmark will be determined for the relevant period by the fallback provisions applicable to such Notes. The Note Conditions provide for certain fallback arrangements in the event that a published benchmark (or any page or service on which such benchmark may be published) becomes unavailable. The ultimate fallback in respect of such Notes will be to apply a fixed rate based on the rate or rates which applied or were offered in the previous Interest Period when such benchmark was available.

Interest on Notes which reference a compounding or averaging risk-free rate is only capable of being determined after the start of each interest period. It may be difficult for investors in Notes which reference such risk-free rates to reliably estimate the amount of interest which will be payable on such Notes, and some investors may be unable or unwilling to trade such Notes without changes to their IT systems, both of which could adversely impact the liquidity of such Notes. Investors should consider these matters when making their investment decision with respect to any such floating rate Notes.

In addition, if the floating rate component of the interest rate applicable to the Loan Notes and/or the Notes in a Series is, pursuant to the Note Conditions, determined in a different manner or by reference to a different index or methodology (owing, for example, to the unavailability of the relevant reference rate), then the floating rate component of the corresponding payments under any related Swap Agreement may automatically be adjusted (if provided for in the relevant Swap Agreement). In such circumstances, the Swap Counterparty may be entitled to adjust the spread payable by the Issuer under the Swap Agreement in order to preserve the economic balance between the Issuer and the Swap Counterparty under the Swap Agreement (and the margin on the related Loan Note will be automatically adjusted in turn). Although any such adjustment by the Swap Counterparty to the spread payable by the Issuer under the Swap Agreement will entitle the Issuer to terminate the Swap Agreement, it may not be practicable or economic for the Issuer to do so, owing to the absence of alternative swap arrangements available in the market at the time. In such circumstances, the Issuer may not have sufficient funds available to it in order to make payments on the Notes to which the Swap Agreement relates on a timely basis or in full.

Risks Relating to Reference Rate Modifications

Investors should note the various circumstances in which a modification may be made to the Note Trust Deed or the Note Conditions or any other Issuer Documents (including, subject to the agreement of the Swap Counterparty, a Swap Agreement) for the purpose of changing an Existing Reference Rate (as defined in Note Condition 17(d) (*Additional Right of Modification in Relation to Reference Rate Cessation*)) or such other related or consequential amendments as are necessary or advisable in the reasonable judgment of the Issuer to facilitate such change (a "**Reference Rate Modification**"). These circumstances broadly relate to the disruption or discontinuation of such Existing Reference Rate or a change in the manner in which such rate is calculated, but also specifically include, *inter alia*, any public statements by the relevant benchmark administrator or certain regulatory bodies that such Existing Reference Rate will be discontinued or may no longer be used, and a Reference Rate Modification may also be made if the Cash Manager reasonably expects any of these events to occur within six months of the proposed effective date of the Reference Rate Modification, subject to certain conditions. There can be no assurance that any such amendment will mitigate the interest rate risk or result in an effective replacement methodology for determining the reference rate on the Notes or the Swap Agreement. Investors should note the various circumstances in which a Reference Rate Modification may be made, which are specified in paragraph (i)(A) of Note Condition 17(d) (*Additional Right of Modification in Relation to Reference Rate Cessation*) and should also note the various options permitted as a "Replacement Reference Rate" specified in paragraph (i)(B) of Note Condition 17(d) (*Additional Right of Modification in Relation to Reference Rate Cessation*).

Any such modification to, or discontinuation of, an Existing Reference Rate or any replacement benchmark adopted in respect of the Notes could have a material adverse effect on the value of and return on any of the Notes. In particular, investors should note that divergent interest rate calculation methodologies may apply as between the Notes and the related Swap Agreement due to the applicable interest rate determination fall-back provisions, different modification provisions or other matters and the effects of this could include a reduction in the amounts available to the Issuer to meet its payment obligations in respect of the Notes.

D. Legal and Political Considerations

Social, Legal, Political and Economic Factors Affect Consumer Credit Payments and Repayment of the Notes and are Unpredictable

Changes in consumer credit use, borrowing and payment patterns, amounts of yield on the Securitised Portfolio generally and the creditworthiness of, and rates of delinquencies and defaults by, Obligor may result from a variety of social, legal, political and economic factors in the United Kingdom generally or in any particular region where there is a concentration of Obligors from time to time (including increases in the cost of living, any economic impact of the conflict in Ukraine, any effects arising in connection with an epidemic or pandemic and any associated governmental intervention). Social factors include changes in public confidence levels, such as may result from concerns about the state of the economy or public health matters (for example, a widespread epidemic or pandemic like the COVID-19 pandemic), attitudes toward incurring debt, perception of the use of consumer credit and the reputation of the NewDay Group. Economic factors include, but are not limited to, the rate of inflation, the unemployment rate, rates of income tax and/or national insurance contributions and relative interest rates offered for various types of credit. For example, a severe deterioration in the economy for any reason coupled with rising unemployment and increases in the Bank of England base rate and/or any other reference rates could have a negative impact on consumer credit performance in the Securitised Portfolio (including as a result of increased credit losses, increased numbers of customers requiring or requesting forbearance and/or any related regulatory or legal interventions). Political factors include lobbying from interest groups, such as consumers and retailers, and government initiatives in consumer and related affairs and government-encouraged payment accommodations in times of economic stress, such as during a recession or public health emergency (such as the COVID-19 pandemic).

It is difficult to determine accurately whether, or to what extent, social, legal, political or economic factors will affect the future use of credit, borrowing and payment patterns, default and delinquency rates or the yield on the Securitised Portfolio generally and correspondingly the extent to which they may have an adverse impact on the Issuer's ability to make payments on the Notes.

Changes of Law or Regulation May Adversely Affect Interests of Noteholders

The arrangements and transactions described in this Base Prospectus (including those relating to the issuance of any Notes) are based on the relevant law and administrative practice in effect as at the date hereof, and having regard to the expected tax treatment of all relevant entities under such law and practice. Similarly, the arrangements and transactions described in any Final Terms or Drawdown Prospectus (including those relating to the issuance of the relevant Notes and any ratings which are to be assigned to those Notes) will be based on the relevant law and administrative practice in effect as at the date thereof and having regard to the expected tax treatment of all relevant entities under such law and practice. No assurance can be given as to the impact of any possible change to the law (including any change in regulation which may occur without a change in primary legislation), administrative practice or tax treatment after the date of this Base Prospectus or any Final Terms or Drawdown Prospectus, nor can any assurance be given as to whether any such change would adversely affect the ability of the Issuer to make payments under the Notes.

Ongoing Effects of the United Kingdom's Exit from the European Union May Adversely Affect Payments on the Notes

Following the outcome of a referendum on 23 June 2016 and a formal notice given by the United Kingdom to the European Union on 29 March 2017 under Article 50 of the Treaty on European Union, the United Kingdom left the European Union on 31 January 2020 ("**Brexit**"). Although the EU treaties ceased to apply to the UK upon its exit from the EU, the terms of the withdrawal agreement between the UK and the EU (the "**Withdrawal Agreement**") meant that EU law continued to apply in the UK, and the UK continued to be a part of the EU single market, during an "implementation period", which ended on 31 December 2020. On 24 December 2020, the UK and the EU agreed a trade and co-operation agreement (the "**Trade and Co-operation Agreement**"), which sets out the principles of the relationship between the EU and the UK following the end of the implementation period provided for in the Withdrawal Agreement.

Brexit has resulted in political, legal, regulatory, economic and market uncertainty, which has continued following the signing of the Trade and Co-operation Agreement. The continued effects of Brexit could adversely affect any Note Series issued under the Programme and the interests of Noteholders. Such

uncertainty and consequential market disruption may also cause investment decisions to be delayed, reduce job security and damage consumer confidence. The resulting adverse economic conditions could affect Obligors' willingness or ability to meet their obligations, resulting in increased delinquencies and defaults in the Securitised Portfolio and ultimately negatively affecting the ability of the Issuer to pay interest and repay principal to Noteholders.

Brexit may also have an adverse effect on the Issuer, the Loan Note Issuer, the Receivables Trustee, members of the NewDay Group or other transaction parties (or, in each case, their suppliers). Counterparties may be adversely affected by the loss of regulatory rights to carry on cross-border business, rating actions, trade barriers, labour shortages, an economic downturn or volatile and illiquid markets (including currency markets and bank funding markets) arising from Brexit. As a result, there is an increased risk of such entities becoming unable to fulfil their obligations which could (directly or indirectly) have an adverse impact on the ability of the Issuer to make payments of interest and repayments of principal to Noteholders. See "*Reliance on Third Parties*" above.

Brexit resulted in downgrades of the credit ratings of the UK and the Bank of England by Fitch, Moody's and S&P. DBRS and Fitch have also downgraded such ratings since the outbreak of the COVID-19 pandemic, and both Fitch and Moody's have, as at the date of this Base Prospectus, placed a negative outlook on their ratings, indicating the possibility of further negative rating action. A country's sovereign rating affects the ratings of entities operating in its territory, and in particular the ratings of financial institutions. Further downgrades may cause downgrades to counterparties to the Transaction Documents, meaning that they may cease to have the relevant required ratings to fulfil their roles and may need to be replaced. If rating action is widespread, it may become difficult or impossible to replace such counterparties with others who have the required ratings on similar terms or at all. Moreover, a more pessimistic economic outlook for the UK in general could lead to increased concerns around the future performance of the Securitised Portfolio and accordingly the ability of the Issuer to pay interest and repay principal to Noteholders and the ratings assigned to the Notes on the Closing Date for each Note Series could be adversely affected.

Corporate Insolvency and Governance Act 2020

The Corporate Insolvency and Governance Act (the "**CIGA**") came into force on 26 June 2020 and introduced significant new corporate restructuring tools to the UK insolvency regime, including: (i) a moratorium regime allowing certain eligible companies to obtain a moratorium to prevent creditors taking certain action against such eligible company for a specified period (the "**moratorium provisions**"); (ii) a prohibition on the exercise of ipso facto clauses preventing (subject to exemptions) termination, variation or exercise of other rights under a contract due to a counterparty entering into certain insolvency or restructuring procedures (the "**ipso facto termination provisions**"); and (iii) a compromise procedure allowing, among other things, for one class of creditors to bind all other classes of creditors (including secured creditors) in certain circumstances (a "**cross-class cram down**").

Neither the Issuer nor the Loan Note Issuer is expected to be an eligible company for the purposes of either the moratorium provisions or the ipso facto termination provisions of the CIGA as each of the Issuer and the Loan Note Issuer is a securitisation company within the meaning of the Taxation of Securitisation Companies Regulations 2006. However, there is no guidance on how the CIGA is to be interpreted, and the Secretary of State may by regulations modify the exceptions to its application.

Further, although the Issuer and the Loan Note Issuer are theoretically within the scope of the cross-class cram down provisions, given that they are each established as an insolvency remote vehicle with limited third party creditors and given that the Issuer, the Loan Note Issuer and their Secured Creditors are bound by non-petition covenants and limited recourse provisions, they are unlikely to fulfil the prerequisites for the cross-class cram down provisions to apply in practice. If, however, the cross-class cram down provisions were to be used in respect of the Issuer and/or the Loan Note Issuer, it would be possible, in certain circumstances, for 75 per cent. by value of the creditors in one class to approve a compromise and thereby "cram down" dissenting classes of creditors, which, if approved by the court, may result in material losses being incurred by Noteholders.

E. Regulatory and Other Risks Relating to the Assets

The Obligations of the Obligor under the Designated Accounts are Unsecured

The Transferor will assign only the benefit of the Receivables arising under Designated Accounts, which consist or will consist of unsecured monetary obligations of Obligor under the agreements establishing the Designated Accounts, together with the benefit of certain amounts of Acquired Interchange, Dilution Refunds, acquired recoveries, insurance proceeds and payments under certain guarantees of Obligor's obligations (to the extent capable of assignment). No security has been given by any Obligor for any such monetary obligations, and the Originator has no interest (and, therefore, cannot assign the benefit of any interest) in any property acquired by an Obligor with the proceeds of any credit extended to an Obligor under a Designated Account. Should enforcement action be necessary against an Obligor, no direct recourse could be had to any assets of such Obligor. There is a risk that, in such circumstances, the Receivables owed by that Obligor may not be recoverable in full. If losses on the Receivables are sufficiently large across the Securitised Portfolio, this may ultimately impact the Issuer's ability to make payments on the Notes (see *"The Issuer's Ability to Meet its Obligations on the Notes in a Note Series Depends on the Receipt of Sufficient Funds from the Loan Notes in Related Loan Note Series"* above for further details).

Failure to Notify Obligor of the Transfer of Receivables Could Delay or Reduce Payments on the Notes

The transfer by the Transferor to the Receivables Trustee of the benefit of the Receivables is governed by English law and does not give the Receivables Trustee full legal title to the Receivables. Legal title to the Receivables remains with the Originator. A legal assignment of such Receivables from the Originator to the Receivables Trustee (which may be executed by the Receivables Trustee pursuant to the power of attorney granted by the Originator in favour of the Transferor and the power of attorney granted, in turn, by the Transferor in favour of the Receivables Trustee) together with the delivery of notice of such assignment would effect the transfer of the legal title to the Receivables to the Receivables Trustee. No notice has been given to Obligor of the transfers effected on or prior to the date of this Base Prospectus, and no notice is expected to be given to the Obligor of any future transfers of Receivables to the Receivables Trustee. The Receivables Trustee has agreed that execution of a legal assignment will not take place unless a Notification Event has occurred.

The Receivables Trustee's lack of legal title to the Receivables has several legal consequences which could adversely affect the Receivables Trustee's interest in the Receivables and consequently could delay or reduce payments on the Notes:

- (a) the relevant Obligor will discharge their obligation under the Designated Accounts by making payments to the Originator;
- (b) prior to the insolvency of the Originator, if an Obligor has a claim against the Originator (whether under the terms of his or her Credit Agreement or otherwise), equitable set-offs may accrue in favour of the Obligor against his or her obligation to make payments to the Originator under the Designated Account. These rights may result in the Receivables Trustee receiving reduced payments on the Receivables. The transfer of the benefit of any Receivables to the Receivables Trustee will continue to be subject both to any prior equities that an Obligor had and to any equities the Obligor may become entitled to after the transfer. Once notice of a legal assignment is given to an Obligor, however, some rights of set-off may not arise after the date notice is given;
- (c) the Receivables Trustee would not take priority over any interest of a later encumbrancer or transferee of the Originator's rights who has no notice of the transfer to the Receivables Trustee where such later encumbrancer or transferee gives notice; and
- (d) the Originator (with the consent of the relevant Obligor or, in certain regards, unilaterally) can amend the Credit Agreement relating to a Designated Account without obtaining the Receivables Trustee's consent.

This could adversely affect the Receivables Trustee's interest in the Receivables, which could lead to a loss on the Notes.

Certain Legal, Tax and Regulatory Considerations

The consumer credit industry in the United Kingdom is subject to a significant volume of complex laws, regulations, codes and standards ("**applicable laws**") which place significant duties and responsibilities on credit providers and other market participants and afford significant rights and protections to customers. Such applicable laws are implemented and enforced by a variety of judicial and regulatory bodies, and such applicable laws, as well as the associated case law and regulatory policies, are subject to ongoing development. The nature of such developments and the ultimate impact on the Securitised Portfolio is difficult to predict and therefore there is no certainty of the nature or impact of the legal or regulatory changes which may occur during the life of the Notes of any Note Series could have with regards to the performance of the Securitised Portfolio. Any changes which, individually or collectively, have an adverse impact on the performance of the Securitised Portfolio may ultimately have an adverse impact on the Issuer's ability to make timely payments on the Notes of any Note Series.

Consumer Credit Regulation May Impair the Collectability of the Receivables

Investors should be aware that the provision of credit is regulated in the United Kingdom by the Financial Services and Markets Act 2000 (the "**FSMA**"), the Consumer Credit Act 1974 (the "**CCA**"), secondary legislation made under each of the FSMA and the CCA and rules and guidance in the FCA Handbook, including the Consumer Credit sourcebook ("**CONC**"), if:

- (i) it was originated prior to 1 April 2014 and (a) the customer is an "individual"; (b) the amount of "credit" as defined in the CCA does not exceed any applicable financial limit in force when the credit agreement was made (since 6 April 2008, no applicable financial limit has been in force); (c) the credit agreement is not an exempt agreement under the CCA or the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 (the "**RAO**"); or
- (ii) it was originated on or after 1 April 2014 and it is a "regulated credit agreement" as defined under the RAO, that is, an agreement which involves the provision of credit of any amount by a lender to an individual and does not fall within certain specified exemptions.

Both the FSMA and the CCA are highly detailed pieces of legislation, and breaches of their requirements, including minor breaches of a technical nature, may adversely affect the collectability of the Receivables, which may in turn result in insufficient funds being received by the Issuer to make timely payments on the Notes. Certain key risks for investors which arise in connection with the regulation of consumer credit in the United Kingdom are summarised below.

Compliance with technical aspects of the CCA

Non-compliance with the technical requirements of the CCA could render a consumer credit agreement, including the Credit Agreements relating to the Designated Accounts, unenforceable.

For agreements entered into before 6 April 2007, where such agreement is improperly executed, it may be irredeemably unenforceable in circumstances where there is a failure to comply with the requirements of the CCA as to form and content, signing and provision of copies including cancellation notices (where relevant). If a Credit Agreement related to a Designated Account has not been executed or modified in accordance with the provisions of the CCA and is completely unenforceable as a result, the Principal Receivables arising thereon will be treated as Ineligible Receivables. See "*Receivables and Servicing of Receivables – Representations*".

For agreements made on or after 6 April 2007, if origination requirements as to pre-contract disclosure, documentation and procedures are not complied with, the agreement will only be enforceable with a court order. In exercising its discretion whether to make such an order, the court will take into account any prejudice suffered by the customer and the degree of any culpability of the lender. The court has the discretion, if it appears just to do so, to amend the credit agreement, impose conditions upon its performance or to make a time order (for example, to give extra time for arrears to be cleared). Where the court is able to exercise its discretion, it will do so on a case by case basis and it is therefore difficult to predict the likelihood of court orders being obtained. In addition, ongoing information and notice requirements must be complied with. A credit agreement will be unenforceable against the customer for any period during which the lender fails to comply with certain of these requirements, including, for example, requirements as to arrears notices or notices of default sums (although any such unenforceability may be cured

prospectively by the lender complying with such requirements). In addition, the customer is not liable to pay interest or default fees for any period when the lender fails to comply with requirements relating to arrears notices. Interest on the default fees stated within the notice of default sums cannot be charged until the 29th day after the day on which such a notice of default sum is given, after which time the interest is restricted to simple interest (i.e. interest may only be calculated on the principal amount of the default fee).

If an agreement were held by a court to be non-compliant with the CCA and therefore unenforceable, it would still be possible to collect payments and seek arrears from the relevant customer if he or she were falling behind with his or her payments. However, in certain circumstances, the customer would need to be made aware that the agreement is unenforceable and it would not be possible to enforce any judgment against the customer. The Originator will have no obligation to repay or account to a customer for any payments made by a customer despite the unenforceability. However, if losses ultimately arise on any Designated Account, they will be borne by the Investor Beneficiary and the Transferor Beneficiary based on their interests in the Receivables Trust. Accordingly, if such losses were to occur in respect of a significant number of Designated Accounts, Noteholders could suffer a loss on the Notes or an early redemption of the Notes.

Unfair relationships

A determination that an unfair relationship exists between the Originator and an Obligor may result in a reduction in the amounts that can be collected from that Obligor or other consequences which may adversely affect Noteholders.

Under the CCA, a court has the power to determine that the relationship between a lender and a customer arising out of a consumer credit agreement (whether alone or with any related agreement) is unfair to the customer. If the court makes such a determination, then it may make an order, among other things, requiring the lender or any assignee to repay any sum paid by the customer.

There is no statutory definition of what constitutes an unfair relationship. Instead, in deciding whether to make the determination, the court is required to have regard to all matters it thinks relevant, including the manner of enforcement of the lender's rights and the lender's conduct before and after making the credit agreement, and may make the determination even after the relationship has ended. Once the customer alleges that an unfair relationship exists, then the burden of proof is on the lender to prove the contrary. Recent court decisions have generally interpreted "unfair relationship" in a way favourable to customers. In 2014, the Supreme Court gave guidance on the operation of the unfair relationship regime in *Plevin v Paragon Personal Finance Ltd* [2014] UKSC 61. The Supreme Court stated that it was not possible to state a "precise or universal test for its application" but that such test must depend on the court's judgment of all of the relevant facts. The Supreme Court also clarified that mere compliance with the relevant regulatory rules by a creditor (or a person acting on behalf of a creditor) does not necessarily preclude a finding of an unfair relationship, as a wider range of considerations may be relevant to the fairness of the relationship than those which would be relevant to the application of the legal and regulatory requirements.

The possible unenforceability of liabilities due to a court determining that an unfair relationship exists in relation to the underlying Credit Agreement may result in unrecoverable losses on the Account to which such agreement applies. If such losses arise on the Designated Accounts, they will be borne by the Investor Beneficiary and the Transferor Beneficiary based on their interests in the Receivables Trust. Accordingly, this may result in adverse consequences such as a loss on the Notes or early redemption of the Notes.

Liability for misrepresentation and breach of contract

Transactions involving the use of a credit card, store card or instalment credit account, including any Designated Account, may constitute transactions under a debtor-creditor-supplier agreement for the purposes of the creditor's liability under section 75 of the CCA, which may expose the creditor to claims from the debtor for acts of the supplier. A debtor-creditor-supplier agreement includes an agreement by which the creditor advances funds to finance the debtor's purchase of goods or services from a supplier with whom the creditor has a pre-existing arrangement (including via a payment system, such as the Mastercard or Visa systems).

Section 75 of the CCA provides that, if a supplier (being, in the case of a transaction on a Designated Account, the merchant who took payment) breaches a contract between the supplier and a debtor (being, in the case of a transaction on a Designated Account, the relevant Obligor) in a transaction under certain

debtor-creditor-supplier agreements, or if the supplier makes a misrepresentation about the contract, the creditor (being, in the case of a transaction on a Designated Account, the Originator) may also be liable to the debtor for the breach or misrepresentation, so long as the cash price of the item or service supplied underlying the claim is more than £100 and less than or equal to £30,000.

If an Obligor were to have a claim under section 75 of the CCA against the Originator, the Obligor may have the right to reduce the amount owed to the Originator under his or her Credit Agreement by way of set-off. This right would survive the sale of the Receivables to the Receivables Trustee. As a result, the Receivables Trustee may not receive the full amount otherwise owed by an Obligor, which may in turn reduce the Loan Note Issuer's ability to make payments of interest and/or principal on the Loan Notes and the Issuer's ability to make payments of interest and/or principal on the Notes.

Ex gratia payments

Ex gratia payments could reduce the yield on the Securitised Portfolio to the detriment of Noteholders. In certain circumstances, the Originator may incur costs in making *ex gratia* payments to Obligors in circumstances where the Originator is not technically liable for such payments but may (for a variety of reasons which are common across the UK consumer finance sector) nevertheless choose to make them. These payments will reduce the amount of Collections which are available to Noteholders and may ultimately impact the Issuer's ability to make payments of interest and/or principal on the Notes.

Authorisation and Regulation by the FCA

The FCA is responsible for the regulation of consumer credit in the United Kingdom. The actions of the FCA may impact the origination, servicing or collectability of the Receivables and the rights of transaction parties with respect thereto and such impact could adversely affect the interests of Noteholders.

Firms carrying on consumer credit activities in the United Kingdom must be authorised by the FCA with appropriate permissions. If the lender or any broker does not hold the required authorisation and any required permissions at the time a regulated consumer credit agreement is made, then the agreement is unenforceable against the customer without a notice from the FCA or an order of the court (depending on the facts). Both the Originator and the Servicer are authorised by the FCA and hold all permissions necessary to carry on their consumer credit-related regulated activities. FCA authorised firms are subject to ongoing regulation and supervision by the FCA.

Where the FCA identifies a risk of consumer detriment arising from a product or practice and deems prompt action necessary to reduce or prevent that detriment, it has, among other powers, the power to use temporary product intervention rules ("**TPIRs**") to prohibit authorised persons from taking a number of actions, including entering into specified contracts with any person or with a specified person.

TPIRs are intended to offer protection to consumers in the short-term whilst either the FCA or the industry develops more permanent solutions and, in any event, are limited to a maximum duration of 12 months. The FCA also has the power to make rules limiting the cost of credit and duration of credit agreements. These rules may prohibit an authorised person from entering into regulated credit agreements on terms which infringe these limits. In relation to agreements entered into in breach of a TPIR or the limits prescribed by the FCA, the FCA's rules may provide (i) for the relevant agreement or obligation to be unenforceable; (ii) for the recovery of any money or other property paid or transferred under the agreement; or (iii) for the payment of compensation for any loss sustained under the agreement.

The FCA has identified certain key areas of focus in the consumer credit market, many of which are of relevance to the Originator's business and hence may impact the origination, servicing and collectability of the Receivables as well as the yield on the Securitised Portfolio. For example, the FCA published the final report on its market study of credit cards on 26 July 2016, which found that, while competition in the credit card market was working fairly well, firms did not routinely address the behaviour of customers with persistently high levels of credit card debt or who repeatedly make only minimum payments. In February 2018, the FCA published a policy statement containing the final rules on persistent credit card debt, early interventions for problem debtors and unsolicited credit line increases, which came into effect on 1 March 2018. Persistent debt is defined as where, over a period of 18 months, a customer has paid more in interest, fees and charges than they have repaid of the principal. After 36 months in persistent debt, the creditor is required to take certain measures to ensure that the balance on the customer's account is paid down within a reasonable period. In accordance with these requirements, customers who have been in persistent debt for

three years have been receiving letters offering ways to pay off their balance in a reasonable period of time, which is typically three to four years. If customers do not respond to these letters within a period of time set by the relevant firm, their cards must be suspended.

An FCA policy statement in July 2018 introduced updates to the rules in the CONC in relation to responsible lending and affordability. These changes require firms to adhere to new requirements relating to assessing a customer's creditworthiness and the extent to which the credit is affordable, and subsequent assessments for post-contractual credit increases, including giving the customer the ability to opt out of any credit limit increases. In February 2021, the FCA published final guidance on the fair treatment of vulnerable customers. The guidance reflects the FCA's focus on firms understanding the needs of their target market/customer base, ensuring that staff have the right skills and capability to recognise and respond to the needs of vulnerable customers and monitoring and assessing whether they are meeting and responding to the needs of customers with characteristics of vulnerability.

In June 2022, the FCA published a webpage, "Ensuring the fair treatment of customers in vulnerable circumstances", and a related "Dear CEO" letter. The FCA highlighted the issues raised by the cost of living crisis (including inflation and a rising Bank of England base rate) and the pressures on consumers which might result from unsecured borrowings, including personal loans and credit cards. The FCA emphasised the need for firms to provide vulnerable customers with appropriate support and care and noted that it would take action where firms are failing to meet their obligations.

The FCA has also conducted a credit information market study, which included consideration of the lending practices which are directly impacted by the availability and quality of credit information, including identity verification and assessments of creditworthiness. An interim report was published in November 2022, which notes that the FCA expects to publish a final report in the third quarter of 2023.

On 27 July 2022, the FCA published a policy statement and final rules and guidance on a new "consumer duty", which will apply from 31 July 2023, for products and services that remain open to sale or renewal, and from 31 July 2024, for closed products and services. This consumer duty sets higher expectations for the standard of care that firms provide to retail clients. There are three main elements to the new consumer duty, comprising a new "consumer principle" that "a firm must act to deliver good outcomes for the retail consumers of its products" which provides for an overarching standard of conduct, cross cutting rules and outcomes that set clear expectations for firms' cultures and behaviours, and four outcomes, relating to the quality of products and services, price and value, consumer understanding and consumer support. Although the consumer duty will not apply retrospectively, the FCA has set out proposed rules and guidance on how to assess contracts held by existing customers on a forward-looking basis.

In February 2023, the FCA sent a "Dear CEO" letter to mainstream consumer credit lenders to remind them of the incoming implementation of the consumer duty. The FCA has stated that it expects the consumer duty to be a "top priority" for the CEOs of such firms.

In December 2022, the Council of the European Union and the Parliament announced that they had reached provisional political agreement on the revised text for a proposed directive on consumer credit, which would revise existing EU rules on consumer credit. In May 2023, the European Parliament's Internal Market and Consumer Protection Committee published the text of the proposed directive, on which political agreement has been reached, with the formal adoption procedure expected to follow in September 2023. The key changes to the EU rules in the proposed directive include capping the cost of credit for consumers, expanding the scope of regulation to include loans of less than €200, adapting information requirements to ensure they cater for digital devices and avoid information overload, addressing practices that exploit consumer behaviour (such as product tying, pre-ticked boxes or unsolicited credit sales), improving rules on the assessment of consumer creditworthiness and supporting consumers who experience financial difficulties. The existing EU rules have been implemented in the UK through amendments to the CCA and other UK legislation and, while any new EU directive on consumer credit will not apply to the UK, it is possible that the UK government and/or the FCA will amend the existing UK consumer credit regulatory framework to reflect some or all of these changes in the EU for harmonisation and consumer protection purposes.

In December 2022, HM Treasury published a consultation on reforming the CCA, which closed on 17 March 2023. This followed an announcement from HM Treasury in June 2022 that the government intends to reform the CCA and move much of the existing legislation from statute to sit within rules to be made and enforced by the FCA. Following the consultation, the government intends to develop more detailed

policy proposals which it expects to put to stakeholders through a second stage consultation. Therefore, it is likely that the existing UK consumer credit regulatory framework will be reformed, including with respect to its scope.

The FCA introduced a price cap on certain "high-cost short-term credit" products, often referred to as payday lending, in January 2015 and on "rent-to-own" products in March 2019. In June 2022, HM Treasury issued a response to a consultation paper, which confirmed the government's intention to amend the scope of regulation to capture "buy now pay later" ("**BNPL**") products and other currently-exempt agreements when they are provided by third-party lenders. In February 2023, HM Treasury issued a consultation on draft legislation, which closed in April 2023. This legislation is expected to be laid before Parliament during 2023 and will bring BNPL and other currently-exempt third-party lender products within the regulatory perimeter. After this, the FCA will run a consultation on the details of the regime. Although the products within the Securitised Portfolio are not directly impacted by these measures, were similar measures to be introduced which covered products within the Securitised Portfolio, they may affect the manner in which the Originator conducts business, and may require new compliance procedures and pricing models to be put in place.

In June 2022, the FCA sent a "Dear CEO" letter setting out its supervision strategy for mainstream consumer credit lenders, which follows from a letter sent in December 2020, setting out the FCA's view of the risks such lenders pose to customers/markets. The areas highlighted include affordability, treatment of customers in arrears, embedding of regulatory changes (such as remedies to tackle persistent debt) and transparency of pricing and features. Some measures the FCA has already taken in these areas are described above. Compliance with the FCA's rules in relation to persistent debt, responsible lending and affordability, or any future temporary product intervention rules, rules limiting the cost of credit and/or the duration of credit agreements or other rules the FCA may introduce relating to the credit provided under the Credit Agreements, may adversely affect the performance of the Securitised Portfolio, which may result in adverse consequences such as early redemption of, or a loss on, the Notes. Furthermore, such rules may result in the origination of fewer Receivables in respect of the Accounts, which may result in a Partial Amortisation Event or Pay Out Event occurring with respect to any Series. For additional information, see "*Series Securitisation Cashflows – Partial Amortisation*" and "*Series Securitisation Cashflows – Pay Out Events*".

The FCA introduced a number of measures to support borrowers in financial difficulties due to circumstances arising out of the COVID-19 pandemic. Whilst many of these measures no longer apply, as of the date of this Base Prospectus, the guidance published by the FCA on 30 September 2020 to assist customers facing payment difficulties under the title "Consumer Credit and Coronavirus: Tailored Support Guidance", which was updated in January 2021 (the "**Tailored Support Guidance**"), remains in force and therefore continues to be relevant.

The FCA published a "Dear CEO" letter in June 2022 noting that the FCA considers that the Tailored Support Guidance for mortgages, consumer credit and overdrafts, which was issued to address exceptional circumstances arising out of the COVID-19 pandemic, is also relevant for borrowers in financial difficulties due to other circumstances such as the rising cost of living. The Tailored Support Guidance provides guidance on the FCA's expectations of firms when supporting borrowers and providing tailored forbearance and debt help to those in financial difficulty. The Tailored Support Guidance builds on the FCA's general principle that a firm must pay due regard to the interests of its customers and treat them fairly and sets out expectations for firms in how they deal with customers.

In May 2023, the FCA published a consultation paper, "Strengthening protections for borrowers in financial difficulty: consumer credit and mortgages" (CP23/13), pursuant to which it proposed to incorporate certain aspects of the Tailored Support Guidance into the FCA Handbook (and then withdraw the Tailored Support Guidance). This would, amongst other things, expand the scope of the CONC, including by requiring firms to provide appropriate support to customers who are at risk of missing a payment, rather than just to those who are already in arrears, as at present. The consultation closes in July 2023 and the FCA expects final rules to come into force in the first half of 2024.

The measures contained in the Tailored Support Guidance (and their proposed incorporation, in amended form, into CONC), and any subsequent changes to the FCA's rules or guidance which may be made in the future, could delay and/or exacerbate the impact of broader macro-economic issues (including, for example, the rising cost of living in the UK) on the Securitised Portfolio and/or cause delays and/or reductions in the payments received by the Loan Note Issuer and the Issuer and, ultimately, in payments due on the Notes. No assurance can be given that the FCA, or any other UK governmental or regulatory bodies, will not take

further steps in response to such issues which may impact the performance of the Securitised Portfolio, including further amending and extending the scope of the above guidance.

Laws Relating to Unfair Contract Terms May Impair the Collectability of the Receivables

The Unfair Terms in Consumer Contracts Regulations 1999 (the "**UTCCRs**") apply, in whole or in part, to underlying Credit Agreements entered into prior to 1 October 2015. With regard to underlying Credit Agreements made on or after 1 October 2015, the Consumer Rights Act 2015 (the "**CRA**") applies. Under each of the UTCCRs and the CRA, it is possible for a consumer to challenge a term in a consumer contract on the basis that it is unfair and therefore not binding on the consumer or for the regulator to take enforcement action to stop the use of terms which are considered to be unfair (although the rest of the agreement will remain enforceable if it is capable of continuing in existence without the unfair term).

The UTCCR and CRA will not generally affect terms which define the main subject matter of the contract, such as (in the case of a consumer credit agreement) the borrower's obligation to repay the principal, so long as these terms are written in plain and intelligible language and are drawn adequately to the consumer's attention. The UTCCR and CRA may affect terms that are not considered to be terms which define the main subject matter of the contract, such as (in the case of a consumer credit agreement) the lender's power to vary the interest rate.

The broad and general wording of the UTCCR and the CRA and related guidance makes any assessment of the fairness of terms largely subjective and makes it difficult to predict whether or not a court would find a particular term to be unfair. It is therefore possible that any underlying Credit Agreements made with consumers may be found to contain unfair terms, including terms that relate to the power to vary the Credit Agreements, which may result in the possible unenforceability of those terms. No assurance can be given that any regulatory action or guidance in respect of the CRA (or, in the case of Credit Agreements entered into prior to 1 October 2015, the UTCCR) will not have a material adverse effect on the underlying Credit Agreements relating to the Designated Accounts and accordingly on the Issuer's ability to make payments in full when due on the Notes.

Payment Services Directive

A number of activities relating to the Securitised Portfolio are subject to regulation that could affect the amounts received by the Receivables Trustee and, therefore, the amounts which are ultimately available to make payments on the Notes. The second Payment Services Directive ("**PSD2**") came into force on 12 January 2016, with the UK transposing this into national law on 13 January 2018 through the Payment Services Regulations 2017 (the "**PSRs**"). PSD2 updated the regulatory framework for payment services, improving the transparency and security of payment services and extending the scope of regulation to certain payment service providers and payment services transactions that were previously unregulated. Following a multi-firm review to assess how well non-bank payment services providers were meeting the requirements to safeguard customer funds, the FCA confirmed in July 2019 that it would conduct further work in this area and take appropriate action if it identified any inadequacies from firms in the sector. In November 2021, the FCA issued an updated version of its guidance in respect of the PSRs and the Electronic Money Regulations 2011. The update contained various changes, including making permanent certain rules first introduced on a temporary basis during the COVID-19 pandemic to strengthen firms' prudential risk management and safeguarding arrangements.

On 13 January 2023, HM Treasury published a review and a call for evidence on the PSRs. This focuses on how UK payments regulation should evolve to meet the government's aims of achieving agile and proportionate regulation, ensuring appropriate consumer protection, ensuring the resilience of the UK's payment market and fostering competition. The call for evidence closed on 7 April 2023.

Any changes which may result from the FCA's recent interest in this area and the government's review could affect the future yield on the Securitised Portfolio and adversely affect payment on the Notes or cause a loss on, and/or the early redemption of, the Notes.

Financial Services and Markets Bill 2022-23

The Financial Services and Markets Bill 2022-23 ("**FSMB**") was introduced to Parliament in July 2022. The FSMB would revoke retained EU law on financial services and give HM Treasury broad powers to make regulations restating and revising that law and designating other activities for regulation by the UK

regulators. It would also make changes to the UK regulators' objectives and the mechanisms for their accountability. HM Treasury would be able to use the powers conferred by the FSMB to modify legislation for a wide range of policy purposes, including to protect financial stability, promote competition, facilitate the UK economy's international competitiveness and growth and protect consumers. It would also be able to use those powers to restate legislation in a clearer and more accessible way. Regulations could also confer additional powers on HM Treasury or on a regulator and could authorise a regulator to make rules. Regulators would then be able to use their rule-making powers to replace revoked legislation with new rules following their normal rule-making process. It is therefore possible that further changes to the regulatory regime, including the regulation of payment services, could be made in connection with the FSMB. Any such changes could affect the future yield on the Securitised Portfolio and thereby decrease funds available to the Issuer and increase the risk of non-payment and/or early redemption of the Notes.

Multilateral Interchange Fees Regulation

Interchange fees received by the Originator form part of the yield on the Securitised Portfolio and investors should therefore be aware of the risks arising from regulations which affect the amount of such interchange. Regulation (EU) 2015/751 of the European Parliament and of the Council of 29 April 2015 on interchange fees for card based payment transactions (the "**MIFs Regulation**") imposes technical and business requirements for payment card transactions within the EU, including: (i) maximum interchange fees for consumer debit and credit cards; (ii) rules allowing retailers to choose which cards to accept; and (iii) transparency rules for all transactions. The MIFs Regulation does not apply to commercial cards or three-party card schemes (as defined therein). In the UK, the MIFs Regulation as it forms part of UK domestic law by virtue of the EUWA (the "**UK MIFs Regulation**") imposes similar rules for payment card transactions within the EU. The UK Payment Systems Regulator indicated in its annual report for 2018/2019 that it was proactively monitoring and investigating the compliance of certain credit and debit card issuers with the MIFs Regulation. In March 2020, the European Commission published a final report on the "Study on the application of the Interchange Fee Regulation", which made a number of recommendations, including, strengthening the provision of transparent, simple and unblended price information for merchants and analysing whether to eliminate the special provisions for national interchange fee caps. In the UK, the Payment Systems Regulator published a policy statement on 29 September 2021 on its approach to monitoring and enforcing compliance with the UK MIFs Regulation. Increased regulation in this area, including changes which may result from the UK Payment Systems Regulator's interest in this area or legislation in the UK which reflects changes made to the EU regime, could affect the future yield on the Securitised Portfolio and thereby decrease funds available to the Issuer and increase the risk of non-payment and/or early redemption of the Notes.

Recent and Ongoing Regulatory Investigations May Affect the Yield on the Securitised Portfolio and Cause a Loss on and/or the Early Redemption of the Notes

Inquiries into Payment Protection Insurance

Many financial institutions have made significant payments to compensate customers who have claimed that payment protection insurance ("**PPI**") policies were missold to them or were sold to them in a manner which gave rise to an unfair relationship (within the meaning of the CCA). The FCA imposed a deadline of August 2019 for the filing of such complaints to be eligible to be adjudicated by the Financial Ombudsman Service (the "**FOS**"), although this deadline has not prevented customers from bringing claims in the courts.

No member of the NewDay Group has sold or marketed any form of insurance (including PPI) to Obligor in respect of the Accounts within the Securitised Portfolio. However, certain of the Obligors took out PPI in respect of their Accounts prior to the legal assignment of such Accounts to the Originator. Any remaining PPI policies relating to the Accounts were cancelled with effect from 31 October 2021. Payments are made by or on behalf of the Originator in respect of claims brought by Obligors in the courts in respect of historical PPI misselling and/or an unfair relationship arising in relation to PPI. Such payments are made pursuant to the contractual arrangements under which the Accounts were acquired from their prior owners.

The cost of these payments will not be passed by the Originator or the Transferor on to the Receivables Trustee and, to the extent that any liabilities to Obligors exist in connection with the misselling of PPI or as a result of an unfair relationship being created, Obligors may face a number of legal and practical obstacles in asserting any claim for such misselling against the Originator and setting off any such claim against the amounts owed for purchases and finance charges on their Accounts. However, the arrangements

(including the non-disclosure of commission and profit share) concerning any PPI policy may be found to give rise to an unfair relationship between the Originator and a customer. For additional information, see "*Certain Legal, Tax and Regulatory Considerations – Consumer Credit Regulation May Impair the Collectability of the Receivables – Unfair Relationships*".

Reduction in the Rate of Interchange Caused by Potential Adverse Regulatory Rulings and the UK MIFs Regulation May Adversely Affect Payments on the Notes

The Originator receives interchange fees from the banks that clear transactions for merchants as partial compensation for, amongst other things, taking credit risk and absorbing fraud losses. See "*The Receivables*". There have historically been and continue to be various cases brought in respect of, and regulatory investigations into, interchange fees.

In particular, recent case law has led to Mastercard's default interchange fees for cross-border transactions within the European Economic Area being held to breach EU competition laws. Similarly, Visa Europe entered into legally binding commitments with the European Commission to reduce its interchange fees. Investigations have also been undertaken by the CMA in the UK, and the Payment Systems Regulator has indicated that it is proactively monitoring and investigating the compliance of certain credit and debit card issuers with the UK MIFs Regulation.

These investigations, together with increased regulation in this area (see "*Certain Legal, Tax and Regulatory Considerations*" and "*Multilateral Interchange Fees Regulation*" above), may result in a reduction in interchange fee rates. This could affect the future yield on the Securitised Portfolio and adversely affect payments on the Notes or cause a loss on and/or the early redemption of the Notes.

Decisions of the FOS Could Adversely Affect Payments on the Notes

The FOS operates as an independent forum to resolve disputes between customers and financial services providers, including consumer credit providers. Under the FSMA, the FOS is required (on a case-by-case basis) to make decisions on complaints under its jurisdiction on the basis of what, in the FOS's opinion, would be fair and reasonable in all circumstances of the case. The FOS may require a firm to make a financial payment to a complainant. Were a significant number of such awards to be made in favour of Obligors, the resultant adverse effect on the value at which the Receivables could be realised may affect the ability of the Issuer to make payments in full when due on the Notes.

Cyber Security and Failure of Technology

A cyberattack, an information or security breach, or a technology failure affecting the Originator, the Servicer or a third party could adversely affect the ability of the Originator and/or the Servicer to conduct their respective origination and servicing activities. The origination and servicing operations of the Originator and the Servicer are highly dependent on the security and efficacy of the NewDay Group's infrastructure, computer and data management systems, some of which are provided by third parties. Further, customers may use personal mobile or computing devices outside of the NewDay Group's network environments. Such devices, and the networks to which they connect, have been subject to, and are likely to continue to be the target of, cyberattacks (including computer viruses, malicious or destructive code, phishing attacks, denial of service or information or other security breaches). Any such cyberattack could result in the unauthorised release, gathering, monitoring, misuse, loss or destruction of confidential, proprietary and other information, increase the Originator's or Servicer's costs to maintain and update its operational and security systems and infrastructure, cause reputational harm, attract a regulatory fine, reduce the rate at which new receivables are generated and repaid, or otherwise materially disrupt their or their customers' or third parties' network access or business operations, and (as a direct or indirect result of any of the foregoing) adversely impact the timing and amount of payments on the Notes.

Insolvency Proceedings in Respect of Obligors who are Resident Outside of the United Kingdom

In respect of Obligors who are resident outside of the United Kingdom (including those who are resident in a Permitted Additional Jurisdiction), investors should be aware of the risk that the English courts may not recognise the effects of foreign insolvency proceedings in respect of such Obligors, whether under the Cross Border Insolvency Regulations 2006 or any similar common law principles. The non-recognition in the English courts of foreign insolvency proceedings relating to Obligors could adversely impact recoveries from those Obligors, which would in turn affect the Issuer's ability to make payments on the Notes.

F. Risks Related to Origination and Servicing

Risks in Relation to Retail Partners Could Affect Portfolio Performance and Result in Delays in Payments of Principal on the Notes

The identity of the Retail Partners and the proportion of Principal Receivables in the Securitised Portfolio originated through each Retail Partner has changed over time, and may continue to do so, and the Transferor is under no obligation to designate Accounts originated through any Allowed Retail Partner as Designated Accounts. In addition, the Accounts associated with a given Retail Partner may have different performance characteristics from Accounts associated with other Retail Partners and those performance characteristics may change from time to time. Arrangements with Retail Partners are also subject to change from time to time and may be terminated or amended in accordance with their terms or as a result of the occurrence of a termination event. Any such termination or amendment may, in addition to affecting or terminating the origination of further Accounts through the relevant Retail Partner, affect the performance of the Accounts originated through that Retail Partner or the proportion of Principal Receivables in the Securitised Portfolio originated through that Retail Partner. In particular, if a Retail Partner were to cease trading, restructure its operations (including through the temporary or permanent closure of stores or other sales channels) or go through an insolvency process, this may have a negative effect on the performance of the Securitised Portfolio. As a result of these factors, over time, the performance of the Securitised Portfolio may change as a result of the proportional share and performance of the Accounts originated via each of the Retail Partners.

If a Retail Partner were to cease trading, any Obligors holding a store card or a similar product would cease to be able to use such products, and any Obligors holding a credit card or a similar product would cease to be able to use such products to purchase goods and services from the relevant Retail Partner, which may also adversely affect the behavioural patterns of such Obligors, and payment rates on the Accounts originated via that Retail Partner may reduce and/or charge-off rates and dilutions (including, in particular, dilutions caused by claims in respect of the relevant Retail Partner's failure to accept returned goods) on such Accounts may increase. If arrangements with a Retail Partner terminate and (either immediately or at a subsequent point) spending privileges on the related Accounts are withdrawn, any associated loyalty scheme is terminated or amended and/or replacement cards are issued without the relevant Retail Partner's branding, this may also affect the behavioural patterns of Obligors and may have an impact on payment rates and/or charge-off rates. As a result of these factors, over time, the performance of the Securitised Portfolio may change as a result of the proportional share and performance of the Accounts originated via Retail Partners which have ceased trading (such as those in the "Arcadia" group of companies) or otherwise no longer have any contractual relationship with the NewDay Group (such as the "Amazon" group of companies). In each case, this may also lead to the occurrence of a Pay Out Event in respect of a Series and/or could result in Noteholders receiving principal on the Notes later than expected.

The Performance of the Securitised Portfolio Depends on the NewDay Group's Ability to Manage Risk

The NewDay Group selects its customers, manages their accounts and establishes terms and credit limits using proprietary scoring models and analytical techniques. These models attempt to take into account both customer behaviour and external factors to estimate the credit risk of the Accounts within the Securitised Portfolio. The use of these models may not accurately predict charge-off rates, gross yield or other relevant performance measurements in respect of the Securitised Portfolio for various reasons, including as a result of errors constructing, interpreting or using the models or the use of inaccurate assumptions or input data.

Inaccuracy of the assumptions can occur, in particular, as many of the assumptions used relate to matters that are inherently difficult to predict and beyond the control of the NewDay Group. For example, the models cannot predict an Obligor's loss of employment or illness, or all social, legal, political and economic factors and conditions (as to which, see "*Social, Legal, Political and Economic Factors Affect Consumer Credit Payments and Repayment of the Notes and are Unpredictable*"). The NewDay Group relies on data provided by Obligors and other third parties, such as credit reference agencies, for use in its models. This data may be inaccurate or misleading.

As such, the errors or inaccuracies in the NewDay Group's models may be material and could lead the Originator to make decisions to extend credit to Obligors based on inaccurate information, which may affect the performance on the Securitised Portfolio and therefore the receipt or timing of payments in respect of the Notes.

The NewDay Group has full spectrum risk capability across the MO business line. Higher risk customers are more likely than other customers to over-extend themselves (including by increasing the usage of their Accounts) and potentially default on their payment obligations under their Accounts. A higher than anticipated level of such defaults could adversely affect the performance of the Securitised Portfolio and therefore the receipt or timing of payments in respect of the Notes.

Principal on the Notes may be Paid Earlier or Later than Expected if the Transferor Cannot Finance the Creation of New Receivables – Creating a Re-investment Risk to Noteholders

The Transferor's ability to finance the creation of new Receivables arising under new and existing Accounts will affect the ability of the Originator to generate new Receivables for the Transferor to assign to the Receivables Trust. In this respect, it should be noted that, as of the date of this Base Prospectus, the majority of the Accounts within the NewDay Group's MO portfolio will be nominated as Designated Accounts and the Receivables thereon assigned to the Receivables Trustee. Accordingly, the principal source of funding for such portfolio, as of the date of this Base Prospectus, will be the Related Debt and Associated Debt which is ultimately backed by the Receivables in the Receivables Trust. As a result, the Transferor's ability to assign new Receivables to the Receivables Trustee may be materially impacted by its ability to obtain, maintain and refinance such Related Debt and Associated Debt and/or obtain funding from alternative sources.

If there is a decline in the generation of new Receivables or new accounts for any reason, including the inability of the Transferor to fund new Receivables, this may cause the occurrence of a Pay Out Event, which would cause some or all Noteholders to be repaid some or all their principal before and/or after the relevant Scheduled Redemption Date.

No premium will be paid upon an early redemption of the Notes. If Noteholders receive principal on the Notes earlier than expected, Noteholders may not be able to reinvest the principal at a similar rate of return.

A Change in the Terms of the Designated Accounts May Adversely Affect the Amount or Timing of Collections and May Cause an Early Redemption of the Notes or a Downgrade of the Notes

Only the Receivables arising under the Designated Accounts are transferred to the Receivables Trustee. The Originator will continue to own legal title to those Accounts. As the legal owner of the Accounts, the Originator retains the right (subject to the terms of the relevant Credit Agreement and the requirements of applicable law) to change the terms of the Accounts, the terms of any associated loyalty scheme or other relevant parameters. For example, in the case of credit card and store card accounts, the Originator could change the monthly interest rate, increase or reduce the credit limits on the Accounts, reduce or eliminate fees on the Accounts or reduce or increase the required minimum monthly payment. Changes in interest rates and fees could lower the amount of Finance Charge Receivables generated by those Accounts. The Originator could also withdraw, terminate or amend the terms of any associated loyalty scheme, which could affect Obligor's propensity to use their Accounts and generate Receivables. This could cause a Pay Out Event to occur, which might cause an early redemption of or a loss on the Notes. This could also cause a reduction in the credit ratings on the Notes.

Investors should note that there are some contractual limits placed on the Originator's discretion:

- (a) the Transferor has agreed to procure that, except as otherwise required by law or as may be determined by the Originator to be necessary in order to maintain its FCA authorisation and permission to carry out consumer credit related regulated activities, based upon a good faith assessment by the Originator, in its sole discretion, of the nature of competition in the consumer credit business in the United Kingdom as a whole or, in the case of accounts in an additional jurisdiction, the nature of competition in the consumer credit business in that additional jurisdiction as a whole, the Originator will not reduce the monthly interest rate assessed on Receivables existing or arising under any Designated Account ("**Periodic Finance Charges**") or other fees otherwise required by law on the Designated Accounts if, as a result of such reduction, the Transferor's reasonable expectation is that a Pay Out Event would occur. See "*The Receivables*" and "*The Securitised Portfolio*".
- (b) the Transferor has permitted the Originator to change the terms of the Credit Agreements or its usual policies, procedures and practices relating to the operation of its general consumer finance business (the "**Credit Guidelines**") (including, without limitation, the reduction of the required

minimum monthly payment and the calculation of the amount or the timing of finance charges, fees and charge offs, so long as this is permitted by law and regulation), unless such change (i) would, in the reasonable belief of the Transferor, cause a Pay Out Event to occur and (ii) is not made applicable to any comparable segment of credit accounts owned by the Originator and serviced by the Servicer which have characteristics equivalent or substantially similar to the Designated Accounts which are subject to such change (except as otherwise restricted by an endorsement, sponsorship or other agreement with an unrelated third party or by the terms of the relevant Credit Agreement).

- (c) for an Account to be designated as an Eligible Account, no amendment can have been made by the Originator to the terms and conditions of the Credit Agreements relating to the governing law of the agreements, the assignability of the agreements or the ability of the Originator to provide information regarding Obligors to any person assuming the Originator's rights under the Credit Agreements.

However, except as specified above, there are no restrictions (other than legal or regulatory restrictions) on the Originator's ability to change the terms of the Credit Agreements or any associated loyalty scheme in any manner allowed by such agreements. Changes in applicable law, changes in the market or prudent business practice may result in the Originator seeking to make changes of the type as referred to above.

Ultimately, any change in the terms of the Credit Agreements, any associated loyalty scheme or the Credit Guidelines may result in reduced, delayed or accelerated payments on the Notes.

Yield of Finance Charge Collections May be Affected by Changes in the Rate of Periodic Finance Charges

Investors should be aware that the Originator has reserved the right to change the rate of Periodic Finance Charges and other fees which will be applicable from time to time to the Designated Accounts. Consequently there is a risk that the yield represented by the amount of Finance Charge Collections received during any Interest Period following any such change will not remain at the same level relative to the Rate of Interest payable by the Loan Note Issuer on the Loan Notes and this misalignment could ultimately impact the Issuer's ability to make payments on the related Notes.

Breach of Transferor's Representations

The Transferor has represented and will represent in the Receivables Securitisation Deed that the assignment of each Principal Receivable to the Receivables Trustee will pass good and marketable title to the Principal Receivable and the benefit of the Principal Receivable to the Receivables Trustee free of any encumbrances upon the Principal Receivable in favour of any person claiming through or under the Originator or its affiliates subject to (a) the execution of a legal assignment of such Principal Receivable to the Receivables Trustee and the perfection of such assignment by the giving of a notice of assignment to the relevant Obligor and (b) any limitations arising on enforcement in the jurisdiction of the relevant Obligor.

None of the Loan Note Issuer, the Receivables Trustee, the Issuer, the Security Trustee, the Note Trustee, the Programme Arranger, the Co-Arranger or the Dealers has undertaken or will undertake any investigations, searches or other actions to verify the details of the Receivables – other than steps taken by the Issuer to verify the details of the Receivables that are presented in this Base Prospectus – or to establish the creditworthiness of any Obligor on the Designated Accounts. The Loan Note Issuer, the Receivables Trustee and the Issuer will rely solely on the representations given by the Transferor to the Receivables Trustee about the Receivables, the Obligors on the Designated Accounts, the Designated Accounts and the effect of the assignment of the Receivables.

If any representation made by the Transferor in respect of any Principal Receivable assigned to the Receivables Trustee proves to have been incorrect when made, the Transferor will be required to pay to the Receivables Trustee an amount equal to the face amount thereof and that Principal Receivable may thereafter be re-assigned to the Originator for nominal consideration and will not be funded by the Loan Note Issuer. The obligation of the Transferor to make such payment to the Receivables Trustee may be fulfilled in whole or in part by a reduction in the amount of the Transferor Interest or the Originator VFN Excess Amount of the Originator VFN Investor Interest, **provided, however, that** no such decrease will cause either the Transferor Interest or the Originator VFN Excess Amount to be decreased to an amount

less than zero. If the Transferor becomes insolvent, the Receivables Trustee may be unable to compel the Transferor to make any payment in respect of a breach of any representation relating to the Receivables, and Noteholders could incur a loss on the Notes and/or an early redemption of the Notes. See "*Receivables and Servicing of Receivables – Representations*".

The Occurrence or Absence of Disposals of Defaulted Receivables and Debt Recovery Receivables May Affect the Performance of the Securitised Portfolio

As an ordinary part of the recoveries process, Defaulted Receivables and Debt Recovery Receivables may, after being reacquired from the Receivables Trustee by the Transferor (see "*Receivables and Servicing of Receivables – Call Options*"), be sold to third-party debt purchasers, and the NewDay Group has historically made use of both one-off and regular "forward flow" debt sale contracts for this purpose. To the extent such sales involve Debt Recovery Receivables, the Transferor will reacquire such Receivables from the Receivables Trustee at a purchase price equal to the aggregate balance of such of those Receivables that constitute Eligible Receivables (which is likely to enhance the level of Collections as compared to not repurchasing those Receivables and therefore may reduce the likelihood of a loss on the Notes or an early redemption of the Notes occurring). To the extent such sales involve Defaulted Receivables, the Transferor will reacquire such Receivables from the Receivables Trustee at a purchase price equal to the aggregate of £1 and the subsequent recoveries or sale proceeds in respect of such Receivables (which, in the case of third party sale proceeds, may enhance the level of Collections and therefore may reduce the likelihood of a loss on the Notes or an early redemption of the Notes occurring). If the sale of Defaulted Receivables and Debt Recovery Receivables to third-party debt purchasers becomes impossible, or possible only at lower volumes and/or on less favourable terms, or if such sales are disrupted as a result of NewDay Cards Ltd being replaced as the Servicer, the Collections received in respect of Defaulted Receivables and Debt Recovery Receivables could be reduced and/or delayed, which may increase the likelihood of a loss on the Notes or an early redemption of the Notes occurring.

Credit Quality of the Receivables Trust's Assets May be Eroded by the Addition or Removal of Accounts Which Could Adversely Affect Collections of Receivables

The Transferor may designate additional Accounts as Designated Accounts and offer the Receivables Trustee an assignment of the Receivables arising under such additional Designated Accounts. These accounts may include Accounts that were originated or acquired using criteria that are different from those applicable to the Designated Accounts from which Receivables are currently assigned to the Receivables Trustee. For example, they could be originated within a different time period or with different underwriting standards, or they could be acquired from another institution that used different underwriting standards. Additionally, Designated Accounts originated via different Retail Partners may have different performance characteristics or performance characteristics that change over time. There can also be no assurance as to the proportional volumes of Principal Receivables in the Securitised Portfolio originated through any given Retail Partner and these are subject to change over time. Consequently, there can be no assurance that Accounts that become Designated Accounts in the future will have the same credit quality or other characteristics as the Designated Accounts on the date of this Base Prospectus or on the Closing Date of any Note Series. In addition, the acquisition by the Originator of Accounts originated by third parties may result in the assumption of associated costs, including costs incurred in making *ex gratia* payments to Obligors in circumstances where the Originator is not technically liable but may (for a variety of reasons which are common across the UK consumer finance sector) nevertheless meet. This could adversely affect Collections on the Receivables. If this occurred, Noteholders could suffer an early redemption of, or a loss on, the Notes.

Notwithstanding the foregoing, the Transferor is not entitled to nominate additional Designated Accounts which do not satisfy the Maximum Addition Amount criteria (which limit the number of accounts which may be nominated as Designated Accounts in a given period) without receiving a Rating Confirmation in respect of the nomination of such Accounts. See "*The Receivables – Assignment of Receivables to the Receivables Trustee*".

The NewDay Group's arrangements with any Retail Partner through which Designated Accounts within the Securitised Portfolio are originated may expire (as was the case with the arrangements with the "Amazon" group of companies) or be terminated, including as a result of the relevant Retail Partner ceasing to trade (as was the case with the arrangements with the "Arcadia" group of companies). Certain of those arrangements may contain provisions entitling the relevant Retail Partner (or its nominee) to acquire the Accounts (including any Designated Accounts) originated pursuant to those arrangements upon their expiry

or termination. If the Designated Accounts originated via one or more Retail Partners were to be acquired as a result of such arrangements, the Receivables Trustee would be required to re-assign the Receivables arising on those Designated Accounts to the Transferor, in consideration for the Transferor paying to the Receivables Trustee an amount equal to the aggregate amount of Eligible Receivables standing to the credit of those Designated Accounts, less any credit balances on such Accounts. The removal of the Receivables arising on those Designated Accounts from the Securitised Portfolio could change the average credit quality or other overall characteristics of the Securitised Portfolio and, as a result, payments of principal and interest on the Notes may be delayed, reduced or accelerated and/or a Pay Out Event may occur. See also "*Competition in the UK Consumer Credit Industry and Retail Partner Agreement Terminations Could Lead to Early Redemption of the Notes*".

The Interest Rate Payable on Each Loan Note May Increase Without a Corresponding Change in Interest Rates on the Designated Accounts, Potentially Causing a Loss on the Notes or Early Redemption of the Notes

In line with the rest of the UK consumer credit sector, the Originator may apply differential interest rates to each product offering, some of which may be fixed or fixed for predetermined periods. The majority of the Designated Accounts have monthly interest rates that are linked to the Bank Rate, subject to the Originator's ability to change the interest rate at its discretion (insofar as permitted by relevant consumer credit legislation, regulation and guidance and the terms of any applicable promotional or other incentive schemes). The rate of interest payable by Obligors affects the amount of Finance Charge Collections the Receivables Trustee can pay to the Loan Note Issuer to fund interest payments on the Loan Notes then outstanding. The interest rate paid on the Loan Notes is expected to be based on SONIA, which is a floating reference rate. Accordingly, the interest payable on the Loan Notes could increase without a corresponding increase in the amount of Finance Charge Collections. If this occurred, Noteholders could suffer a loss on the Notes or an early redemption of the Notes could occur.

Commingling of Collections may Delay or Reduce Payments on the Notes

Collections from Obligors in respect of the Designated Accounts and collections from Obligors in respect of non-securitised accounts owned by the Originator will initially be paid to collection accounts (the "**Primary Collection Accounts**"), held in the name of Santander UK, acting as a collection agent bank for the Originator, and then swept into the Transferor Collection Account, which is currently held with Citibank, N.A., London Branch, on a daily basis (or as soon as practicable thereafter). The Originator has declared a trust in favour of the Transferor over Collections standing to the credit of the Primary Collection Accounts and the Transferor has declared a trust in favour of the Receivables Trustee over its rights under the trust granted by the Originator and over Collections standing to the credit of the Transferor Collection Account. Collections on the Designated Accounts will be transferred from the Transferor Collection Account to the Receivables Trustee Collection Account on the Business Day following the Date of Processing of such Collections or as soon as practicable thereafter.

For the limited time that Collections on the Designated Accounts are in the Primary Collection Accounts or the Transferor Collection Account, they may be commingled with other funds of the Originator or the Transferor and, if the accounts have not been operated in accordance with their terms or adequate records have not been kept, they may be untraceable. Consequently, if the Originator or the Transferor were to become insolvent, there may be a delay in the transfer of Collections to the Receivables Trustee if the Originator or the Transferor – or a liquidator or administrator of the Originator or the Transferor – attempted to freeze the operation of the Primary Collection Accounts or the Transferor Collection Account pending completion of any rights of tracing. Although the Series Liquidity Reserve for a Note Series would be available to be drawn in such circumstances, any insufficiency in that reserve to cover payment disruptions caused by the circumstances described above could ultimately cause a delay or reduction in the payments on the Notes of that Note Series.

In addition, the Receivables Trustee, the Loan Note Issuer and the Transferor have agreed certain cash settlement arrangements in order to facilitate operational efficiencies for the day to day settlement of amounts due between the Receivables Trustee, the Loan Note Issuer and/or the Transferor. The Receivables Trustee has also agreed to make certain refundable advance payments to the Transferor. To the extent that these advance payments represent sums of Cash Available for Investment, the Transferor has agreed to hold them on trust for the Receivables Trustee in the Transferor Collection Account, and to only apply them in accordance with the Receivables Trust Deed and Servicing Agreement and any supplements thereto. To the extent that the Transferor holds any such sums on trust for the Receivables Trustee, the same considerations

mentioned above in relation to Collections held in the Transferor Collection Account will apply to such sums.

If the Transferor Opts to Treat a Portion of Principal Receivables as Finance Charge Receivables or Opts to Provide Cash Advances to the Receivables Trustee to be Treated as Additional Finance Charge Collections, an Early Redemption of the Notes Could Occur or Could be Delayed

The Transferor may opt to cause a percentage of Receivables that would otherwise be treated as Principal Receivables to be treated as Finance Charge Receivables. This is called a discount option (the "**Discount Option**"). If the Transferor were to exercise this Discount Option, it could prevent a Pay Out Event from occurring because of a reduction of the Portfolio Yield, which could delay an early redemption of the Notes at a time when the performance of the Securitised Portfolio is deteriorating. The application of the Discount Option is at the option of the Transferor and the Transferor may change the percentage that applies or cease applying the Discount Option at any time. This Discount Option, if exercised, will reduce the aggregate amount of Principal Receivables, which may increase the likelihood that the Transferor will be required to designate additional Accounts from which Receivables will be assigned to the Receivables Trustee. If the Transferor were unable to designate additional Accounts, a Pay Out Event could occur and Noteholders could receive payments of principal on the Notes earlier than expected.

In addition, the Transferor entered into an addendum to the Receivables Trust Deed and Servicing Agreement on 5 October 2020 (the "**RTDSA Transferor Advance Addendum**") that gives the Transferor the ability to provide support for the Securitised Portfolio in the future. Pursuant to the RTDSA Transferor Advance Addendum, the Transferor has the option of providing cash advances (the "**Transferor Advance Amounts**") to the Receivables Trustee in relation to specified Collection Periods, with such Transferor Advance Amounts treated as additional Finance Charge Collections. If the Transferor were to provide Transferor Advance Amounts, it could prevent a Pay Out Event from occurring because of a reduction of the Portfolio Yield, which could delay an early redemption of the Notes at a time when the performance of the Securitised Portfolio is deteriorating. The provision of Transferor Advance Amounts is at the option of the Transferor and the Transferor may cease providing Transferor Advance Amounts at any time. See "*The Receivables Trust – Transferor Advance Amounts*" for further details.

If the Servicing Fee is Reduced and/or the Investor Beneficiaries and the Transferor Beneficiary Agree to Reduce the Portion of the Servicing Fee Paid by the Investor Beneficiaries, an Early Redemption of the Notes Could be Delayed

The Transferor entered into an addendum to the Receivables Trust Deed and Servicing Agreement on 5 October 2020 (the "**RTDSA Servicing Fee Addendum**") in order to enable the reduction in the future, indefinitely or temporarily, of the amount payable in respect of the Servicing Fee, for so long as NewDay Cards Ltd is the Servicer, so as to reduce the expenses of the Receivables Trust and/or the Investor Beneficiaries. Pursuant to the RTDSA Servicing Fee Addendum, for so long as the Servicer is NewDay Cards Ltd:

- (a) the Servicer has the option of waiving a portion of the Servicing Fee temporarily or indefinitely (the "**Servicer Fee Waiver**"); and/or
- (b) the Transferor Beneficiary may elect to make certain directions, the effect of which would be to reduce the portion of the Servicing Fee funded by the Investor Beneficiaries and to increase the portion of the Servicing Fee funded by the Transferor Beneficiary (the "**Investor Beneficiary Waivers**").

If any Servicer Fee Waiver and/or any Investor Beneficiary Waivers were effected, they could therefore prevent a Pay Out Event from occurring, which could delay an early redemption of the Notes at a time when the performance of the Securitised Portfolio is deteriorating. The provision of any Servicer Fee Waiver is at the option of the Servicer and the Servicer may cease providing any Servicer Fee Waiver at any time. The provision of Investor Beneficiary Waivers is at the option of the Investor Beneficiaries (at the direction of the Transferor Beneficiary) and the Investor Beneficiaries (at the direction of the Transferor Beneficiary) may cease providing Investor Beneficiary Waivers at any time. The Servicer may, subject to conditions, terminate the RTDSA Servicing Fee Addendum, any Servicer Fee Waiver and/or any Investor Beneficiary Waivers at any time. See "*Servicing of Receivables – Servicing Fee Addendum to the RTDSA*" for further details.

Competition in the UK Consumer Credit Industry and Retail Partner Agreement Terminations Could Lead to Early Redemption of the Notes

The consumer credit industry in the United Kingdom is highly competitive. There is increasingly competitive use of advertising, digital and online offerings, targeted marketing and pricing competition in interest rates, loyalty schemes and fee levels as both traditional and new consumer credit businesses seek to expand their presence in or enter the UK sector and compete for customers.

This competitive environment, and any failure by the Originator to respond to such competition, may affect the Originator's ability to originate new Accounts and generate new Receivables and may also affect the level of retention of existing Accounts.

Designated Accounts are originated through sales channels made available by Retail Partners. There can be no assurance that the NewDay Group will be able to maintain access to, or the level of originations through, those sales channels beyond the presently contracted period or add new sales channels to replace any that are lost or have lower levels of originations. The loss of any such sales channels (whether through the termination of agreements with Retail Partners or otherwise), the acquisition by a Retail Partner (or its nominee) of any Accounts originated through such sales channels (whether pursuant to the exercise of a purchase option granted in favour of that Retail Partner or otherwise) or a decline in new Account origination through such sales channels, the performance characteristics of the Accounts associated with a Retail Partner or the trading performance of (or cessation of trading by) a Retail Partner may affect the overall amount of Receivables that are generated by the Originator and the number of Accounts that are available to be designated by the Transferor as Designated Accounts. As at the date of this Base Prospectus, a significant number of the Designated Accounts in the Securitised Portfolio were originated via Retail Partners which have ceased trading (such as those in the "Arcadia" group of companies) or otherwise no longer have any contractual relationship with the NewDay Group (such as the "Amazon" group of companies). See "*Risks in Relation to Retail Partners Could Affect Portfolio Performance and Result in Delays in Payments of Principal on the Notes*" and "*A Change in the Terms of the Designated Accounts May Adversely Affect the Amount or Timing of Collections and May Cause an Early Redemption of the Notes or a Downgrade of the Notes*".

Any decline in the number of Designated Accounts or the Receivables generated on the Designated Accounts may result in a Partial Amortisation Event or Pay Out Event occurring with respect to any Series, as described more particularly below in "*Series Securitisation Cashflows – Partial Amortisation*" and "*Series Securitisation Cashflows – Pay Out Events*".

G. United Kingdom Tax Considerations

The Taxation of Securitisation Companies Regulations 2006

If the Taxation of Securitisation Companies Regulations 2006 (the "**TSC Regulations**") apply to a company, then, broadly, it will be subject to corporation tax on the cash profit retained by it for each accounting period in accordance with the applicable Transaction Documents. Based on advice received, each of the Issuer and the Loan Note Issuer expects to be taxed under the special tax regime for which provision is made by the TSC Regulations.

Investors should note, however, that the TSC Regulations are in short-form and advisers rely significantly upon guidance from the UK tax authorities when advising on the scope and operation of the TSC Regulations including whether any particular company falls within the regime.

Investors should note that, if the Issuer or the Loan Note Issuer did not fall to be taxed under the regime provided for by the TSC Regulations, then their profits or losses for tax purposes might be different from their cash position and there might be a risk of the Issuer or the Loan Note Issuer incurring unfunded tax liabilities. In particular, the deduction of interest paid on the Notes and/or the Loan Notes could be disallowed for United Kingdom corporation tax purposes which could cause a significant divergence between the cash profits and the taxable profits of the Issuer and the Loan Note Issuer, respectively. Any unforeseen taxable profits in the Issuer or the Loan Note Issuer could have an adverse effect on their ability to make payments to the Issuer and the Noteholders, respectively.

H. U.S. Tax Considerations**Risks Related to Alternative Characterisation of the Notes as an Equity Interest in the Issuer for U.S. Federal Income Tax Purposes**

The U.S. federal income tax characterisation of certain junior Classes of the Notes, particularly the Class E Notes and the Class F Notes, is not certain. If such Notes were to be classified as equity for U.S. federal income tax purposes, this could have materially adverse effects for U.S. investors in those Notes. See "*Certain U.S. Federal Income Tax Considerations – Tax Treatment of Notes Classified as Equity*".

U.S. Federal Income Tax Changes

U.S. federal income tax laws and regulations, as well as the administrative interpretations of those laws and regulations, are regularly under review and may be changed at any time, possibly with retroactive effect. It cannot be predicted whether, when, and in what forms, or with what effective dates, the United States federal income tax law applicable to the Notes will be changed. Investors should consult their own tax advisers regarding the impact that any potential amendments to relevant tax law may have on their ownership, acquisition and disposal of Notes.

REGULATORY DISCLOSURE

The following outlines certain matters that may be relevant to some investors. It does not purport to be a comprehensive list of regulatory matters that pertain to all investors. Investors are responsible for analysing their own regulatory position.

UK Securitisation Regulation Requirements***Risk Retention***

The Transferor, as originator of the securitisation detailed in this Base Prospectus and of which the issue of the Notes in any Note Series forms part for the purposes of the UK Securitisation Regulation, will be required to retain a material net economic interest in the securitisation of not less than 5 per cent. in accordance with Article 6(1) of the UK Securitisation Regulation. In connection with its regulatory obligation, the Transferor will undertake in the Transaction Documents that it will retain a material net economic interest of not less than 5 per cent. of the nominal value of the securitised exposures in accordance with Article 6 of the UK Securitisation Regulation until the Series Final Redemption Date for a Note Series by way of a retention in accordance with Article 6(3)(b) of the UK Securitisation Regulation of an originator's interest of not less than 5 per cent. of the nominal value of the securitised exposures, subject always to any requirement of law and provided that the Transferor will not be in breach of such undertaking if it fails to so comply due to events, actions or circumstances beyond the control of the Transferor.

The form of the retention of the originator's interest will be through the Transferor's holding of the Originator VFN Loan Note in an amount of not less than 5 per cent. of the Outstanding Face Amount of Eligible Receivables. The continued compliance of the Transferor with its undertaking to maintain its interest in accordance with the UK Securitisation Regulation will be disclosed in the investor reports which will be made available to Noteholders on a website (which, in the Servicer's view, meets the requirements of Article 7(2) of the UK Securitisation Regulation) notified by the Servicer (on behalf of the Loan Note Issuer) to the Noteholders on or prior to the first Interest Payment Date in respect of a Note Series or any other website or service which may be subsequently notified by the Servicer (on behalf of the Loan Note Issuer) to the Noteholders. For the avoidance of doubt, the contents of any such website or service do not form part of this Base Prospectus.

The Transferor will grant security over and otherwise deal with the retention in a manner permitted under Article 6 of the UK Securitisation Regulation. Should the enforcement of that security or any consequences arising from those dealings or any other reason (including the sale or other disposal of the retention in the insolvency of the Transferor) or events, actions or circumstances beyond the control of the Transferor result in the Transferor ceasing to retain a material net economic interest in the Originator VFN Loan Note as specified above, then there would no longer be a retention in compliance with Article 6 of the UK Securitisation Regulation.

Regulatory Disclosure Obligations

The UK Securitisation Regulation (and, in particular, Article 7 of the UK Securitisation Regulation) imposes certain disclosure requirements on securitisation special purpose entities, originators and sponsors of securitisation transactions. Such requirements include the disclosure, on a periodic basis, of information in relation to the underlying exposures.

The Loan Note Issuer is the entity designated under Article 7(2) of the UK Securitisation Regulation responsible for providing the information set out in Articles 7(1)(a), (e), (f) and (g), and the Loan Note Issuer appoints the Servicer to assist it in satisfying the Loan Note Issuer's obligation under Article 7(2) of the UK Securitisation Regulation. The Servicer's ability to provide such assistance, including by providing the required information in the prescribed formats, is subject to the operation of the Servicer's systems and the availability of relevant data.

Contractual Obligations of the Loan Note Issuer, the Servicer and the Transferor

In addition to their regulatory obligations mentioned above (which cannot be limited by contract), each of the Loan Note Issuer and the Transferor will undertake in the Transaction Documents to use commercially reasonable efforts to procure that the Servicer will, and the Servicer will undertake that it shall use commercially reasonable efforts to, on a timely basis provide all information required to be made available

by the Transferor as originator on an ongoing basis pursuant to Articles 7(1)(a), (e), (f) and (g) of the UK Securitisation Regulation, in each case:

- (a) subject to any requirement of law and subject to and in accordance with any guidance and any transitional provisions that are then current and issued by any relevant regulator; and
- (b) provided that none of the Loan Note Issuer, the Transferor or the Servicer will be in breach of these undertakings if it fails to so comply due to events, actions and/or circumstances beyond its control.

The Transferor will also give an undertaking in the Transaction Documents in relation to its risk retention obligation under Article 6 of the UK Securitisation Regulation, and the Loan Note Issuer, the Servicer and the Transferor will give certain other undertakings in the Transaction Documents (for example, in relation to disclosure of information) which may be of relevance to the Loan Note Issuer or the Transferor's compliance with the UK Securitisation Regulation. Certain of these undertakings will also be to a commercially reasonable efforts (or similar) standard and/or subject to other provisos. Where such provisos apply, if the Transferor and/or the Loan Note Issuer fails to comply with their obligations under the UK Securitisation Regulation, there may be no breach of the relevant undertaking in the Transaction Documents on the part of the Loan Note Issuer, the Transferor or the Servicer (as applicable) for such non-compliance. UK Affected Investors should therefore carefully consider any consequences applicable to them in relation to holding the Notes in such circumstances.

Due Diligence Obligations of Affected Investors

Each UK Affected Investor that is required to comply with Article 5 of the UK Securitisation Regulation is required to independently assess and determine the sufficiency of the information described in this Base Prospectus and the related Drawdown Prospectus or Final Terms (as applicable) and which may otherwise be made available to investors for the purposes of its initial and ongoing compliance with Article 5 of the UK Securitisation Regulation. Although the Servicer will produce the monthly investor reports (and, on behalf of the Loan Note Issuer, provide the information set out in Article 7(1)(a) to (g) of the UK Securitisation Regulation (as described in "*Regulatory Disclosure Obligations*" above)), and the Issuer may make announcements from time to time in accordance with applicable law or regulation or the Note Conditions, none of the Issuer, the Receivables Trustee, the Loan Note Issuer, the Originator, the Programme Arranger, the Co-Arranger, the Dealers or any of the other transaction parties (i) makes any representation that the information described above or elsewhere in this Base Prospectus, any Drawdown Prospectus and any Final Terms (as applicable) or which may otherwise be made available to such investors or to which such investors are entitled (if any) is sufficient for such purposes, (ii) shall have any liability to any actual or prospective investor or any other person with respect to the insufficiency of such information or any failure of the transactions contemplated herein to comply with or otherwise satisfy the requirements of Article 5 of the UK Securitisation Regulation or any other applicable legal, regulatory or other requirements, or (iii) shall have any obligation (including, but not limited to, the provision of additional information) to enable compliance by UK Affected Investors with the requirements of Article 5 of the UK Securitisation Regulation or any other applicable legal, regulatory or other requirements.

UK Affected Investors should therefore be aware that, should they determine at any time, whether for their initial investment or as a result of changes following the end of the transitional period for reporting under Article 7 of the UK Securitisation Regulation or otherwise, that they have insufficient information in order to comply with their own due diligence obligations under Article 5 of the UK Securitisation Regulation, there is no obligation on the Issuer, the Loan Note Issuer, the Transferor or any other party (including, for the avoidance of doubt, the Programme Arranger, the Co-Arranger or any Dealer) to provide further information to meet such insufficiency.

"**UK Affected Investor**" has the meaning given to that term in "*Risk Factors – Increased Regulation of Securitisations May Result in Increased Requirements for Investors, Regulatory Sanctions and/or Decreased Liquidity in Respect of the Notes – UK Risk Retention Rules*".

See "*Risk Factors – Increased Regulation of Securitisations May Result in Increased Requirements for Investors, Regulatory Sanctions and/or Decreased Liquidity in Respect of the Notes*" for a description of the potential consequences for investors of acquiring or holding the Notes when certain obligations of the Issuer, the Transferor and/or UK Affected Investors under the UK Securitisation Regulation have not been complied with.

EU Securitisation Regulation

None of the Transferor, the Issuer, the Loan Note Issuer or the Receivables Trustees are actively seeking to comply with the provisions of Regulation (EU) 2017/2402 (the "**EU Securitisation Regulation**"). EU Affected Investors should be aware of this and should form their own view as to how their regulatory position may be affected.

"**EU Affected Investor**" means each of EU-regulated credit institutions, EU-regulated investment firms, certain alternative investment fund managers, EU-regulated insurers or reinsurers, certain investment companies authorised in accordance with Directive 2009/65/EC, managing companies as defined in Directive 2009/65/EC, institutions for occupational retirement provision falling within the scope of Directive (EU) 2016/2341 (subject to certain exceptions), and certain investment managers and authorised entities appointed by such institutions subject thereto.

U.S. Credit Risk Retention

The U.S. Credit Risk Retention Rules generally require the "sponsor" of an asset-backed securitisation transaction (or, in some cases, a majority-owned affiliate) to retain an economic interest in the credit risk of that securitisation transaction in an amount of not less than 5 per cent., in one of a number of specified ways. Under the U.S. Credit Risk Retention Rules, a "sponsor" means a person who organises and initiates a securitisation transaction by selling or transferring assets, either directly or indirectly, including through an affiliate, to the issuing entity.

The Transferor, as the "sponsor" of the securitisation transaction described in this Base Prospectus, intends to satisfy its risk retention requirements under the U.S. Credit Risk Retention Rules by maintaining a "seller's interest" (as defined in the U.S. Credit Risk Retention Rules) in the Receivables equal to at least 5 per cent. of the aggregate unpaid principal balance of the outstanding Notes of all Series (see "*Series Currently in Issue*" for details of the outstanding Series as at the date of this Base Prospectus), measured in accordance with the U.S. Credit Risk Retention Rules and determined at the Closing Date for each Note Series and monthly thereafter.

The "seller's interest" retained by the Transferor will be comprised of its combined holding of the Transferor Interest and the Originator VFN Loan Note. The Originator VFN Loan Note is exposed to a *pro rata* share of credit losses in respect of the Receivables in the Securitised Portfolio and in such respect ranks *pari passu* with the Transferor Interest. In addition, each Series Originator VFN Subordination within the Originator VFN Loan Note is exposed to credit losses allocated to the related Series which it supports. Dilution Losses in respect of the Receivables in the Securitised Portfolio are borne by the Transferor through being allocated to the Transferor Interest first and then to the Originator VFN Excess Amount. See "*The Receivables Trust—General Entitlement of Beneficiaries to Trust Property*" for a description of how the Transferor Interest is computed and "*Series Securitisation Cashflows – The Originator VFN and the Series Originator VFN Subordination*" for additional information concerning the characteristics of the Originator VFN Loan Note.

The Transferor (i) will not transfer to any party other than a wholly-owned affiliate any portion of its seller's interest that is required to be maintained by the U.S. Credit Risk Retention Rules, and (ii) will not enter into any derivative agreement or other position that reduces or limits its financial exposure to such seller's interest to the extent that such activities would be prohibited hedging activities under the U.S. Credit Risk Retention Rules. For purposes of the foregoing, a "wholly-owned" affiliate of the Transferor means an entity (other than the Issuer) that, directly or indirectly, wholly controls, is wholly-controlled by, or is wholly under common control with, the Transferor; and "wholly controls" means ownership of 100 per cent. of the equity of the relevant entity.

With respect to each Note Series, the related preliminary Final Terms or preliminary Drawdown Prospectus will include information regarding the expected seller's interest as of the Closing Date for that Note Series computed in compliance with the U.S. Credit Risk Retention Rules. Such calculation will be based on the outstanding principal amount of all Notes of all Series (see "*Series Currently in Issue*" for details of the outstanding Series as at the date of this Base Prospectus) as of the immediately preceding Interest Payment Date, or such other specified date (such date being not more than 135 days prior to the date of first use of this Base Prospectus (together with the related Final Terms or Drawdown Prospectus) for such Note Series, adjusted to reflect the prospective issuance of such Note Series on the relevant Closing Date. Any material difference in the actual amount of the seller's interest at the Closing Date related to any offering of Notes

from the expected seller's interest disclosed in the preliminary Final Terms or preliminary Drawdown Prospectus will be disclosed in the next monthly investor report following the relevant Closing Date. For purposes of the above calculation, the Transferor may include (unless otherwise indicated) the amount of any Notes intended to be held for life by the Transferor or its wholly-owned affiliates (although Notes so held are not required to be included for the calculation under the rules), adjusted to reflect the prospective issuance of Notes of the relevant Note Series on the relevant Closing Date (and any redemption or cash collateralisation of any other Notes on such Closing Date). For the purposes of such computation, the outstanding principal amount of any Non-Sterling Notes will be converted to Sterling at the exchange rate of the corresponding foreign exchange hedge entered into by the Issuer for the benefit of such non-Sterling Notes.

In the future, the Transferor may elect to comply with the U.S. Credit Risk Retention Rules through any other means, if and to the extent permitted thereunder at that time. In making any such election, the Transferor will comply with the provisions of the U.S. Credit Risk Retention Rules, including applicable disclosure requirements.

General

Please refer to "*Risk Factors – Risks Relating to Market Issues, Including Regulation – Increased Regulation of Securitisations May Result in Increased Requirements for Investors, Regulatory Sanctions and/or Decreased Liquidity in Respect of the Notes*" for a description of the potential consequences for investors of acquiring or holding the Notes when certain obligations of the Issuer, the Loan Note Issuer, the Transferor and/or Affected Investors under the UK Securitisation Regulation, or of the Transferor under the U.S. Credit Risk Retention Rules, have not been complied with.

LCR Regulation

Part 6 (*Liquidity*) of the CRR, and in particular Article 412, provides a framework to ensure that Institutions (as defined in the CRR) shall hold liquid assets, the sum of the value of which should cover the Institution's liquidity outflows less its liquidity inflows under stressed conditions, so as to ensure that Institutions maintain levels of liquidity buffers which are adequate to face any possible imbalance between liquidity inflows and liquidity outflows under gravely stressed conditions over a period of 30 days. This is so that, in times of stress, Institutions may use their liquid assets to cover their net liquidity outflows. The UK CRR contains equivalent provisions, which apply to Institutions (as defined in the UK CRR).

Pursuant to Article 460 of the CRR, the liquidity coverage requirements under the CRR were adopted by delegated act, namely Delegated Regulation 2015/61 supplementing the CRR dated 10 October 2014 (the "**LCR Regulation**" and, as it forms part of UK domestic law by virtue of the EUWA, the "**UK LCR Regulation**"). In calculating an Institution's liquidity buffer as part of the liquidity coverage ratio, an Institution may take into account its "liquid assets", the criteria of which are specified in the LCR Regulation and the UK LCR Regulation. "Level 2B securitisation assets" may count towards "liquid assets" as part of the liquidity buffer calculation.

The Issuer understands that prospective investors in the Notes may look to assess the compliance of such Notes with the criteria for Level 2B high quality liquid assets as set out in the LCR Regulation and the UK LCR Regulation. It is noted in this regard that, on 19 November 2018, Delegated Regulation 2018/1620 amending the LCR Regulation (the "**LCR Delegated Regulation**" and, as it forms part of UK domestic law by virtue of the EUWA, the "**UK LCR Delegated Regulation**") entered into force. The LCR Delegated Regulation and the UK LCR Delegated Regulation require that, amongst other things, securitisation exposures must qualify as simple, transparent and standardised ("**STS**") securitisations in accordance with the EU Securitisation Regulation or the UK Securitisation Regulation qualify as Level 2B high quality liquid assets, without any grandfathering provisions. The securitisation described in this Base Prospectus is not the subject of an STS notification (as defined in the EU Securitisation Regulation or the UK Securitisation Regulation) at this time.

Each prospective investor that is required to comply with the LCR Regulation or the UK LCR Regulation is required to independently assess and determine the sufficiency of the information described above, elsewhere in this Base Prospectus and in the Final Terms or Drawdown Prospectus, and information which may otherwise be made available to investors (if any) generally for the purposes of complying with the LCR Regulation, the UK LCR Regulation, the LCR Delegated Regulation or the UK LCR Delegated Regulation and none of the Issuer, the Receivables Trustee, the Transferor, the Programme Arranger, the

Co-Arranger, the Dealers or any of the other transaction parties makes any representation that the information described above, elsewhere in this Base Prospectus and in Final Terms or Drawdown Prospectus, and information which may otherwise be made available to such investors (if any) is sufficient in all circumstances for such purposes. Prospective investors who are uncertain as to the requirements under the LCR Regulation and the LCR Delegated Regulation or the UK LCR Regulation and the UK LCR Delegated Regulation which apply to them in respect of their relevant jurisdiction should seek guidance from their regulator.

TRANSACTION OVERVIEW

The information set out below is an overview of various aspects of the securitisation described in this Base Prospectus. This overview is not purported to be complete and should be read in conjunction with, and is qualified in its entirety by references to, the detailed information presented elsewhere in this Base Prospectus.

TRANSACTION PARTIES

| Party | Name | Address | Document under which appointed and further information |
|----------------------------------|---|---|---|
| Programme Arranger | Citigroup Global Markets Limited ("Citigroup" and the "Programme Arranger") | Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB | Dealer Agreement; please see "Subscription and Sale" for further details. |
| Co-Arranger | NewDay Cards Ltd (the "Co-Arranger") | 7 Handyside Street, London N1C 4DA | N/A |
| Dealers | Citigroup and any other Dealer appointed from time to time by the Issuer either generally in respect of the Programme or in relation to a particular Note Series in each case in accordance with the terms of the Dealer Agreement (collectively, the "Dealers"). | Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB | Dealer Agreement; please see "Subscription and Sale" for further details. |
| Issuer | NewDay Partnership Master Issuer plc | 1 Bartholomew Lane, London EC2N 2AX | N/A; please see "The Issuer" for further details. |
| Originator | NewDay Ltd | 7 Handyside Street, London N1C 4DA | N/A; please see "The Originator, the Servicer and the NewDay Group" for further details. |
| Servicer and Cash Manager | NewDay Cards Ltd (the "Servicer" and the "Cash Manager") | 7 Handyside Street, London N1C 4DA | Receivables Trust Deed and Servicing Agreement and Security Trust Deed and Cash Management Agreement; please see "The Originator, the Servicer and the NewDay Group" for further details. |
| Receivables Trustee | NewDay Partnership Receivables Trustee Ltd | 44 Esplanade, St. Helier, Jersey JE4 9WG | Receivables Trust Deed and Servicing Agreement; please see "The Receivables Trust" for further details. |

| <u>Party</u> | <u>Name</u> | <u>Address</u> | <u>Document under which appointed and further information</u> |
|--|---|---|--|
| Receivables Trustee Corporate Services Provider | Intertrust Offshore Limited (the "Receivables Trustee Corporate Services Provider") | 44 Esplanade, St. Helier, Jersey JE4 9WG | Receivables Trustee Corporate Services Agreement; please see " <i>The Receivables Trust</i> " for further details. |
| Transferor and Transferor Beneficiary | NewDay Partnership Transferor plc | 7 Handyside Street, London N1C 4DA | Receivables Trust Deed and Servicing Agreement; please see " <i>The Transferor</i> " for further details. |
| Receivables Trustee Account Bank, Loan Note Issuer Account Bank, Issuer Account Bank and Swap Collateral Account Bank | Citibank, N.A., London Branch (the "Receivables Trustee Account Bank", "Loan Note Issuer Account Bank", "Issuer Account Bank" and "Swap Collateral Account Bank") | Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB | Receivables Trustee Account Bank Agreement / Loan Note Issuer Account Bank Agreement / Issuer Account Bank Agreement / Swap Collateral Account Bank Agreement. |
| Loan Note Issuer and Investor Beneficiary | NewDay Partnership Loan Note Issuer Ltd | 1 Bartholomew Lane, London EC2N 2AX | N/A; please see " <i>The Loan Note Issuer</i> " for further details. |
| Calculation Agent | Citibank, N.A., London Branch (the "Calculation Agent") | Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB | Security Trust Deed and Cash Management Agreement; please see " <i>The Calculation Agent, the Principal Paying Agent, the Registrar, the Agent Bank, the U.S. Paying Agent, the U.S. Registrar, the Transfer Agent and the Back-up Cash Manager</i> " for further details. |
| Principal Paying Agent, Paying Agent and Agent Bank | Citibank, N.A., London Branch (the "Principal Paying Agent", the "Paying Agent" and the "Agent Bank") | Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB | Paying Agency and Agent Bank Agreement; please see " <i>The Calculation Agent, the Principal Paying Agent, the Registrar, the Agent Bank, the U.S. Paying Agent, the U.S. Registrar, the Transfer Agent and the Back-up Cash Manager</i> " for further details. |
| Note Trustee | Citicorp Trustee Company Limited | Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB | Note Trust Deed; please see " <i>The Note Trustee and the Security Trustee</i> " for further details. |
| Security Trustee | Citicorp Trustee Company Limited | Citigroup Centre, Canada Square, Canary Wharf, | Security Trust Deed and Cash Management Agreement; please see " <i>The Note Trustee and the</i> " |

| <u>Party</u> | <u>Name</u> | <u>Address</u> | <u>Document under which appointed and further information</u> |
|--|--|---|---|
| | (the "Security Trustee") | London E14 5LB | <i>Security Trustee</i> for further details. |
| Registrar, U.S. Paying Agent, U.S. Registrar, Transfer Agent and Back-up Cash Manager | Citibank, N.A., London Branch (the "Registrar", the "U.S. Paying Agent", the "U.S. Registrar, the "Transfer Agent" and the "Back-up Cash Manager") | Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB | Paying Agency and Agent Bank Agreement; please see <i>"The Calculation Agent, the Principal Paying Agent, the Registrar, the Agent Bank, the U.S. Paying Agent, the U.S. Registrar, the Transfer Agent and the Back-up Cash Manager"</i> for further details. |
| Loan Note Issuer Corporate Services Provider | Intertrust Management Limited (the "Loan Note Issuer Corporate Services Provider") | 1 Bartholomew Lane, London EC2N 2AX | Loan Note Issuer Corporate Services Agreement, please see <i>"The Loan Note Issuer"</i> for further details. |
| Issuer Corporate Services Provider | Intertrust Management Limited (the "Issuer Corporate Services Provider") | 1 Bartholomew Lane, London EC2N 2AX | Issuer Corporate Services Agreement; please see <i>"The Issuer"</i> for further details. |
| Holdings | NewDay Partnership Securitisation Holdings Ltd | 1 Bartholomew Lane, London EC2N 2AX | N/A; please see <i>"The Issuer"</i> for further details. |
| Holdings Corporate Services Provider | Intertrust Management Limited (the "Holdings Corporate Services Provider") | 1 Bartholomew Lane, London EC2N 2AX | Holdings Corporate Services Agreement; please see <i>"The Issuer"</i> for further details. |
| Holdings Share Trustee | Intertrust Corporate Services Limited | 1 Bartholomew Lane, London EC2N 2AX | N/A; please see <i>"The Issuer"</i> for further details. |
| Loan Note Issuer Share Trustee | Crestbridge Corporate Trustees Limited | 47 Esplanade, St. Helier, Jersey JE1 0BD | N/A; please see <i>"The Loan Note Issuer"</i> for further details. |
| Receivables Trustee Share Trustee | Intertrust Offshore Limited | 44 Esplanade, St. Helier, Jersey JE4 9WG | N/A; please see <i>"The Receivables Trustee"</i> for further details. |
| Panel Swap Counterparty | BNP Paribas, Citibank Europe plc, ING Bank, J.P. Morgan AG | Not applicable | Swap Agreements; please see <i>"The Swap Agreements"</i> and <i>"The Panel Swap Counterparties"</i> or relevant |

| <u>Party</u> | <u>Name</u> | <u>Address</u> | <u>Document under which appointed and further information</u> |
|--------------------------|--|----------------|---|
| | and Banco Santander, S.A. (each, a " Panel Swap Counterparty ") | | Drawdown Prospectus or Final Terms (as applicable) for further details. |
| Swap Counterparty | The Issuer (i) will, in respect of each Class (or Sub-Class) of Non-Sterling Notes within a Note Series, enter into a currency swap transaction and (ii) may, in respect of any Class (or Sub-Class) of Notes within a Note Series which has a fixed rate of interest or a floating rate of interest different from that under the corresponding Loan Note, enter into an interest rate swap transaction, in each case pursuant to an ISDA master agreement and related schedule and confirmations (each a " Swap Agreement ") with a Panel Swap Counterparty (or such other entity as may be specified in a Drawdown Prospectus) (the " Swap Counterparty "). | Not applicable | Swap Agreements; please see " <i>The Swap Agreements</i> " and " <i>The Panel Swap Counterparties</i> " and/or the relevant Final Terms or Drawdown Prospectus (as applicable) for further details. |

RECEIVABLES AND SERVICING OF RECEIVABLES

Please refer to the sections entitled "*The Receivables*" and "*Servicing of Receivables*" for further detail in respect of the characteristics of the Securitised Portfolio and the sale and the servicing arrangements in respect of the Securitised Portfolio.

The Receivables The Receivables consist of amounts charged by Obligors to designated credit card, store card and instalment credit accounts (and, in the future, may also consist of amounts charged by Obligors to charge card accounts) originated or acquired by the Originator and held on trust by it for the Transferor. The Receivables also include the Periodic Finance Charges and fees charged to such accounts.

As at the date of this Base Prospectus, all accounts within the Securitised Portfolio that are operated through a payment system are operated through the Mastercard system. However, accounts operated through the American Express, Visa or other payment systems may be added to the Securitised Portfolio in the future. Certain accounts within the Securitised Portfolio may also involve direct settlement with the relevant Retail Partner (rather than settlement via a payment system) for purchases by the relevant Obligors with that Retail Partner.

More detailed information regarding the Total Portfolio is provided in the section entitled "*The Receivables*".

Terms of the Credit Agreements The Transferor only assigns Receivables arising on Designated Accounts to the Receivables Trustee and does not assign all of its rights under the Credit Agreements relating to the Designated Accounts (which rights are held on trust for it by the Originator). Furthermore, the Originator retains the right (subject to the terms of the Credit Agreements) to determine (without reference to the Transferor or the Receivables Trustee), *inter alia*, the monthly Periodic Finance Charges and other fees which will be applicable from time to time to such Designated Accounts, to alter the minimum monthly payment required on such Designated Accounts and the credit limit applicable to the Designated Accounts, and to change various other terms with respect to such Designated Accounts, including increasing or decreasing the annual percentage rate ("**APR**").

Interchange Members participating in the American Express, Visa and Mastercard associations receive fees as partial compensation for, amongst other things, taking credit risk and absorbing fraud losses. Under the American Express, Visa and Mastercard systems, such fees are passed from the merchant acquirers that clear the transactions for merchants to card issuers. These fees are calculated as a percentage of the amount of a transaction for the purchase of goods or services. This percentage varies from time to time.

The Originator also receives fees directly from Retail Partners for whom it originates accounts when those accounts are used to pay for goods and services from such Retail Partners. These fees, together with the fees received from American Express, Visa and Mastercard described above, are known as "**Interchange**".

Any Interchange arising in respect of Designated Accounts is assigned to the Receivables Trustee and is generally treated in the same way as Finance Charge Collections.

RECEIVABLES AND SERVICING OF RECEIVABLES

- Eligibility Criteria** Principal Receivables may only be added to the Securitised Portfolio if they meet specified conditions. Those conditions, broadly, include:
- that the Receivable is payable in Sterling (or, in the case of Receivables from accounts in Permitted Additional Jurisdictions, the currency of that jurisdiction);
 - that the Receivable does not derive from an account which has been classified by the Originator as counterfeit, cancelled, fraudulent, stolen or lost;
 - that the Receivable is not a Defaulted Receivable; and
 - that the relevant Obligor is an individual whose billing address is located in England, Wales, Scotland, Northern Ireland or a Permitted Additional Jurisdiction.
- Sale and Assignment** The Receivables arising on Designated Accounts will be assigned to the Receivables Trustee by the Transferor pursuant to the Receivables Securitisation Deed. The assignment of Receivables arising on the Designated Accounts and the circumstances where such assignments may be restricted are set out in more particular detail in the section entitled "*The Receivables – Assignment of Receivables to the Receivables Trustee*".
- Consideration**..... The consideration payable by the Receivables Trustee for the Receivables is, broadly, the outstanding balance due in respect of such of those Receivables as are Principal Receivables, plus Deferred Consideration. In the event that the Receivables Trustee does not have enough cash available to purchase a Receivable that arises on a Designated Account on any day, such shortfall may be met by an increase of the Transferor Beneficiary's interest in the Receivables Trust.
- Representations** Each previous offer and all future offers of Receivables to the Receivables Trustee included or will include representations by the Transferor about such of those Receivables as are Principal Receivables. The representations for Principal Receivables in existence at the time of such offer will be given as of the relevant Assignment Date and the representations for Principal Receivables yet to come into existence will be given as of the date they are processed and, broadly, will include, in each case, that:
- unless identified as an Ineligible Receivable, such Principal Receivable is an Eligible Receivable and has arisen from an Eligible Account in the amount specified in the offer or daily activity report, as applicable;
 - each assignment passes good and marketable title for that Principal Receivable to the Receivables Trustee, together with the benefit of any Collections and other rights in connection with it, free from encumbrances (except as provided for by applicable law) in favour of any person claiming through or under the Originator or any of its affiliates to the Receivables Trustee and, subject to any limitations arising on enforcement in the jurisdiction of the relevant Obligor, nothing further needs to be done to enforce these rights in the courts of England and Wales, Scotland or Northern Ireland, or any Permitted Additional Jurisdiction, without the participation of the Originator or

RECEIVABLES AND SERVICING OF RECEIVABLES

the Transferor, other than (a) the execution of a legal assignment of such Receivable to the Receivables Trustee and the perfection of such assignment by the giving of a notice of assignment to the relevant Obligor and (b) the joining of the Originator and/or the Transferor as a party to proceedings by the Receivables Trustee against the relevant Obligor;

- each assignment complies with all laws applicable to the Originator or the Transferor on the date of such assignment, save where any such non-compliance would not have a material adverse effect on the ability of the Originator or the Transferor (as applicable) to conduct its business; and
- the Originator is the person by whom the legal title to the relevant Designated Account is held.

If a representation given in connection with any Principal Receivable proves to be incorrect when made, then the Transferor is obliged to pay the Receivables Trustee an amount equal to the face value of that Receivable by no later than the Transfer Date following the Collection Period during which such representation becomes known to the Transferor to be incorrect. A Receivable of this type will afterwards be treated as an Ineligible Receivable.

For further details of the eligibility criteria, together with the definitions of Eligible Receivable and Eligible Account, please see "*The Receivables*".

Designation of Accounts.....

Receivables will only be assigned to the Receivables Trustee if they arise on credit card, charge card, store card or instalment credit accounts specified (either specifically or by reference to a given product line) by the Transferor (such accounts being "**Designated Accounts**"). On the Initial Assignment Date (being 18 December 2014), the Designated Accounts were those accounts which were specified in the Initial Offer and, subject to the following restrictions, new accounts which are originated as part of the product lines specified in the Initial Offer or any Subsequent Offer will automatically become Designated Accounts (unless specifically recorded as not being so designated on the Originator's System).

After the Initial Assignment Date, accounts which have been originated via sales channels made available by a retailer may only be specified as Designated Accounts if that retailer is an "**Allowed Retail Partner**". As at the date of this Base Prospectus, the only Allowed Retail Partners are the members of the "Amazon", "Arcadia", "Debenhams", "House of Fraser", "John Lewis & Partners" and "Laura Ashley" corporate groups, but additional retailers may be added subsequently, provided that a Rating Confirmation is obtained in respect of that addition. Certain of the Allowed Retailers have ceased trading, but accounts originated prior to such cessation may still be specified as (or continue to be) Designated Accounts, whether or not such accounts are rebranded.

The Transferor has undertaken to the Receivables Trustee that it will not specify Accounts originated via Amazon which were not (at the time of origination) part of the "Amazon Platinum" product

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line as "Designated Accounts" unless a Rating Confirmation has been delivered in respect of such designation.

In addition, no:

- (a) charge card accounts;
- (b) instalment credit accounts; or
- (c) store card accounts originated after 31 May 2015 (other than staff store card accounts),

may be specified as Designated Accounts after the Initial Assignment Date, unless, in each case, a Rating Confirmation is obtained.

Furthermore, unless a Rating Confirmation is obtained in respect of the addition of Designated Accounts in greater numbers, the maximum number of accounts which may become Designated Accounts is, broadly:

- (a) in a given three-month period, limited (by both number and outstanding balance at point of designation) to 15 per cent. of the Securitised Portfolio; and
- (b) in a given 12-month period, limited (by both number and outstanding balance at point of designation) to 20 per cent. of the Securitised Portfolio.

If a Rating Confirmation is obtained in respect of the designation, after the Initial Assignment Date, of instalment credit accounts as Designated Accounts, then, unless a further Rating Confirmation is obtained in respect of the addition of such accounts in greater numbers, the maximum number of such accounts which may become Designated Accounts will be limited (by outstanding balance at point of designation) to 25 per cent. of the Securitised Portfolio.

Further details regarding each of the above restrictions is set out in "*The Receivables*".

Re-designation of Designated Accounts

Each Designated Account will continue to be a Designated Account until it is re-designated and becomes a "**Re-designated Account**".

A Designated Account will automatically become a Re-designated Account with effect from the date (if any) on which it becomes:

- (a) a Defaulted Account; or
- (b) a Cancelled Account.

Unless it becomes a Defaulted Account or a Cancelled Account, a Designated Account will only become a Re-designated Account with effect from the date (if any) specified in a notice (a "**Re-designation Notice**") served by the Transferor in accordance with the terms of the Receivables Securitisation Deed.

Unless a Designated Account is a Debt Recovery Account, a Zero Balance Account or an Ineligible Account, the Transferor may only serve a Re-designation Notice in respect of such Account if:

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- (a) unless such Account is a Third Party Re-designated Account, such re-designation will not, in the reasonable belief of the Transferor, cause:
 - (i) a Pay Out Event to occur on the relevant Re-designation Date;
 - (ii) the Transferor Interest, when aggregated with the Originator VFN Excess Amount, to be less than the Minimum Transferor Interest on the relevant Re-designation Date; or
 - (iii) the Eligible Receivables Balance to be less than the Minimum Aggregate Principal Receivables on the relevant Re-designation Date;
- (b) unless such Account is a Third Party Re-designated Account, such Account has not been selected for re-designation by a procedure believed by the Transferor to be materially adverse to the interests of any Investor Beneficiary;
- (c) the Receivables Trustee and the Rating Agencies have received notice in writing from the Transferor of the proposed re-designation and, save in the case of a Third Party Re-designated Account, a Rating Confirmation shall have been provided in respect of such re-designation; and
- (d) the Transferor has delivered to the Receivables Trustee a Solvency Certificate and an officer's certificate confirming the satisfaction of the foregoing conditions.

In the case of the re-designation of a Designated Account which is a Third Party Re-designated Account, each of the Beneficiaries must have consented to the re-designation of such Account (each Investor Beneficiary has agreed to provide such consent pursuant to the terms of the Beneficiaries Deed).

The date on which any Designated Account is re-designated is known as its "**Re-designation Date**".

For the purposes of the foregoing:

A "**Cancelled Account**" is a Designated Account (which is not a Defaulted Account or a Debt Recovery Account) which has had its charging privileges permanently withdrawn either (a) at the instigation of the Servicer or (b) at the request of the relevant Obligor, and, in either case, which has been designated by the Servicer as a "Cancelled Account" in accordance with the Credit Guidelines or the Servicer's usual servicing procedures.

A "**Debt Recovery Account**" is a Designated Account (which is not a Defaulted Account) where the relevant Obligor has been sent a notice of default in respect of such Account or is otherwise on a payment plan.

A "**Defaulted Account**" is a Designated Account where the Receivables have been charged off by the Servicer as uncollectible in line with the Credit Guidelines or the usual servicing procedures of the Servicer.

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An "**Ineligible Account**" is a Designated Account on which all Principal Receivables that arise under such Account are Ineligible Receivables and on which no Eligible Receivables can be generated in the future.

A "**Third Party Re-designated Account**" is a Designated Account which is to be re-designated as a result of an arm's length arrangement on commercial terms made between the Transferor and/or the Originator and a third party which requires the transfer to such third party of specified Designated Accounts, such re-designation to occur in accordance with the terms of the Receivables Securitisation Deed.

A "**Zero Balance Account**" is a Designated Account that has had a nil balance of Receivables for a considerable period of time and has been identified by the Servicer as a Zero Balance Account under the Credit Guidelines or the usual servicing procedures of the Servicer.

The Principal Receivables arising on Re-designated Accounts that exist before the relevant Re-designation Date will be paid for by the Receivables Trustee. Any future Receivables that come into existence after that time (other than Finance Charge Receivables in respect of Receivables which are in existence prior to such Re-designation Date) will not be assigned to the Receivables Trustee, as set out in the Receivables Securitisation Deed. However, no Receivables that have been assigned to the Receivables Trustee will be re-assigned to the Transferor unless:

- (a) such Receivables relate to Re-designated Accounts which are Defaulted Accounts ("**Defaulted Receivables**") or Debt Recovery Accounts ("**Debt Recovery Receivables**") and the Transferor exercises its rights and complies with its obligations under the relevant Call Option (as described below);
- (b) such Receivables relate to Re-designated Accounts which are Third Party Re-designated Accounts and the Transferor pays the Receivables Trustee an amount equal to the aggregate balance of Eligible Receivables standing to the credit of those Re-designated Accounts;
- (c) such Receivables relate to Re-designated Accounts which are Ineligible Accounts in respect of which the Transferor has complied with its obligations in respect of the outstanding Ineligible Receivables, as described under the heading "*The Receivables – Representations*"; or
- (d) such Receivables relate to any other Re-designated Accounts in respect of which the Transferor has specified in the relevant Re-designation Notice that such Receivables are to be re-assigned and the Transferor pays the Receivables Trustee an amount equal to the aggregate balance of Eligible Receivables standing to the credit of those Re-designated Accounts.

Until money has been received by the Receivables Trustee for the assigned Receivables, the Receivables arising on a Re-designated Account will not be re-assigned.

Call Options Pursuant to the Receivables Securitisation Deed, the Receivables Trustee has granted to the Transferor a call option in respect of Defaulted Receivables and a call option in respect of Debt Recovery Receivables.

The Transferor may exercise either of these options by sending an assignment agreement (an "**Option Assignment**") to the Receivables Trustee stating that, at the opening of business (the "**Option Exercise Time**") on a specified date (the "**Option Exercise Date**"), it shall require the Receivables Trustee to re-assign and release to it all Defaulted Receivables on the Defaulted Accounts (or any specified Defaulted Accounts) or the Debt Recovery Receivables on the Debt Recovery Accounts (or any specified Debt Recovery Accounts), as applicable (in each case as are in existence at the Option Exercise Time) and stating the amount of Defaulted Receivables or Debt Recovery Receivables, as applicable, to be re-assigned and released to the Transferor at the related Option Exercise Time.

The consideration payable by the Transferor for such re-assignment shall:

- (a) in the case of Defaulted Receivables, be the aggregate of £1 (payable on the Option Exercise Date), and:
 - (i) any amount received from the relevant Obligor (directly or indirectly), for the avoidance of doubt excluding Insurance Proceeds, by the Transferor with respect to the re-assigned Defaulted Receivables; and
 - (ii) any consideration payable by any third party to the Transferor, including debt collection agents, for the assignment of such re-assigned Receivables (net of any costs of the Transferor in connection with such sale and any retention in respect of any provisions in respect of such sale),

the amounts specified in paragraphs (i) and (ii) being, together, the "**Sale Recoveries**" and being payable on the Transfer Date relating to the Collection Period during which the Sale Recoveries were realised; and

- (b) in the case of Debt Recovery Receivables, be an amount equal to the aggregate balance of the Eligible Receivables relating to such Debt Recovery Accounts as at the Option Exercise Date and stated in the Option Assignment.

Discount Option Receivables The Transferor may, by giving at least 30 days' prior notice to the Servicer, the Receivables Trustee and the Rating Agencies, nominate a fixed or variable percentage – called the "**Discount Percentage**" – to apply to Principal Receivables arising on the Designated Accounts. If a Discount Percentage has been nominated previously, an extension to the period for which it applies can be specified in the same way. From the date and for the length of time stated in the notice: (i) the amount payable by the Receivables Trustee to accept an offer of Receivables will be reduced by the Discount Percentage and (ii) a percentage of the Principal Receivables equal to the Discount Percentage will be treated by the Receivables Trustee as Finance Charge Receivables.

Notification Events The Originator has granted a security power of attorney in favour of the Transferor, and the Transferor has granted a security power of attorney in favour of the Receivables Trustee, enabling the Receivables Trustee (as attorney of the Transferor and sub-attorney of the Originator) to execute a legal assignment to it of the Originator's legal title to the Receivables. However, the Receivables Trustee has agreed that it will not execute such a legal assignment or give notice of such assignment to the relevant Obligors unless (a) a Pay Out Insolvency Event occurs with respect to the Originator or the Transferor or (b) the Transferor (or the Servicer on behalf of the Transferor) fails to pay any sum due from it to the Receivables Trustee under the Receivables Trust Deed and Servicing Agreement in respect of the Designated Accounts within five Business Days of the due date thereof or the date of demand, if payable on demand, in the currency and in the manner specified herein, and such failure is not remedied within ten Business Days after the Receivables Trustee has given notice thereof to the Transferor.

Accordingly, prior to the execution of such an assignment and the notification thereof to the Obligors, the transfer by the Transferor to the Receivables Trustee of the benefit of the Receivables takes effect in equity only. This has certain legal consequences as described in the risk factor entitled "*Risk Factors – Regulatory and Other Risks Relating to the Assets – Failure to Notify Obligors of the Transfer of Receivables Could Delay or Reduce Payments on the Notes*".

Servicing of the Receivables The Servicer has been appointed by the Receivables Trustee as initial Servicer under the terms of the Receivables Trust Deed and Servicing Agreement. Among other things, the Servicer's functions include crediting and debiting Obligors' accounts as appropriate.

The appointment of NewDay Cards Ltd as Servicer under the Receivables Trust Deed and Servicing Agreement and the appointment of any person as Servicer to replace anyone then acting as the Servicer – called a "**Successor Servicer**" – will terminate when a Servicer Default occurs and is continuing, which includes:

- material non-performance of its obligations;
- material misrepresentations;
- occurrence of an insolvency event; and
- delegation of its duties other than as permitted by the Receivables Trust Deed and Servicing Agreement.

The Servicer may not resign from its obligations and duties as Servicer under the Receivables Trust Deed and Servicing Agreement unless its performance is no longer permitted under applicable law and there is no reasonable action that it could take to make it permissible. The Servicer's resignation will not be effective until a Successor Servicer has been properly appointed.

Please see "*Servicing of Receivables*" for further details.

Delegation..... The Servicer may delegate some or all of its servicing function to a third party, **provided that** the Servicer remains responsible for

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the performance of any of its servicing function so delegated. Please see "*Servicing of Receivables*" for further details.

As at the date of this Base Prospectus, the Servicer has appointed Santander UK to perform certain cash management and settlement services in respect of the Securitised Portfolio and has appointed Fiserv to perform certain technical and operational services in respect of the Securitised Portfolio (please see "*The Securitised Portfolio – Servicing and Origination*" for further details).

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Please refer to section entitled "Terms and Conditions of the Notes" for further detail in respect of the Terms and Conditions of the Notes.

Issuance of Notes in Series Notes issued under the Programme will be issued in Note Series. Each Note Series corresponds to a Loan Note Series, which in turn corresponds to a Series Investor Interest. Each Note Series will be: (a) issued on a single date; and (b) subject to identical terms and conditions. Each Note Series will contain Notes of one or more Classes, and each Class of Notes may be divided into Sub-Classes. Notes within the same Class or Sub-Class will rank *pari passu* and *pro rata* among themselves. Each Class or Sub-Class of Notes within a Note Series will not, however, be subject to identical terms in all respects with respect to other Classes or Sub-Classes within that same Note Series (for example, the currency, interest rates, interest calculations and the scheduled and final redemption dates of the Notes may differ). Similarly, one Note Series will not necessarily have the same terms as another Note Series. Details of the then outstanding Note Series at the time of issuance of any Note Series will be set out in the relevant Final Terms or Drawdown Prospectus, as applicable.

Ranking Each Class or Sub-Class of Notes in each Note Series are direct, secured and unconditional obligations of the Issuer that will, at all times, rank *pari passu* and *pro rata* without preference or priority amongst themselves.

It is anticipated that each Note Series will include all or (if specified in the relevant Final Terms or Drawdown Prospectus) some of the following Classes of Notes:

- **Class A Notes**, which will rank in priority to the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes (in each case, if any) of the relevant Note Series and *pro rata* and *pari passu* amongst themselves;
- **Class B Notes**, which will rank in priority to the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes (in each case, if any) of the relevant Note Series and *pro rata* and *pari passu* amongst themselves;
- **Class C Notes**, which will rank in priority to the Class D Notes, the Class E Notes and the Class F Notes (in each case, if any) of the relevant Note Series and *pro rata* and *pari passu* amongst themselves;
- **Class D Notes**, which will rank in priority to the Class E Notes and the Class F Notes (in each case, if any) of the relevant Note Series and *pro rata* and *pari passu* amongst themselves;
- **Class E Notes**, which will rank in priority to the Class F Notes (if any) of the relevant Note Series and *pro rata* and *pari passu* amongst themselves; and
- **Class F Notes**, which will rank *pro rata* and *pari passu* amongst themselves.

In respect of any Note Series, each Class of Notes may contain one or more Sub-Classes of Notes, each of which shall rank *pro rata* and *pari passu* amongst themselves and (subject to the detailed provisions of the Note Conditions and the Transaction Documents) *pro rata* and *pari passu* with the Notes of each other Sub-Class of the relevant Class. In this Base

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Prospectus, any reference to a Class of Notes shall, save where the context otherwise requires, include all Sub-Classes within such Class.

If the Final Terms or Drawdown Prospectus in respect of any Note Series states that any of the above Classes of Notes will not be issued in respect of that Note Series, then all references in this Base Prospectus to any such Class of Notes (and the corresponding Class of Loan Notes and Investor Interest and all related interests, ledgers and other terms) shall, in respect of that Note Series, be ignored.

"Most Senior Note Class" means, in respect of any Note Series, the Class A Notes while they remain outstanding and thereafter the Class B Notes while they remain outstanding and thereafter the Class C Notes while they remain outstanding and thereafter the Class D Notes while they remain outstanding and thereafter the Class E Notes while they remain outstanding and thereafter the Class F Notes, in each case including any Sub-Classes thereof.

| | |
|---|--|
| Relationship between a particular Note Series and the Related Loan Note Series | In relation to any particular Note Series, the Issuer will make payments of interest and principal on each Class (or Sub-Class) of Notes from payments of interest and principal made by the Loan Note Issuer on the corresponding Class (or Sub-Class) of the Related Loan Note Series, following (where relevant) the making of any payments under any Swap Agreement in respect of the Notes within that Class (or Sub-Class). |
| Issuer Security | As Security for the payment of all monies payable in respect of the Notes in a Note Series, the Issuer will, pursuant to the Note Trust Deed and the relevant Note Trust Deed Supplement, create Security in favour of the Note Trustee for itself and, among others, the Noteholders of the relevant Note Series over, among other things, the Issuer's rights to receive payments from the Loan Note Issuer under the Related Loan Note Series. |
| Loan Note Issuer Security | As Security for the payment of all monies payable in respect of the Loan Notes in each Loan Note Series issued to the Issuer, the Loan Note Issuer will, pursuant to the Security Trust Deed and Cash Management Agreement and the relevant Loan Note Supplement, create security in favour of the Security Trustee for itself and, among others, the Issuer over, among other things, the Loan Note Issuer's relevant interest in the Receivables Trust. |
| Interest Provisions | Interest will be payable on the Notes of each Note Series in arrear and will accrue at a fixed rate or a floating rate (see " <i>Terms and Conditions of the Notes</i> ") and the method of calculating interest will be specified in the relevant Final Terms or Drawdown Prospectus for such Note Series. The Interest Payment Dates for each Note Series will be specified in the relevant Final Terms or Drawdown Prospectus. |
| Interest Deferral | To the extent that the monies which are deposited by the Loan Note Issuer in the Issuer Distribution Accounts to the credit of the relevant Series Distribution Ledger for any Class or Sub-Class of Notes within a Note Series on or immediately prior to an Interest Payment Date in accordance with the provisions of the relevant Loan Note Supplement are insufficient to pay the full amount of interest on such Notes on such Interest Payment Date, payment of the interest shortfall (" Deferred Interest "), which will be borne by each Note of that Class or Sub-Class in a proportion equal to the proportion that the Principal Amount Outstanding of the Note of the relevant Class or Sub-Class bears to the aggregate Principal Amount Outstanding of the Notes of the relevant Class or Sub-Class (as determined on the Interest Payment Date on which such Deferred Interest arises), will not then fall due but will instead be deferred until the earlier of (a) the next Interest Payment Date occurring thereafter on which funds are available to |

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the Issuer (by being deposited in the Issuer Distribution Accounts to the credit of the relevant Series Distribution Ledger for the relevant Class or Sub-Class of Notes by the Loan Note Issuer on or immediately prior to such Interest Payment Date in accordance with the relevant Loan Note Supplement) to pay such Deferred Interest and (b) the Series Final Redemption Date for such Note Series. Such Deferred Interest will accrue interest ("**Additional Interest**") at one percentage point per annum above the then current Rate of Interest and payment of any Additional Interest will also be deferred until the earlier of (a) the next Interest Payment Date thereafter on which funds are available to the Issuer (by being deposited in the Issuer Distribution Accounts to the credit of the relevant Series Distribution Ledger for the relevant Class or Sub-Class of Notes by the Loan Note Issuer on or immediately prior to such Interest Payment Date in accordance with the relevant Loan Note Supplement) to pay such Additional Interest and (b) the Series Final Redemption Date for such Note Series.

Deferral of interest on any Class or Sub-Class of Notes is not an Event of Default.

Gross-up..... None of the Issuer, the Note Trustee or any Agent will be obliged to gross-up if there is any withholding or deduction in respect of the Notes on account of taxes, including on account of U.S. federal withholding tax under Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986 (the "**Code**") (commonly referred to as "**FATCA**").

Extension of the Specified Class Scheduled Redemption Date and/or the Series Scheduled Redemption Date for each Note Series..... The Specified Class Scheduled Redemption Date (either before or after any Class Reset) for any Specified Class in a Note Series may be postponed to a later Interest Payment Date falling within the relevant Class Extension Period (which will be specified in the relevant Final Terms or Drawdown Prospectus, as applicable, or otherwise determined in the manner set out in the definition of "**Class Extension Period**" if the Servicer delivers a Class Extension Notice, in accordance with the relevant Supplement, **provided that**, following the delivery of the Class Extension Notice, the Class Scheduled Redemption Date and, if applicable, any Class Scheduled Put Date, in each case, for each Class or Sub-Class in that Note Series which both (a) ranks junior to such Specified Class and (b) if such Specified Class is specified in the relevant Final Terms or Drawdown Prospectus as belonging to a Maturity Stack, is in the same Maturity Stack as such Specified Class, is no earlier than the new Specified Class Scheduled Redemption Date for such Specified Class.

The Series Scheduled Redemption Date for a Note Series may be postponed to a later Interest Payment Date falling within the relevant Series Extension Period (which will be specified in the relevant Final Terms or Drawdown Prospectus, as applicable) if the Servicer delivers a Series Extension Notice, in accordance with the terms of the related Supplement. Such Series Extension Notice may provide that the Class Scheduled Redemption Date in respect of certain Classes or Sub-Classes in a Note Series may be extended by different lengths of time (or not at all), **provided that**, in respect of each Class or Sub-Class in a Series (a "**Relevant Class**"), following the delivery of the Series Extension Notice, the Class Scheduled Redemption Date and, if applicable, any Class Scheduled Put Date, in each case, for each Class or Sub-Class in that Note Series which both (a) ranks junior to such Relevant Class and (b) if such Relevant Class is specified in the relevant Final Terms or Drawdown Prospectus as belonging to a Maturity Stack, is in the same Maturity Stack as such Relevant Class, is no earlier than the new Class Scheduled Redemption Date for the Relevant Class.

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Any Relevant Class that, following the delivery of a Series Extension Notice, has a Class Scheduled Redemption Date falling prior to the extended Series Scheduled Redemption Date shall, from the date of such Series Extension Notice, if not already a Specified Class, without any further formality become a Specified Class. For further information, please see "*Series Securitisation Cashflows*" and "*Terms and Conditions of the Notes*".

Redemption and Repurchase of Notes

The Notes of each Note Series will be subject to the following mandatory redemption and repurchase events:

- any Specified Class in such Note Series will be redeemed on the Specified Class Scheduled Redemption Date for such Specified Class and the Notes in such Note Series will otherwise be redeemed on the Series Scheduled Redemption Date for that Note Series, in each case to the extent that principal repayments (including, but not limited to, repayments as a result of the issue of a Replacement Series (as more particularly described in the section entitled "*Series Securitisation Cashflows – Controlled Accumulation Period and Specified Class Controlled Accumulation Period*") are made under the Related Loan Note Series, as more fully set out in Note Condition 9 (*Redemption and Purchase*);
- if the Rapid Amortisation Period for such Note Series commences, the Notes in that Note Series will be partially or fully redeemed on each Interest Payment Date during such Rapid Amortisation Period to the extent principal repayments are made under the Related Loan Note Series until such Notes are redeemed in full or until the Series Final Redemption Date specified in the relevant Final Terms or Drawdown Prospectus (as applicable), as more fully set out in Note Condition 9 (*Redemption and Purchase*);
- if a Specified Class Rapid Amortisation Period commences with respect to a Specified Class in such Note Series as a result of the Class Investor Interest for that Specified Class not being reduced to zero on the Specified Class Scheduled Redemption Date, such Specified Class will be redeemed on each Interest Payment Date during such Specified Class Rapid Amortisation Period to the extent principal repayments are made under the relevant Loan Note in the Related Loan Note Series until the Specified Class is redeemed in full or until the Series Final Redemption Date, as more fully set out in Note Condition 9 (*Redemption and Purchase*);
- any Put Class Notes will be repurchased on the relevant Class Scheduled Put Date to the extent that principal payments are made under the relevant Loan Note in the Related Loan Note Series or the Issuer otherwise has funds available to fund the repurchase, as more fully set out in Note Condition 9 (*Redemption and Purchase*);
- if a Specified Class Rapid Amortisation Period commences as a result of any Put Class Notes not being repurchased on any Class Scheduled Put Date, some or all of such Put Class Notes will be repurchased on each Interest Payment Date during such Class Rapid Amortisation Period to the extent that principal repayments are made under the relevant Loan Note in the Related Loan Note Series until the Put Class Notes are repurchased in full or until the Series Final Redemption Date specified in the relevant Final

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Terms or Drawdown Prospectus (as applicable), as more fully set out in Note Condition 9 (*Redemption and Purchase*);

- if a Partial Amortisation Event occurs, the Servicer shall notify the Receivables Trustee thereof and the Receivables Trustee shall, upon any such notification, use Cash Available for Investment to repay some or all of the Outstanding Series, with any such funds applied with respect to any Series being used to repay the Related Loan Note Series and, accordingly, the related Note Series, as more fully set out in Note Condition 9 (*Redemption and Purchase*); and
- if not already redeemed prior to such date, the Notes will be redeemed in full on the Series Final Redemption Date specified in the relevant Final Terms or Drawdown Prospectus (as applicable), as more fully set out in Note Condition 9 (*Redemption and Purchase*).

The Notes of each Note Series will be subject to the following optional redemption and repurchase provisions:

- on or after a Refinancing Date, the Issuer (acting on the instructions of the Transferor) may repurchase some or all of the Retained Notes of any Class or Sub-Class then outstanding on such Business Day as may be specified by the Issuer in writing to the Note Trustee, as more fully set out in Note Condition 9 (*Redemption and Purchase*);
- if the relevant Series Investor Beneficiary specifies a Series Optional Amortisation Date in respect of (i) the Notes in that Note Series, (ii) the Notes of a Specified Class or Specified Classes in such Note Series and/or (iii) any Put Class Notes in such Note Series, as the case may be, the relevant Notes will be redeemed in full on such Series Optional Amortisation Date, as more fully set out in Note Condition 9 (*Redemption and Purchase*); and
- if "Optional Repurchase" is specified in the relevant Drawdown Prospectus or Final Terms, as applicable, all the Notes in a Note Series may be repurchased by the Issuer (acting on the instructions of the Transferor) on and from the end of the relevant Non-Call Period.

Any Note redeemed or repurchased pursuant to the above provisions will be redeemed or repurchased at an amount equal to the Principal Amount Outstanding of the relevant Note to be redeemed or repurchased together with accrued (and unpaid) interest on the Principal Amount Outstanding of the relevant Note up to (but excluding) the date of redemption or repurchase.

Swap Agreement..... The Issuer:

- will, in respect of each Class (or Sub-Class) of Non-Sterling Notes within a Note Series, enter into a currency swap transaction in order to (i) convert the relevant Non-Sterling Currency received by the Issuer on the issuance date of such Non-Sterling Notes into Sterling for payment of the subscription amount for the relevant Loan Note in the Related Loan Note Series, and (ii) convert the Sterling amounts received by the Issuer under the relevant Loan Note into the relevant Non-Sterling Currency (as specified in the

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relevant Final Terms or Drawdown Prospectus) for payments in respect of the relevant Non-Sterling Notes; and

- may, in respect of any Class (or Sub-Class) of Notes within a Note Series which have a fixed rate of interest or a floating rate of interest different from that under the corresponding Loan Note, enter into an interest rate swap transaction,

in each case pursuant to an ISDA master agreement and related schedule and confirmation(s) and credit support annex (each a "**Swap Agreement**") with a Panel Swap Counterparty or such other entity as may be specified in a Drawdown Prospectus (the "**Swap Counterparty**"). The Final Terms or Drawdown Prospectus (as applicable) will provide details of any Swap Agreement (if applicable) in respect of a particular Class or Sub-Class of Notes of the relevant Note Series including details of the Swap Counterparty. For further information, please see "*The Swap Agreements*".

Any collateral posted to the Issuer pursuant to any Swap Agreement will not be available to make payment under the Notes to which the Swap Agreement relates until such time as the relevant Swap Agreement has been terminated and all amounts payable to the Swap Counterparty have been paid. Until such time, any collateral posted to the Issuer pursuant to such Swap Agreement shall be used solely to pay the Swap Excluded Payable Amounts.

Events of Default The Events of Default applying to the Notes in any Note Series are as fully set out in Note Condition 13 (*Events of Default*), which broadly includes (where relevant, subject to the applicable grace period):

- non-payment of interest or principal when due on any Notes in the relevant Note Series (except for non-payment of any amount of interest which is deferred in accordance with the Note Conditions);
- a breach of contractual obligations by the Issuer under or in respect of the Issuer Documents of the relevant Note Series to which it is a party (other than any obligation for the payment of any principal or interest on the Notes) which is materially prejudicial to the interests of the Noteholders;
- enforcement action being taken against the assets of the Issuer;
- the occurrence of an Insolvency Event in respect of the Issuer;
- failure by the Issuer to take any action to perform and comply with its obligations in respect of the Notes in the relevant Note Series or any of the other Issuer Documents of the relevant Note Series;
- it becoming unlawful for the Issuer to perform or comply with its obligations under the Notes in the relevant Note Series or any of the other Issuer Documents of the relevant Note Series; or
- expropriation or seizure of control over the Issuer's business as a result of government intervention.

Insolvency Events include, among other things, situations where:

- an order is made or a petition is presented for the winding up of the Issuer;

OVERVIEW OF THE TERMS AND CONDITIONS OF THE NOTES

- the Issuer is unable to pay its debts within the meaning of section 123(1) of the Insolvency Act 1986; and
- proceedings are initiated against the Issuer under any applicable liquidation, administration, reorganisation, insolvency or other similar laws.

| | |
|-------------------------------|--|
| Enforcement | Following the occurrence of an Event of Default in respect of the Notes in a Note Series, the Note Trustee may, at its sole discretion, and, if so required by holders of at least one-quarter of the aggregate Principal Amount Outstanding of the Most Senior Note Class of that Note Series or if so directed by an Extraordinary Resolution of the holders of the Most Senior Note Class of that Note Series then outstanding (subject, in each case, to being indemnified and/or secured and/or pre-funded to its satisfaction), shall be bound to, give written notice to the Issuer to accelerate the Notes in that Note Series and render the Security enforceable. |
| Limited Recourse | If at any time following: (i) the Series Final Redemption Date for a Note Series or any earlier date upon which the Notes in that Note Series are due and payable; and (ii) realisation of the Security to the fullest extent possible and application in full of any amounts available to pay amounts due and payable under the Notes in that Note Series in accordance with the applicable priority (or priorities) of payments, the proceeds of such realisation are insufficient, after payment of all other claims ranking in priority in accordance with the applicable priority (or priorities) of payments, to pay in full all amounts then due and payable under such Notes then any amount remaining to be paid (after such application in full of the amounts first referred to in (ii) above) under the Notes of such Note Series shall, immediately following such application in full of the amounts referred to in (ii) above, cease to be due and payable by the Issuer. |
| Non-petition | No Noteholder may institute any proceedings against the Issuer to enforce its rights under or in respect of any Notes or the Note Trust Deed unless (1) the Note Trustee has become bound to institute proceedings and has failed to do so within a reasonable time and (2) the failure is continuing. |
| Denominations | Notes will be issued in such denominations as may be specified in the relevant Final Terms or Drawdown Prospectus, as applicable. Notes will be issued in minimum denominations of at least €100,000 (or such amount as shall be at least equal to its equivalent in any other currency as at the date of issue of those Notes as specified in the relevant Final Terms or Drawdown Prospectus) in the case of any Notes which are to be admitted to trading on a regulated market within the UK or the European Economic Area (the "EEA"), offered to the public in the UK in circumstances which require the publication of a prospectus under the UK Prospectus Regulation or offered to the public in a Member State of the EEA in circumstances which require the publication of a prospectus under the EU Prospectus Regulation. |
| Clearing Systems | In respect of any Note Series, Euroclear, Clearstream, Luxembourg, DTC and/or any other clearing system, in each case as may be specified in the relevant Final Terms or Drawdown Prospectus, as applicable (each a "Clearing System"). |
| Governing Law | The Notes and all non-contractual obligations arising from or connected with them are governed by, and to be construed in accordance with, English law. |

RIGHTS OF NOTEHOLDERS

Please refer to section entitled "Overview of the Terms and Conditions of the Notes" and the "Terms and Conditions of the Notes" for further detail in respect of the rights of Noteholders, conditions for exercising such rights and their relationship with other Secured Creditors.

Following an Event of Default Following the occurrence of an Event of Default, which is continuing, in respect of a Note Series, Noteholders (i) holding at least one quarter of the aggregate Principal Amount Outstanding of the Most Senior Note Class of the relevant Note Series by request in writing or (ii) acting pursuant to an Extraordinary Resolution of the holders of the Most Senior Note Class of the relevant Note Series may direct the Note Trustee to deliver an Enforcement Notice declaring all of the Notes of the relevant Note Series to be immediately due and payable.

Enforcement..... At any time after the service of an Enforcement Notice, in respect of a Note Series, and without prejudice to its rights of enforcement in relation to the Security, the Note Trustee may, at its sole discretion and without notice, institute such proceedings as it thinks fit to enforce payment of the relevant Note Series, including the right to repayment of the Notes together with accrued interest thereon, and shall be bound to do so only if (a) it has been so directed by an Extraordinary Resolution of holders of the Most Senior Note Class of the relevant Note Series or so directed by holders of at least one-quarter of the aggregate Principal Amount Outstanding of the Most Senior Note Class of the relevant Note Series and (b) it has been indemnified and/or secured and/or pre-funded to its satisfaction against, *inter alia*, all fees, costs, expenses and other liabilities which it may incur by so acting.

No Noteholder may institute any proceedings against the Issuer to enforce its rights under or in respect of the Notes or the Note Trust Deed unless (1) the Note Trustee has become bound to institute proceedings and has failed to do so within a reasonable time and (2) the failure is continuing.

Noteholder Meetings Noteholders within a Note Series are entitled to participate in a Noteholders' meeting for that Note Series convened by the Issuer or Note Trustee to consider any matter affecting their interests. In addition, Noteholders representing at least 10 per cent. of the aggregate Principal Amount Outstanding of the outstanding Notes of a Note Series are entitled to direct the Note Trustee in writing to convene a Noteholders' meeting for that Note Series (subject to the Note Trustee being indemnified and/or secured and/or prefunded to its satisfaction).

Notice Periods

Initial Meeting: At least 21, and no more than 180 days, days (exclusive of the day on which notice is given and the day of the meeting)

Adjourned Meeting: At least 10, and no more than 42, days (exclusive of the day on which the notice is given and the day of the meeting)

Quorums for Resolution

In respect of any meeting of the holders of one or more Classes (or Sub-Classes) of the Notes of any Note Series:

Initial Meeting: Two or more voters holding or representing a clear majority of the aggregate Principal Amount Outstanding of the relevant Class or Classes (or Sub-Class or Sub-Classes) of

Notes (for voting on an Extraordinary Resolution that does not relate to a Basic Terms Modification) and two or more voters holding or representing in the aggregate not less than 75 per cent. of the aggregate Principal Amount Outstanding of the relevant Class or Classes (or Sub-Class or Sub-Classes) of Notes (for matters relating to a Basic Terms Modification).

Adjourned Meeting: Two or more voters being or representing holders of the relevant Class or Classes (or Sub-Class or Sub-Classes) of Notes, whatever the Principal Amount Outstanding of the outstanding Notes so held or represented in such Class or Classes (or Sub-Class or Sub-Classes) of Notes (for voting on an Extraordinary Resolution that does not relate to a Basic Terms Modification) and two or more voters holding or representing in the aggregate not less than 25 per cent. of the aggregate Principal Amount Outstanding of the outstanding Notes in the relevant Class or Classes (or Sub-Class or Sub-Classes) of Notes (for matters relating to a Basic Terms Modification).

So long as at least the relevant fraction of the aggregate Principal Amount Outstanding of the outstanding Notes as set out above is represented by a Global Note Certificate or a single Individual Note Certificate, a voter appointed in relation thereto or being the holder of the Notes represented thereby shall be deemed to be two voters for the above purposes.

Required Majorities

Extraordinary Resolution passed at a Meeting: Not less than 75 per cent. of votes cast at the Meeting.

Written Resolution: Not less than 75 per cent. of the aggregate Principal Amount Outstanding of the relevant Notes.

Electronic Resolution: Not less than 75 per cent. of the aggregate Principal Amount Outstanding of the relevant Notes.

"Extraordinary Resolution" means:

- (a) a resolution passed at a Meeting duly convened and held in accordance with the Provisions for Meetings of Noteholders by a majority of not less than three-quarters of the votes cast;
- (b) a Written Resolution; or
- (c) an Electronic Resolution.

"Meeting" means a meeting of holders of any Class or Classes (or Sub-Class or Sub-Classes) of Notes (whether originally convened or resumed following an adjournment).

"**Provisions for Meetings of Noteholders**" means the provisions contained in schedule 6 (*Provisions for Meetings of Noteholders*) to the Note Trust Deed.

"**Written Resolution**" means, subject to the terms of the Provisions for Meetings of Noteholders which permit such a resolution to be approved electronically, a resolution in writing signed by or on behalf of holders of not less than 75 per cent of the aggregate Principal Amount Outstanding of the Notes for the time being outstanding who for the time being would be entitled to receive notice of a Meeting convened to consider the Written Resolution (if it were proposed as a resolution to be considered at a Meeting) in accordance with the Provisions for Meetings of Noteholders, whether contained in one document or several documents in the same form, each signed by or on behalf of one or more such holders of the Notes.

Where the terms of a resolution proposed by the Issuer or the Note Trustee (as the case may be) have been notified to the Noteholders through the relevant Clearing System(s) in accordance with the Provisions for Meetings of Noteholders, such resolution may be approved (and each of the Issuer and the Note Trustee shall be entitled to rely upon such approval given) by way of electronic consents communicated through the electronic communications systems of the relevant clearing system(s) to the Principal Paying Agent, another specified agent and/or the Note Trustee in accordance with their operating rules and procedures. Any resolution (an "**Electronic Resolution**") passed in such manner shall be binding on all Noteholders, even if the relevant notification, or any consent, approval or instruction, proves to be defective. None of the Issuer or the Note Trustee shall be liable or responsible to anyone for such reliance.

Matters Requiring an Extraordinary Resolution.....

Broadly, the following matters require an Extraordinary Resolution in respect of the relevant Note Series:

- Basic Terms Modifications in respect of the relevant Note Series;
- modification, abrogation, variation or compromise of any provision of the Note Conditions or the Note Trust Deed or the relevant Note Trust Deed Supplement or the other Issuer Documents, in each case, insofar as such provision applies to the relevant Note Series, or any arrangement in respect of the obligations of the Issuer under or in respect of the Notes of the relevant Note Series;
- other than as permitted under the Note Trust Deed, approval of the substitution of any person for the Issuer as principal obligor under the Notes of the relevant Note Series;
- other than as permitted under the Note Trust Deed, waiver of any breach or authorisation of any proposed breach by the Issuer of its obligations in respect of the relevant Note Series under or in respect of the Note Trust Deed or the relevant Note Trust Deed Supplement or the Notes of the relevant Note Series or any act or omission which might otherwise constitute an Event of Default under the Notes of the relevant Note Series;
- termination of the appointment of the Note Trustee in respect of the relevant Note Series;

- approval of the appointment of a new Note Trustee in respect of the relevant Note Series;
- authorisation of the Note Trustee (subject to its being indemnified and/or secured and/or prefunded to its satisfaction) or any other person to execute all documents and do all things necessary to give effect to any Extraordinary Resolution in respect of the relevant Note Series;
- the discharge or exoneration of the Note Trustee from any liability in respect of any act or omission in respect of the relevant Note Series for which it may become responsible under the Note Trust Deed;
- any other authorisation or approval in respect of the relevant Note Series which is required to be given by Extraordinary Resolution; and
- the appointment of any persons as a committee to represent the interests of the Noteholders of the relevant Note Series and to confer upon such committee any powers which those Noteholders could themselves exercise by Extraordinary Resolution.

Basic Terms

Modification

Broadly, the following matters are Basic Terms Modifications in respect of a Note Series:

- any change to any date fixed for payment of principal or interest in respect of any Class or Sub-Class of Notes of the relevant Note Series;
- any reduction in, cancellation or alteration of the amount of principal or interest payable on any date in respect of any Class or Sub-Class of Notes of the relevant Note Series;
- any alteration of the method of calculating the amount of any payment (including the priority of payment) in respect of any Class or Sub-Class of Notes of the relevant Note Series or the date for any such payment;
- any change to the currency of any payment under of any Class or Sub-Class of Notes in the relevant Note Series;
- any change to the quorum requirements relating to any Meeting or the majority required to pass an Extraordinary Resolution in respect of the relevant Note Series; or
- any amendment to the definition of "Basic Terms Modification" insofar as it applies to the relevant Note Series,

provided that any Reference Rate Modification, Class Reset Amendment or Further Issuance Amendment (as each such term is defined in the Note Conditions) shall not constitute a Basic Terms Modification.

**Relationship between
Classes of Noteholders..**

Subject to the provisions in respect of a Basic Terms Modification, an Extraordinary Resolution of the Noteholders of the Most Senior Note Class of a Note Series shall be binding on the Noteholders of all other Classes of that Note Series and will override any resolutions to the contrary of the Noteholders of the Classes ranking behind the Most Senior Note Class of that Note Series.

A Basic Terms Modification requires an Extraordinary Resolution of all affected Classes of Notes in the relevant Note Series then outstanding.

Relationship between Sub-Classes of Noteholders Subject to the provisions in respect of a Basic Terms Modification and unless it is materially prejudicial to the interests of the relevant Noteholders of any other Sub-Classes, an Extraordinary Resolution of Noteholders of a Sub-Class of a Note Series shall be binding on the Noteholders of all other Sub-Classes of that same Class of Notes.

Relationship between Noteholders and other Secured Creditors So long as any Notes of a Note Series are outstanding and there is a conflict between the interests of the Noteholders and the other Secured Creditors under such Note Series, the Note Trustee will only take into account the interests of the Noteholders in the exercise of its discretion.

Provision of Information to the Noteholders The Servicer will (on behalf of the Loan Note Issuer) prepare monthly investor reports that will contain certain information about the Notes. Such reports will be made available to investors via the Bloomberg service and/or any other or replacement website or service designated by the Servicer (on behalf of the Loan Note Issuer) and notified to the Noteholders and/or on the website www.newday.co.uk. In addition, the Servicer will (on behalf of the Loan Note Issuer) prepare reports containing information provided with a view to satisfying certain of the Loan Note Issuer's obligations under Article 7(1) of the UK Securitisation Regulation. Such reports will be made available via SecRep Limited (being an authorised securitisation repository under the UK Securitisation Regulation) and will be available at www.secrep.co.uk and/or any other or replacement website or service subsequently designated by the Servicer (on behalf of the Loan Note Issuer) and notified to the Noteholders. None of the foregoing information is to be considered as incorporated by reference into this Base Prospectus.

Communication with Noteholders Any notice to be given by the Issuer or the Note Trustee to Noteholders shall be given in the following manner:

- published in a leading English language daily newspaper published in London (which may be the Financial Times or another such newspaper) or, so long as the Notes are held in the Clearing Systems, delivered to the relevant Clearing Systems for communication by them to Noteholders;
- delivered in accordance with the notice requirements of the London Stock Exchange; and
- the Issuer may, at its sole discretion, give any notices specifying a Rate of Interest, an Interest Amount, an amount of Additional Interest or of Deferred Interest, a Principal Payment or a Principal Amount Outstanding by publishing the information contained in such notice on the relevant page of the Refinitiv Screen or such other medium for the electronic display of data as may be notified to the relevant Noteholders (the "**Relevant Screen**"). If the Issuer chooses to give any such notice to the relevant Noteholders by publication on the Relevant Screen, such notice shall be deemed to have been duly given on the first date on which such information appeared on the Relevant Screen,

with a copy of any such notice or communication to be provided in the immediately following investor report.

CREDIT STRUCTURE AND CASHFLOWS

Please refer to the sections entitled "Servicing of Receivables", "Series Securitisation Cashflows" and "The Loan Note Series" for further detail in respect of the credit structure and cashflows of the securitisation described in this Base Prospectus.

Receivables Trust The Receivables Trustee was established to:

- acquire Receivables from the Transferor;
- hold those Receivables and the related Collections on trust for the Transferor Beneficiary and the Investor Beneficiaries; and
- make payments to the Transferor Beneficiary and the Investor Beneficiaries in accordance with the terms of the Receivables Trust Deed and Servicing Agreement.

The Receivables Trustee may not engage in any unrelated activities.

The "**Receivables Trust**" was established on 18 December 2014 (the "**Initial Closing Date**") under the terms of the Receivables Trust Deed and Servicing Agreement, under which the Transferor Beneficiary and, from time to time, multiple Investor Beneficiaries will have an undivided beneficial interest in the trust property equal to the proportion of their contributions to the Receivables Trust.

As of the date of this Base Prospectus, the Loan Note Issuer is the notional Investor Beneficiary for calculation purposes in respect of a number of outstanding Series (details of which are set out in "*Series Currently in Issue*"). It is anticipated that the Loan Note Issuer will become a new notional Investor Beneficiary for calculation purposes in respect of each new Series issued under the Programme.

Investor Interest Each Investor Beneficiary will hold a single "**Aggregate Investor Interest**". A new Supplement to the Receivables Trust Deed and Servicing Agreement is entered into whenever a further Investor Interest is acquired, with the Investor Beneficiary becoming a new notional Investor Beneficiary with respect to any Series by making a contribution to the Receivables Trust and becoming the Investor Beneficiary in respect of the Series Classes Investor Interest (which will have notional Classes (and/or Sub-Classes) of Investor Interest within it). Each new Supplement (together with the other documentation governing the Receivables Trust) will specify for the Investor Beneficiary the amount and the terms of that Series' beneficial interest in the Receivables Trust. Upon the Contribution to the Receivables Trust in respect of each Series occurring, the Receivables Trustee will annotate the Trust Register to evidence such Contribution.

The Loan Note Issuer (as a Series Investor Beneficiary) will use the proceeds of the issuance of each Loan Note Series issued under the Programme to acquire the corresponding Series Investor Interest and the Aggregate Investor Interest that it holds will be increased accordingly.

The Loan Note Issuer will make payments of principal and interest on each Loan Note Series using distributions made to it (as a Series Investor Beneficiary) by the Receivables Trustee with respect to the relevant Series Investor Interest.

For the purpose of making calculations about the performance of the undivided beneficial interest of each series in the Receivables Trust, the Investor Interest will be referable to notional Classes and any Sub-Classes thereof, each of which will correspond to a Class or Sub-Class

of the Loan Notes of the Related Loan Note Series issued by the Loan Note Issuer, which (in the case of Series issued pursuant to this Base Prospectus) will, in turn, correspond to a Class or Sub-Class of the relevant Note Series (unless a Loan Note of a particular Class or Sub-Class has been issued to another investor, in which case there will be no equivalent Class or Sub-Class in the relevant Note Series). Each Class or Sub-Class of each Series constitutes a separate Class or Sub-Class and, notwithstanding that Classes or Sub-Classes of different Series may have the same name, no Class or Sub-Class has access to funds referable to the Investor Interest, Related Debt or Associated Debt of a Class or Sub-Class of another Series.

Series and Classes or Sub-Classes of a Series

Each Series will be given a name in the relevant Supplement. In the case of Series issued pursuant to this Base Prospectus, such names are expected to follow the convention for previously issued Series which include Notes, with the name of each Series being the year of its issue followed by a numerical suffix, with such number (starting with "1" for the first Series issued each year) indicating the order of issue relative to other Series issued that year).

Each Class of each Series will be given a name in the relevant Supplement. In the case of Series issued pursuant to this Base Prospectus, such names are expected to follow the convention for previously issued Series which include Notes, with the name of the most senior class being "A", and with other Classes being named in alphabetical sequence according to their seniority (from "B", the next most-senior after "A", onwards). In the case of any Class which is divided into Sub-Classes, such Sub-Classes are expected to be given a number after the letter applicable to their Class, but such number will not (unless otherwise specified in the relevant Supplement) denote any seniority as between such Sub-Classes.

If the Final Terms or Drawdown Prospectus in respect of any Note Series states that any Classes (or Sub-Classes) of Notes will not be issued in respect of that Note Series, then all references in this Base Prospectus to any such Class (or Sub-Class) of Notes (and the corresponding Class (or Sub-Class) of Loan Notes in the related Loan Note Series and related Series Investor Interest and all related interests, ledgers and other terms) shall, in respect of that Note Series, be ignored.

Specified Classes and Maturity Stacks

Each Class or Sub-Class of a Series issued under the Programme (and the corresponding Class or Sub-Class of Loan Notes and Notes) may be designated as a Specified Class and/or as belonging to one or more Maturity Stacks. A Specified Class may have a Class Scheduled Redemption Date that is earlier than the applicable Series Scheduled Redemption Date, **provided that** the Class Scheduled Redemption Date and, if applicable, any Class Scheduled Put Date, in each case, for each Class or Sub-Class in the relevant Series and, if applicable, the relevant Maturity Stack that ranks senior to that Specified Class is no later than the Specified Class Scheduled Redemption Date for such Specified Class. In order to provide for this, there are certain structural features applicable to each Specified Class that operate independently to the structural features that apply, at a Series level, to Classes or Sub-Classes that are not Specified Classes. Examples of such features include (i) accumulation and amortisation periods applicable only to the relevant Specified Class; (ii) a separate accumulation reserve applicable only to the relevant Specified Class; and (iii) a principal funding ledger applicable only to the relevant Specified Class.

In addition, as more fully set out in "*Series Securitisation Cashflows – Series Scheduled Redemption Date and Specified Class Scheduled*

Redemption Date" and *"Terms and Conditions of the Notes"*, the Specified Class Scheduled Redemption Date for a Specified Class may be subject to reset or extension features, if so specified in the relevant Final Terms or Drawdown Prospectus.

A Class or Sub-Class may be designated as a Specified Class in the relevant Drawdown Prospectus or Final Terms, as applicable. In addition, a Class or Sub-Class which is not so specified may become a Specified Class if, following the delivery of a Series Extension Notice, the relevant Class or Sub-Class has a Class Scheduled Redemption Date falling prior to the extended Series Scheduled Redemption Date (as a result of its Class Scheduled Redemption Date not being extended or being extended by less than the Series Scheduled Redemption Date).

Maturity Stacks operate so as to ensure that, in respect of each Class or Sub-Class within the relevant Maturity Stack, the Class Scheduled Redemption Date (or any Class Scheduled Put Date) for each more junior Class or Sub-Class within the Maturity Stack is no earlier than the Class Scheduled Redemption Date or Class Scheduled Put Date for each more senior Class or Sub-Class within the Maturity Stack. It is anticipated that each Sub-Class within a Class will have, at all times, the same credit-enhancement as each other Sub-Class within that Class and that a minimum level of credit-enhancement for each Class/Sub-Class is maintained for such time as the relevant Note Series is outstanding.

For further information, see *"Series Securitisation Cashflows"*, *"The Loan Note Series"* and *"Terms and Conditions of the Notes"*.

Originator VFN Investor Interest.....

The Loan Note Issuer (as Originator VFN Investor Beneficiary) acquired the Originator VFN Investor Interest on the Initial Closing Date. The Originator VFN Investor Interest, as an Investor Interest of the Receivables Trust, is exposed to its *pro rata* share of credit losses in respect of Default Amounts as well as being entitled to a *pro rata* share of Finance Charge Collections and Principal Collections.

In addition to its own exposure to credit losses, the Originator VFN Investor Interest, through sharing of its available funds and reallocation to it of additional charge-offs from other Series in Group One, supports shortfalls and losses in other Series in Group One, in amounts calculated by reference to the Available Series Originator VFN Subordination for the relevant Series. A Series Pay Out Event will occur in respect of a Series if the aggregate of the Transferor Interest and the Originator VFN Excess Amount is less than the Minimum Transferor Interest over an extended period, see *"Triggers Table – Series Pay Out Events"* for further information.

Availability of Series Originator VFN Subordination

The Originator VFN Series will make available to each Series a portion of its cashflows from Principal Collections and Finance Charge Collections and bear losses reallocated from such Series up to a specified amount. These calculations will be made by reference to the Series Originator VFN Subordination for each Series and will result in the relevant Series Investor Interest being supported by a structurally subordinated notional portion of the Originator VFN Investor Interest.

The Series Originator VFN Subordination for each Series will be specified in the Final Terms or Drawdown Prospectus for the corresponding Note Series.

More specifically, the Series Originator VFN Subordination will be available for a Series as follows:

- that Series will be able to use a portion of the available funds of the Originator VFN Series calculated by reference to the relevant Series Originator VFN Subordination in priority to other Series in Group One to meet shortfalls in Available Funds for payment of the amounts referred to in paragraphs (1) to (29) under "*Series Securitisation Cashflows – Application of Available Funds*";
- to the extent shortfalls remain, that Series will be able to use a portion of Principal Collections retained for the Originator VFN Series as Required Retained Principal Collections by reference to the relevant Series Originator VFN Subordination in priority to other Series in Group One to meet such remaining shortfalls;
- during the Controlled Accumulation Period, any Specified Class Controlled Accumulation Period, any Specified Class Rapid Amortisation Period or the Rapid Amortisation Period (in each case in respect of that Series or a Class or Sub-Class of a Series), that Series will be able to share a portion of the Principal Collections available to the Originator VFN Series calculated by reference to the relevant Series Originator VFN Subordination in priority to other Series in Group One; and
- in the event any Class or Sub-Class of the relevant Series Investor Interest is allocated a Default Amount (which cannot be reallocated to another Class or Sub-Class or reinstated with Available Funds), the Default Amount for that Class or Sub-Class of that Series Investor Interest will be reallocated to the Originator VFN Series up to the amount of the relevant Series Originator VFN Subordination.

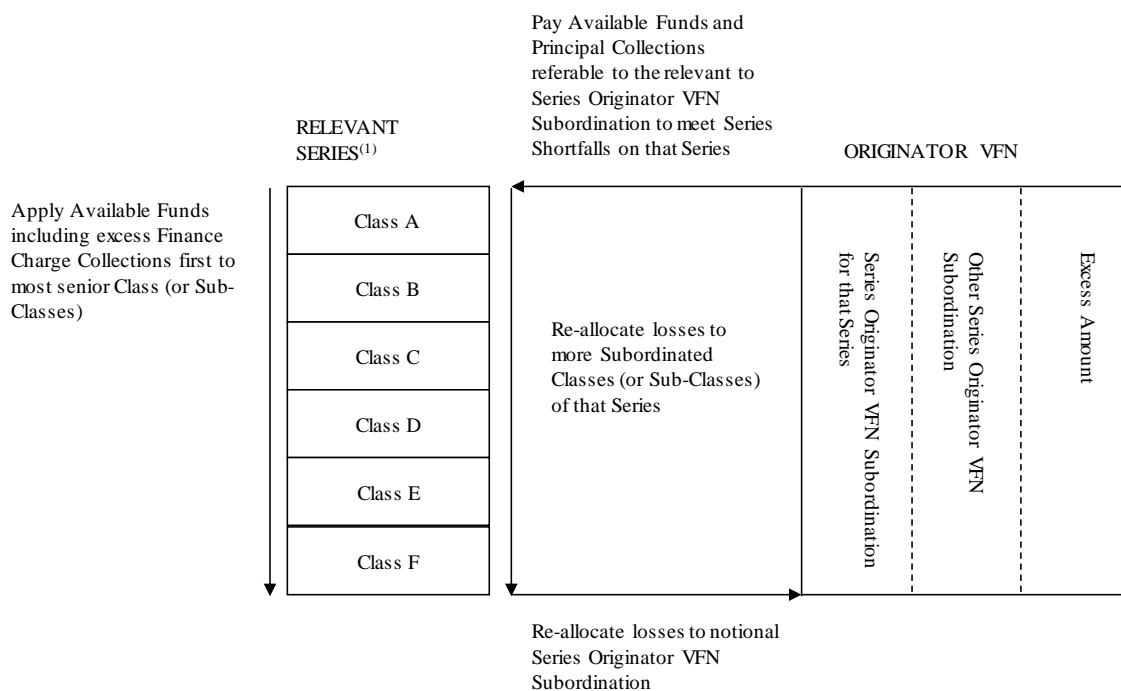
The Series Originator VFN Subordination for a particular Series will not be available for any other Series.

Group One of the Receivables Trust

As of the date of this Base Prospectus, all outstanding Series (see "*Series Currently in Issue*" for further details) are part of Group One, which entitles each such Series to utilise Shared Principal Collections and to share in Excess Finance Charges allocated to other Series in Group One to meet cashflow shortfalls. In addition, each Series in Group One (other than the Originator VFN Series) will be entitled to utilise portions of cashflows available to the Originator VFN Series from Principal Collections and Finance Charge Collections and reallocate losses allocated to such Series, in each case by reference to amounts calculated for the Series Originator VFN Subordination for such Series. It is anticipated that future Series will be added to Group One (in which case, this will be specified in the Final Terms or the Drawdown Prospectus (as applicable) for the related Note Series).

Summary Diagram of Credit Structure for a Series.....

The credit structure for a Series can be broadly summarised in diagrammatic form as follows:



(1) Each Series will include all or (if specified in the relevant Final Terms or Drawdown Prospectus for the corresponding Note Series) some only of the above Classes (and each such Class may be split into Sub-Classes).

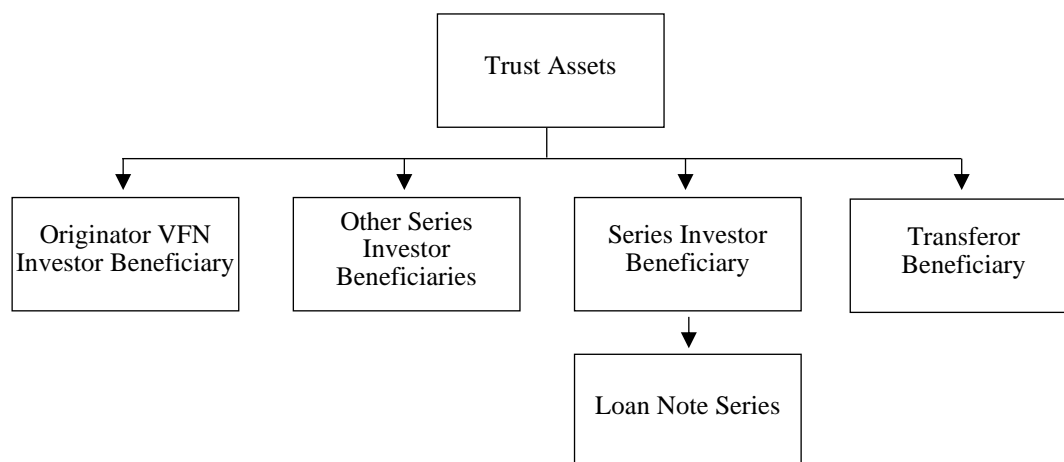
Adjusted Transferor Interest..... That part of the beneficial entitlement to property in the Receivables Trust which is not held by the Investor Beneficiaries is held on trust for the Transferor Beneficiary. The beneficial entitlement of the Transferor Beneficiary is determined by reference to the Floating Transferor Percentage.

Allocation of Collections Each Investor Interest will be entitled to receive varying percentages of Principal Collections and Finance Charge Collections collected in respect of the Designated Accounts and Acquired Interchange and Dilution Refunds (where the Investor Interest has previously been written down as a result of Dilution Losses (as more particularly described in the section entitled "*The Receivables – Acquired Interchange and Dilution Refunds*"). Each of these percentages is called an "**Investor Percentage**". The Transferor Beneficiary will be entitled to the Floating Transferor Percentage of Principal Collections, Finance Charge Collections, Acquired Interchange and Dilution Refunds.

The entitlement of an Investor Beneficiary to Principal Collections and Finance Charge Collections collected in respect of the Designated Accounts and Acquired Interchange is, broadly, calculated by reference to the ratio that its Investor Interest bears to the aggregate amount of Principal Receivables in the Receivables Trust. The entitlement of an Investor Beneficiary to Dilution Refunds will be dependent on the extent to which such Investor Interest has been written down as a result of Dilution Losses (which are first applied to the Transferor Interest and then the Originator VFN Excess Amount).

More detail on the allocations described above and the varying percentage entitlements of the Transferor Beneficiary and the Investor Beneficiaries to Trust Property is set out in "*The Receivables Trust - General Entitlement of Beneficiaries to Trust Property*".

The allocation of Collections is summarised in the diagram below. The reallocation of Collections to cover Default Amounts is summarised in the diagram on the page above.



Allocation of Finance Charge Collections.....

Finance Charge Collections are allocated to each Series issued under the Programme according to the Floating Investor Percentage for such Series in respect of the Collection Period in which such Finance Charge Collections arise and are applied on each related Transfer Date in accordance with the priority of payments set out in the section entitled "*Series Securitisation Cashflows – Application of Available Funds*".

Allocation of Principal Collections

Principal Collections are allocated to each Series issued under the Programme taking into account whether that Series is in:

- a Revolving Period;
- an Accumulation Period; or
- an Amortisation Period.

"**Revolving Period**" means, with respect to any Series issued under the Programme, the period specified as such in the relevant Supplement and is the period from the relevant Closing Date to the start of the Controlled Accumulation Period, any Specified Class Controlled Accumulation Period, any Specified Class Rapid Amortisation Period and/or the Rapid Amortisation Period, the triggers for which are described in "*Series Securitisation Cashflows*" (**provided that**, if, with respect to such Series, the Controlled Accumulation Period or any Specified Class Controlled Accumulation Period ends or is suspended or any Specified Class Rapid Amortisation Period ends, the Revolving Period will, unless another such Accumulation Period or Amortisation Period has commenced, restart).

"**Accumulation Period**" means, with respect to any Series issued under the Programme, a period following the Revolving Period during which Principal Collections are accumulated in an account for the benefit of such Series (or any Class or Sub-Class within such Series), as detailed in the related Supplement.

"**Amortisation Period**" means, with respect to any Series issued under the Programme, a period during which Principal Collections are paid to the relevant Investor Beneficiary for the benefit of such Series (or any

Class or Sub-Class within such Series), as detailed in the related Supplement.

Revolving Period During the Revolving Period in respect of each Series issued under the Programme, Principal Collections calculated as referable daily to the Investor Interest for that Series will be used by the Receivables Trustee as Shared Principal Collections and, to the extent not used as Shared Principal Collections, will be:

- (i) used to make payments to the Transferor to accept new offers of Eligible Receivables made by the Transferor to the Receivables Trustee;
- (ii) used to make payments to the Transferor for future Receivables assigned by the Transferor to the Receivables Trustee pursuant to offers that have already been made and accepted; and
- (iii) to the extent not used in accordance with paragraph (i) or (ii) above, retained as Cash Available for Investment and may be used to make payments to the Transferor to accept future offers of Eligible Receivables and to make payments upon the occurrence of a Partial Amortisation Event.

During the Revolving Period in respect of any Series issued under the Programme, if there is a shortfall in the amount of Available Funds required to pay the related Series expenses (including any non-subordinated Qualifying Swap Amounts) and interest on any Class (or Sub-Class) of that Series, taking into account any Available Funds made available to such Series through the Originator VFN Series, then Principal Collections available to that Series Investor Interest, including Principal Collections available to the Series through the Originator VFN Series, will be reallocated to meet the shortfall, **provided that** Principal Collections allocated to the Most Senior Class of the Series Investor Interest (or any Sub-Class thereof) will not be reallocated and Principal Collections allocated to any other Class of the Series Investor Interest (or any Sub-Class thereof) will not be reallocated to fund interest shortfalls on such Class or any more junior ranking Class (or, in any case, any Sub-Class thereof).

Controlled Accumulation Period..... The "**Controlled Accumulation Period**" for any Series issued under the Programme will be scheduled to begin on the Series Scheduled Accumulation Commencement Date specified for such Series in the relevant Final Terms or Drawdown Prospectus (as applicable) (**provided that**, if a Series Extension Notice is delivered, such date will be postponed by the same period as the Series Scheduled Redemption Date) and end when the relevant Series Investor Interest is paid in full, unless a Pay Out Event occurs and the Rapid Amortisation Period begins. If the Rapid Amortisation Period begins before the start of the Controlled Accumulation Period, there will not be a Controlled Accumulation Period.

The commencement of the Controlled Accumulation Period may, subject to conditions, be delayed until no later than the start of the Collection Period immediately prior to the Collection Period in which the Series Scheduled Redemption Date falls (whether or not such scheduled commencement date has been deferred as a result of the delivery of a Series Extension Notice).

However, there will not be a Controlled Accumulation Period unless the Servicer so elects (unless the Series Scheduled Redemption Date is extended, in which case, if the Servicer so elects at the time of such

extension, there shall (notwithstanding the prior disapplication of the Controlled Accumulation Period) be a Controlled Accumulation Period in respect of the extended Series Scheduled Redemption Date). See "*Series Securitisation Cashflows*".

During the Controlled Accumulation Period for each Series issued under the Programme:

- the Receivables Trustee will accumulate Principal Collections received in respect of such period in an amount equal to the Controlled Deposit Amount for that Series with the intention of accumulating enough principal for the Receivables Trust to ultimately allow the Issuer to repay to the Noteholders the Principal Amount Outstanding of each Class or Sub-Class (other than any Specified Class) of Notes in the related Note Series at the Series Scheduled Redemption Date for such Note Series; and
- no payments of principal will be made by the Loan Note Issuer or any other party to the Issuer other than during a Specified Class Rapid Amortisation Period, in respect of the relevant Specified Class.

The Controlled Accumulation Period for a Series issued under the Programme may run concurrently with a Specified Class Controlled Accumulation Period and/or a Specified Class Rapid Amortisation Period.

Controlled Deposit Amount

During the Controlled Accumulation Period for each Series issued under the Programme, the Principal Collections allocated to the relevant Series Investor Interest (other than any Class Investor Interest relating to any Specified Class within that Series), up to the Controlled Deposit Amount for that Series, will be accumulated by the Receivables Trustee on each Transfer Date in the applicable Series Principal Funding Ledger in the Receivables Trustee Investment Account for distribution to the Loan Note Issuer as the Series Investor Beneficiary for such Series on the relevant Series Scheduled Redemption Date.

Any Principal Collections allocated to a Series Investor Interest (other than any Class Investor Interest for any Specified Class within the relevant Series) over the Controlled Deposit Amount for that Series will be used by the Receivables Trustee: (i) first, on any Specified Class Scheduled Redemption Date, on any Class Scheduled Put Date or during any Specified Class Controlled Accumulation Period and/or Specified Class Rapid Amortisation Period for a Specified Class, to fund any Specified Class Controlled Deposit Amount and/or redemption or repurchase of any Specified Class, (ii) second, as Shared Principal Collections and (iii) third, to make payments to the Transferor as described above under "*Series Securitisation Cashflows – Revolving Period*".

Specified Class Controlled Accumulation Period

The "**Specified Class Controlled Accumulation Period**" for any Specified Class within a Series issued under the Programme will be scheduled to begin (i) at the close of business on the Specified Class Scheduled Accumulation Commencement Date for that Specified Class (which will be specified in the applicable Final Terms or Drawdown Prospectus) or (ii) following a Class Reset, on such later date as is specified by the Cash Manager in the relevant Class Reset Notice or (iii) if a Class Extension Notice is delivered, such later date as is specified by the Servicer, after the original date (or the date following any Class Reset) for the start of the Specified Class Controlled Accumulation

Period as specified in such Class Extension Notice (**provided that** such date will be postponed by the same period as the Class Scheduled Redemption Date is postponed in such Class Extension Notice), and shall end when the Class Investor Interest for that Specified Class is paid in full, unless a Pay Out Event for the relevant Series occurs and the Rapid Amortisation Period for the relevant Series begins.

If the Rapid Amortisation Period for the relevant Series begins before the start of the Specified Class Controlled Accumulation Period for any Specified Class in that Series, there will not be such a Specified Class Controlled Accumulation Period for such Series.

The commencement of the Specified Class Controlled Accumulation Period in respect of a Specified Class may, subject to conditions, be delayed until no later than the start of the Collection Period immediately prior to the Collection Period in which the Specified Class Scheduled Redemption Date falls (whether or not such scheduled commencement date has been deferred as a result of any Class Reset and/or the delivery of a Class Extension Notice).

However, there will not be a Specified Class Controlled Accumulation Period for a Specified Class unless the Servicer so elects (unless the Specified Class Scheduled Redemption Date for that Specified Class is reset or extended, in which case, if the Servicer so elects at the time of such reset or extension, there shall (notwithstanding the prior disapplication of the Specified Class Controlled Accumulation Period) be a Specified Class Controlled Accumulation Period in respect of the reset or extended Specified Class Scheduled Redemption Date for that Specified Class). See "*Series Securitisation Cashflows*".

During the Specified Class Controlled Accumulation Period for any Specified Class in a Series:

- the Receivables Trustee will accumulate Principal Collections, received in respect of such period in an amount equal to the Specified Class Controlled Deposit Amount for that Specified Class with the intention of accumulating enough principal for the Receivables Trust to ultimately allow the Issuer to repay the Principal Amount Outstanding of that Specified Class to the holders of Notes in that Specified Class at the Specified Class Scheduled Redemption Date for such Specified Class; and
- no payments of principal will be made by the Loan Note Issuer or any other party to the Issuer, other than, during any contemporaneous Specified Class Rapid Amortisation Period, in respect of the relevant Specified Class.

If the Specified Class Controlled Accumulation Period for a Specified Class has commenced and the Specified Class Scheduled Redemption Date for that Specified Class is then reset as a result of the occurrence of a Class Reset relating to such Specified Class, such Specified Class Controlled Accumulation Period shall be suspended if, as part of that Class Reset, the commencement of that Specified Class Controlled Accumulation Period is postponed to a future date, and any Principal Collections accumulated with respect to such Specified Class will be released and treated as Cash Available for Investment.

A Specified Class Controlled Accumulation Period in respect of a Specified Class within a Series may run concurrently with the Controlled Accumulation Period, a Specified Class Controlled Accumulation Period (in respect of any other Specified Class in the

relevant Series) and/or a Specified Class Rapid Amortisation Period (in respect of the Specified Class in its Specified Class Controlled Accumulation Period or any other Specified Class in the relevant Series).

**Specified Class Controlled
Deposit Amount**

During the Specified Class Controlled Accumulation Period for any Specified Class within a Series, the Principal Collections allocated to the Class Investor Interest for that Specified Class, up to the relevant Specified Class Controlled Deposit Amount, will be accumulated by the Receivables Trustee on each Transfer Date in the relevant Series Principal Funding Ledger in respect of the Specified Class in the Receivables Trustee Investment Account for distribution to the Loan Note Issuer as the relevant Series Investor Beneficiary on the Specified Class Scheduled Redemption Date for that Specified Class.

Any Principal Collections allocated to the relevant Class Investor Interest for any Specified Class within a Series over the amount that will be deposited in the Receivables Trustee Investment Account will be used by the Receivables Trustee (i) first, during any Specified Class Rapid Amortisation Period for the relevant Specified Class, to fund any amortisation or repurchase of that Specified Class, (ii) second, to fund any required accumulation, amortisation or repurchase in respect of any other Specified Class, (iii) third, as Shared Principal Collections and (iv) fourth, to make payments to the Transferor as described above under "*Series Securitisation Cashflows – Revolving Period*".

Rapid Amortisation Period

Following certain specified events (described in "*Triggers Table – Non-Rating Triggers*"), the Rapid Amortisation Period in respect of a Series issued under the Programme will commence. During the Rapid Amortisation Period for any such Series, Principal Collections allocable to the Investor Interest for the relevant Series will be paid each month to the Loan Note Issuer first in respect of the Class A Investor Interest, second in respect of the Class B Investor Interest, third in respect of the Class C Investor Interest, fourth in respect of the Class D Investor Interest, fifth in respect of the Class E Investor Interest and sixth in respect of the Class F Investor Interest (including, in each case, any Sub-Class of any such Investor Interest) of the relevant Series until the Series Termination Date. Following the receipt of such Principal Collections, the Issuer will make corresponding payments of principal to the holders of each Class (or Sub-Class) of Notes in the Note Series which forms part of the relevant Series.

The Rapid Amortisation Period for each Series will end on the earlier to occur of (a) the Series Termination Date and (b) the dissolution of the Receivables Trust.

**Specified Class Rapid
Amortisation Period**

A Specified Class Rapid Amortisation Period shall occur in respect of a Specified Class of a Series issued under the Programme:

- if one or more holders of Notes in that Specified Class has, in response to a Class Reset Notice in respect of that Specified Class (which has not been revoked), delivered a Class Put Notice (in the form, and in accordance with the process, specified in the Class Reset Notice), on or prior to the Class Put Notification Date (and the Cash Manager has not (i) delivered a Class Put Funding Notice for that Specified Class pursuant to Note Condition 9(f) (*Required Repurchase of Certain Note Classes*) or (ii) determined that it reasonably expects the Put Class Notes of that Specified Class to be refinanced or the Class Scheduled Put Date to be extended), and, in such circumstances, the Specified Class Rapid Amortisation Period for the relevant Specified Class shall run from (and including) the first day of

the Collection Period immediately prior to the Collection Period in which the relevant Class Scheduled Put Date falls (or, if later, the Business Day after a Class Put Notice is first delivered) to (but excluding) the date on which the Amortising Specified Class Investor Interest (if any) is reduced to zero; or

- if the Class Investor Interest for that Specified Class is not reduced to zero on the relevant Specified Class Scheduled Redemption Date, and, in such circumstances, the Specified Class Rapid Amortisation Period for the relevant Specified Class shall run from (and including) the Business Day immediately following that Specified Class Scheduled Redemption Date to (but excluding) the date on which the relevant Specified Class Investor Interest is reduced to zero,

provided that any Specified Class Rapid Amortisation Period shall end on the commencement of the Rapid Amortisation Period.

On the Transfer Date immediately prior to each Distribution Date during any Specified Class Rapid Amortisation Period for a Specified Class, the Receivables Trustee shall utilise Undivided Bare Trust Property (being the relevant Class Fixed Percentage of the amount of Available Retained Principal Collections for the relevant Series) to make distributions to the relevant Series Investor Beneficiary sufficient to repay the Principal Amount Outstanding of the relevant Amortising Specified Class Investor Interest for that Specified Class.

A Specified Class Rapid Amortisation Period in respect of any Specified Class of a Series issued under the Programme may run concurrently with the Controlled Accumulation Period, a Specified Class Rapid Amortisation Period (in respect of any other Specified Class in the same Series) and/or a Specified Class Controlled Accumulation Period (in respect of the Specified Class in its Specified Class Rapid Amortisation Period or any other Specified Class in the relevant Series).

Partial Amortisation Event

If on any Determination Date a Partial Amortisation Event (as described at "*Series Securitisation Cashflows – Partial Amortisation*") has occurred, the Servicer shall give notice to the Receivables Trustee thereof (a "**Partial Amortisation Notice**") and the amount of the Cash Available for Investment standing to the credit of the Receivables Trustee Investment Account on such Determination Date (excluding, for the avoidance of doubt, any amounts held in any liquidity reserve ledger or any other ledger) which the Servicer determines, in its opinion, on such Determination Date, will not be required for any other purpose on the following Transfer Date, together with, in respect of any Outstanding Series that will be repaid in full as a result of the Partial Amortisation Event, amounts held in the principal funding ledger in respect of such Series only, shall be applied to make a repayment in respect of some or all of the Outstanding Series (a "**Partial Amortisation**") on the immediately following Transfer Date (the "**Partial Amortisation Date**"). The Servicer shall certify in the Partial Amortisation Notice or otherwise in advance of the specified Partial Amortisation Date that a Partial Amortisation Event has occurred and shall specify the Partial Amortisation Amount (if any) for each Series in Group One.

Shared Principal Collections

Each Series issued under the Programme is expected to be in Group One, which means that the other Outstanding Series in Group One will share with it any excess Principal Collections that such other Series do not require in order to accumulate or pay down such Series' Investor Interest in a specified period. In particular, this will mean that a portion of Principal Collections available to the Originator VFN Series will be

available to each such Series in the Controlled Accumulation Period, any Specified Class Controlled Accumulation Period, any Specified Class Rapid Amortisation Period or the Rapid Amortisation Period. See "*Series Securitisation Cashflows – Shared Principal Collections*".

Dilution Receivables If the Servicer determines that a Credit Adjustment or Reduction has occurred in respect of a Receivable, such Receivable will be considered a "**Dilution Receivable**" and to have suffered a "**Dilution Loss**". Dilution Losses in respect of a Collection Period are allocated to the Transferor Beneficiary in accordance with the Receivables Trust Deed and Servicing Agreement, and the amount so allocated will reduce the Transferor Interest by an equivalent amount until such time as the Transferor Interest is zero, with the remainder of such Dilution Losses, being the "**Investor Dilution Loss**", allocated to the Aggregate Investor Interests of the Investor Beneficiaries as follows. On each Transfer Date, the Investor Dilution Losses for the relevant Collection Period shall be allocated to the Originator VFN Excess Amount of the Originator VFN Investor Interest (see further, "*Series Currently in Issue*").

To the extent the aggregate Dilution Losses allocated on the Transfer Date exceed the Originator VFN Excess Amount, in respect of each Series issued under the Programme, an amount equal to the product of: (i) the remaining Investor Dilution Losses; and (ii) a fraction, the numerator of which is the Series Adjusted Investor Interest for that Series plus the Available Series Originator VFN Subordination for that Series and the denominator of which is the Combined Aggregate Adjusted Investor Interest (excluding, for the avoidance of doubt, the Originator VFN Excess Amount) will be applied, first, to the Available Series Originator VFN Subordination for that Series, until it is reduced to zero, and, second, any remainder (such amount in respect of each Collection Period, the "**Aggregate Investor Dilution Loss**") will be allocated to the Investor Interest for the relevant Series. The Aggregate Investor Dilution Loss will be allocated to notional classes of the Series Investor Interest for that Series in reverse sequential order, starting with Class F (or any Sub-Classes thereof), and shall reduce them by an amount equal to such allocation until reduced to zero, whereupon any excess shall be allocated to the next most junior class. See the section entitled "*Series Securitisation Cashflows – The Originator VFN and the Series Originator VFN Subordination – Defaulted and Dilution Receivables; Investor Charge-offs; Allocation to the Relevant Series and the Originator VFN*" for further information.

Defaulted Receivables If the Servicer determines that the Receivables in a Designated Account are uncollectable, a proportion of the principal balance of such Defaulted Account will be allocated, on an aggregate monthly basis, to the Investor Interest relating to each Series by reference to the relevant Investor Beneficiary's Floating Investor Percentage.

The amounts so allocated to each Series comprise the Investor Default Amount in respect of such Series.

The Investor Default Amount allocated to a Series Investor Interest, being the "**Series Investor Default Amount**", will be allocated to each notional Class or Sub-Class of Investor Interest within the Series Investor Interest based on its floating allocation during the relevant Collection Period. If the Series Investor Default Amount for a particular Class or Sub-Class exceeds the amount of Available Funds allocated to that Class or Sub-Class which are (after making prior-ranking payments) available to cover such portion of the Series Investor Default Amount, the Originator VFN Investor Interest (in an amount up to the Available Series Originator VFN Subordination) will be reduced to cover the

shortfall and thereafter, to the extent any shortfall remains, by virtue of applying Reallocated Principal Collections from subordinated Classes or Sub-Classes and Reallocated Originator VFN Principal Collections (as to which, see the section entitled "*Series Securitisation Cashflows – Reallocation of Cashflows*"), the Investor Interest for Classes or Sub-Classes within the relevant Series Investor Interest will be reduced in reverse order.

Any reduction in any notional Class or Sub-Class of the relevant Series Investor Interest as a result of an Investor Default Amount, together with any reduction suffered by that Class or Sub-Class caused by the allocation of Dilution Losses to such Class or Sub-Class as described above, which exceeds the amount of Available Funds allocated to that Class or Sub-Class and any reduction as a result of the application of Reallocated Principal Collections to cover shortfalls in the amount of Available Funds is referred to in aggregate as an "**Investor Charge-off**".

Series Liquidity Reserve On each Closing Date in respect of a Series issued under the Programme, the Receivables Trustee will deposit the Required Liquidity Reserve Amount (if any) for that Series in the Receivables Trustee Investment Account for credit to the relevant Series Liquidity Reserve Ledger (the "**Series Liquidity Reserve**") (see "*Series Securitisation Cashflows – Series Liquidity Reserve Ledger*"). In respect of a Series issued under the Programme with a Series Liquidity Reserve, the Series Liquidity Reserve will be available to make payments on a Transfer Date in respect of, amongst other things, Investor Aggregate Trustee Payment Amounts, Loan Note Issuer Costs Amounts, Issuer Costs Amounts and payments in respect of the Class Investor Interest of each Senior Class in the relevant Series to the extent that there is a shortfall after applying Available Funds for the relevant Series. Any drawings on the Series Liquidity Reserve may be replenished to the extent of Available Funds available for such purpose on subsequent Transfer Dates. The Required Liquidity Reserve Amount for a Series may be reduced by the Servicer subject to the provision of a Rating Confirmation.

Qualifying Swap Transactions The Loan Note Issuer may from time to time enter into a Qualifying Swap Agreement in relation to one or more Series, which Series will comprise a Qualifying Swap Group for the purposes of that Qualifying Swap Agreement. As at the date of this Base Prospectus, the Loan Note Issuer has not entered into any Qualifying Swap Agreement.

If the Loan Note Issuer proposes to enter into a Qualifying Swap Agreement in respect of a Qualifying Swap Group, then the conditions for any such swap agreement to be a "**Qualifying Swap Agreement**" (which will include the provision of a Rating Confirmation) will need to be met.

The making and receipt of payments by the Loan Note Issuer under any Qualifying Swap Agreement, in respect of a Qualifying Swap Group of which any Series issued under the Programme forms part, will be contemplated in the related Supplement and the related Loan Note Supplement and are more particularly described in the Section entitled "*Series Securitisation Cashflows – Application of Available Funds*". Any collateral posted to the Loan Note Issuer pursuant to any such Qualifying Swap Agreement will not form part of the calculation of Available Funds for any Series and will not be available to make payments under the Loan Note Series of any Series in the relevant Qualifying Swap Group, other than pursuant to the terms of the relevant Qualifying Swap Agreement.

If a Qualifying Swap Transaction is entered into and a Series issued under the Programme is identified as forming part of the relevant Qualifying Swap Group, Qualifying Swap Amounts referable to such Series, excluding Qualifying Swap Partial Termination Payments, Qualifying Swap Permitted Tax Credit Payments and Qualifying Swap Subordinated Termination Payments, will rank in priority to the payment of amounts to fund interest on the Most Senior Class (or any Sub-Class thereof) of such Series. Qualifying Swap Partial Termination Payments and Qualifying Swap Permitted Tax Credit Payments will rank *pro rata* and *pari passu* with payments used to fund interest on the Most Senior Note Class in the corresponding Note Series, with Qualifying Swap Subordinated Termination Payments ranking below all payments used to fund interest on the Notes of such Series.

Receivables Trustee Priority of Payments

On each Transfer Date, the Receivables Trustee will distribute the Available Funds standing to the credit of the Series Finance Charge Collections Ledger in respect of each Series issued under the Programme, in the following order:

- (1) the Investor Aggregate Trustee Payment Amount for the relevant Series will be credited to the Loan Note Issuer Distribution Account and ultimately used by the Receivables Trustee to satisfy the Investor Aggregate Trustee Payment Amount;
- (2) the Loan Note Issuer Costs Amount and Issuer Costs Amount for the relevant Series will be credited to the Loan Note Issuer Distribution Account;
- (3) an amount equal to the Loan Note Issuer Profit Amount and the Issuer Profit Amount for the relevant Series will be credited to the Loan Note Issuer Distribution Account;
- (4) the Investor Servicing Fee Amount referable to the relevant Series will be credited to the Loan Note Issuer Distribution Account and ultimately distributed to the Servicer;
- (5) if the relevant Series is in a Qualifying Swap Group, an amount equal to any Qualifying Swap Amount referable to such Series payable on such Transfer Date, excluding any Qualifying Swap Partial Termination Payments, Qualifying Swap Permitted Tax Credit Payments or Qualifying Swap Subordinated Termination Payments,

Loan Note Issuer Priority of Payments

On each Transfer Date, the Loan Note Issuer will then make the following transfers from the relevant Series Ledger of the Loan Note Issuer Distribution Account to the extent there are sufficient funds on deposit:

- (1) the Investor Aggregate Trustee Payment Amount for the relevant Series shall be paid to the Receivables Trustee as Additional Funds;
- (2) the Loan Note Issuer Costs Amount and the Issuer Costs Amount for the relevant Series shall be retained by the Loan Note Issuer for distribution to the relevant parties;
- (3) the Loan Note Issuer Profit Amount for the relevant Series shall be retained by the Loan Note Issuer and the Issuer Profit Amount for the relevant Series shall be paid to the Issuer;
- (4) the Investor Servicing Fee Amount referable to the relevant Series shall be paid to the Receivables Trustee as Additional Funds;
- (5) if the relevant Series is in a Qualifying Swap Group, an amount equal to any Qualifying Swap Amounts referable to such Series excluding any Qualifying Swap Partial Termination Payments, Qualifying Swap Permitted Tax Credit Payments or Qualifying Swap Subordinated Termination Payments referable to such Series shall be paid to the relevant Qualifying Swap Provider;
- (6) in respect of Class A of the relevant Series, *pro rata* and *pari passu* between them: (a) (A) if such Class is not divided into Sub-Classes, the Class Monthly Distribution Amount in respect of that Class shall be

Receivables Trustee Priority of Payments

- shall be credited to the Loan Note Issuer Distribution Account;
- (6) *pro rata* and *pari passu* (i) in respect of Class A of the relevant Series: (A) if such Class is not divided into Sub-Classes, an amount equal to the sum of the Class Monthly Finance Amount, the Class Deficiency Amount and the Class Additional Finance Amount in respect of that Class will be credited to the Loan Note Issuer Distribution Account or (B) if such Class is divided into Sub-Classes, *pro rata* and *pari passu* in respect of each Sub-Class, an amount equal to the Class Monthly Finance Amount, the Class Deficiency Amount and the Class Additional Finance Amount in respect of that Sub-Class will be allocated to that Sub-Class and deposited in the Loan Note Issuer Distribution Account; and (ii) if the relevant Series is in a Qualifying Swap Group, an amount equal to any Qualifying Swap Partial Termination Payments and Qualifying Swap Permitted Tax Credit Payments referable to such Series that are due and payable on such Transfer Date will be credited to the Loan Note Issuer Distribution Account;
- (7) in respect of Class B of the relevant Series: (i) if such Class is not divided into Sub-Classes, an amount equal to the sum of the Class Monthly Finance Amount, the Class Deficiency Amount and the Class Additional Finance Amount in respect of that Class will be credited to the Loan Note Issuer Distribution Account or (ii) if such Class is divided into Sub-Classes, *pro rata* and *pari passu* in respect of each Sub-Class, an amount equal to the Class Monthly Finance Amount, the Class Deficiency Amount and the Class Additional Finance Amount in respect of that Sub-Class will be allocated to that Sub-Class and deposited in the Loan Note Issuer Distribution Account;
- (8) in respect of Class C of the relevant Series: (i) if such Class is not divided into Sub-Classes, an amount equal to the sum of the Class Monthly Finance Amount, the Class Deficiency Amount and the Class Additional Finance Amount in respect of that Class will be credited to the Loan Note Issuer

Loan Note Issuer Priority of Payments

- paid to the Issuer; or (B) if such Class is divided into sub-Classes, *pro rata* and *pari passu* in respect of each Sub-Class, the Class Monthly Distribution Amount in respect of that Sub-Class shall be paid to the Issuer; and (b) if such Series is in a Qualifying Swap Group, an amount equal to any Qualifying Swap Partial Termination Payments and Qualifying Swap Permitted Tax Credit Payments referable to such Series shall be paid to the relevant Qualifying Swap Provider;
- (7) in respect of Class B of the relevant Series, (a) if such Class is not divided into Sub-Classes, the Class Monthly Distribution Amount in respect of that Class shall be paid to the Issuer; or (b) if such Class is divided into Sub-Classes, *pro rata* and *pari passu* in respect of each Sub-Class, the Class Monthly Distribution Amount in respect of that Sub-Class shall be paid to the Issuer;
- (8) in respect of Class C of the relevant Series, (a) if such Class is not divided into Sub-Classes, the Class Monthly Distribution Amount in respect of that Class shall be paid to the Issuer; or (b) if such Class is divided into Sub-Classes, *pro rata* and *pari passu* in respect of each Sub-Class, the Class Monthly Distribution Amount in respect of that Sub-Class shall be paid to the Issuer;
- (9) in respect of Class D of the relevant Series, (a) if such Class is not divided into Sub-Classes, the Class Monthly Distribution Amount in respect of that Class shall be paid to the Issuer; or (b) if such Class is divided into Sub-Classes, *pro rata* and *pari passu* in respect of each Sub-Class, the Class Monthly Distribution Amount in respect of that Sub-Class shall be paid to the Issuer;
- (10) during the Revolving Period, any Specified Class Controlled Accumulation Period and the Controlled Accumulation Period for the relevant Series, in respect of Class A of the relevant Series: (a) if such Class is not

Receivables Trustee Priority of Payments

- Distribution Account or (ii) if such Class is divided into Sub-Classes, *pro rata* and *pari passu* in respect of each Sub-Class, an amount equal to the Class Monthly Finance Amount, the Class Deficiency Amount and the Class Additional Finance Amount in respect of that Sub-Class will be allocated to that Sub-Class and deposited in the Loan Note Issuer Distribution Account;
- (9) in respect of Class D of the relevant Series: (i) if such Class is not divided into Sub-Classes, an amount equal to the sum of the Class Monthly Finance Amount, the Class Deficiency Amount and the Class Additional Finance Amount in respect of that Class will be credited to the Loan Note Issuer Distribution Account or (ii) if such Class is divided into Sub-Classes, *pro rata* and *pari passu* in respect of each Sub-Class, an amount equal to the Class Monthly Finance Amount, the Class Deficiency Amount and the Class Additional Finance Amount in respect of that Sub-Class will be allocated to that Sub-Class and deposited in the Loan Note Issuer Distribution Account;
- (10) on any Transfer Date prior to the Liquidity Reserve Release Date, an amount up to the positive excess (if any) of the Required Liquidity Reserve Amount over the Available Liquidity Reserve Amount shall be allocated to the relevant Series Investor Beneficiary and credited to the relevant Series Liquidity Reserve Ledger of the Receivables Trustee Investment Account;
- (11) in respect of Class A of the relevant Series: (i) if such Class is not divided into Sub-Classes, an amount equal to the Class Investor Default Amount in respect of that Class will be allocated to that Class and either credited to the Loan Note Issuer Distribution Account to be applied as Additional Funds or (during any Specified Class Rapid Amortisation Period or the Rapid Amortisation Period) remain credited to the Series Finance Charge Collections Ledger to make-up the relevant Class Investor Default Amounts and reinstate or reimburse the relevant Class Investor Interest, or (ii) if such Class is divided into Sub-Classes, *pro rata* and *pari passu* in respect of each such Sub-Class,

Loan Note Issuer Priority of Payments

- divided into Sub-Classes, any Loss Make-Up (Default) allocable to the Class Investor Interest in respect of that Class shall be paid to the Receivables Trustee as Additional Funds; or (b) if such Class is divided into Sub-Classes, *pro rata* and *pari passu* in respect of each Sub-Class, any Loss Make-Up (Default) allocable to the Class Investor Interest in respect of that Sub-Class shall be paid to the Receivables Trustee as Additional Funds;
- (11) during the Revolving Period, any Specified Class Controlled Accumulation Period and the Controlled Accumulation Period for the relevant Series, in respect of Class A of the relevant Series: (a) if such Class is not divided into Sub-Classes, any Loss Make-Up (Charge-off) allocable to the Class Investor Interest in respect of that Class shall be paid to the Receivables Trustee as Additional Funds; or (b) if such Class is divided into Sub-Classes, *pro rata* and *pari passu* in respect of each Sub-Class, any Loss Make-Up (Charge-off) allocable to the Class Investor Interest in respect of that Sub-Class shall be paid to the Receivables Trustee as Additional Funds;
- (12) during the Revolving Period, any Specified Class Controlled Accumulation Period and the Controlled Accumulation Period for the relevant Series, in respect of Class B of the relevant Series: (a) if such Class is not divided into Sub-Classes, any Loss Make-Up (Default) allocable to the Class Investor Interest in respect of that Class shall be paid to the Receivables Trustee as Additional Funds; or (b) if such Class is divided into Sub-Classes, *pro rata* and *pari passu* in respect of each Sub-Class, any Loss Make-Up (Default) allocable to the Class Investor Interest in respect of that Sub-Class shall be paid to the Receivables Trustee as Additional Funds;
- (13) during the Revolving Period, any Specified Class Controlled Accumulation Period and the Controlled Accumulation Period for the relevant Series, in respect of Class B of the relevant Series: (a) if such Class is not divided into Sub-Classes, any Loss Make-Up (Charge-off) allocable to the Class Investor Interest in respect of that Class shall be paid to the Receivables Trustee as Additional Funds; or (b) if such Class is divided into Sub-Classes, *pro rata* and *pari passu* in respect of each Sub-Class, any Loss Make-Up (Charge-off) allocable to

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- an amount equal to the Class Investor Default Amount in respect of that Sub-Class will be allocated to that Sub-Class and either credited to the Loan Note Issuer Distribution Account to be applied as Additional Funds or (during any Specified Class Rapid Amortisation Period or the Rapid Amortisation Period) remain credited to the Series Finance Charge Collections Ledger to make-up the relevant Class Investor Default Amounts and reinstate or reimburse the relevant Class Investor Interest;
- (12) in respect of Class A of the relevant Series: (i) if such Class is not divided into Sub-Classes, an amount equal to the aggregate amount of Class Investor Charge-offs in respect of that Class that have not been previously reimbursed will be allocated to that Class and either credited to the Loan Note Issuer Distribution Account to be applied as Additional Funds or (during any Specified Class Rapid Amortisation Period or the Rapid Amortisation Period) remain credited to the Series Finance Charge Collections Ledger to make-up the Class Investor Charge-off for that Class and reinstate or reimburse the relevant Class Investor Interest or (ii) if such Class is divided into Sub-Classes, *pro rata* and *pari passu* in respect of each such Sub-Class, an amount equal to the total amount of Class Investor Charge-offs in respect of that Sub-Class that have not been previously reimbursed will be allocated to that Sub-Class and either credited to the Loan Note Issuer Distribution Account to be applied as Additional Funds or (during any Specified Class Rapid Amortisation Period or the Rapid Amortisation Period) remain credited to the Series Finance Charge Collections Ledger to make-up the Class Investor Charge-off for that Class and reinstate or reimburse the relevant Class Investor Interest;
- (13) in respect of Class B of the relevant Series: (i) if such Class is not divided into Sub-Classes, an amount equal to the Class Investor Default Amount in

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- the Class Investor Interest in respect of that Sub-Class shall be paid to the Receivables Trustee as Additional Funds;
- (14) during the Revolving Period, any Specified Class Controlled Accumulation Period and the Controlled Accumulation Period for the relevant Series, in respect of Class C of the relevant Series: (a) if such Class is not divided into Sub-Classes, any Loss Make-Up (Default) allocable to the Class Investor Interest in respect of that Class shall be paid to the Receivables Trustee as Additional Funds; or (b) if such Class is divided into Sub-Classes, *pro rata* and *pari passu* in respect of each Sub-Class, any Loss Make-Up (Default) allocable to the Class Investor Interest in respect of that Sub-Class shall be paid to the Receivables Trustee as Additional Funds;
- (15) during the Revolving Period, any Specified Class Controlled Accumulation Period and the Controlled Accumulation Period for the relevant Series, in respect of Class C of the relevant Series: (a) if such Class is not divided into Sub-Classes, any Loss Make-Up (Charge-off) allocable to the Class Investor Interest in respect of that Class shall be paid to the Receivables Trustee as Additional Funds; or (b) if such Class is divided into Sub-Classes, *pro rata* and *pari passu* in respect of each Sub-Class, any Loss Make-Up (Charge-off) allocable to the Class Investor Interest in respect of that Sub-Class shall be paid to the Receivables Trustee as Additional Funds;
- (16) during the Revolving Period, any Specified Class Controlled Accumulation Period and the Controlled Accumulation Period for the relevant Series, in respect of Class D of the relevant Series: (a) if such Class is not divided into Sub-Classes, any Loss Make-Up (Default) allocable to the Class Investor Interest in respect of that Class shall be paid to the Receivables Trustee as Additional Funds; or (b) if such Class is divided into Sub-Classes, *pro rata* and *pari passu* in respect of each Sub-Class, any Loss Make-Up (Default) allocable to the Class Investor Interest in respect of that Sub-Class shall be paid to the Receivables Trustee as Additional Funds;
- (17) during the Revolving Period, any Specified Class Controlled Accumulation Period and the Controlled Accumulation Period for the relevant Series, in respect of Class D of the

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- respect of that Class will be allocated to that Class and either credited to the Loan Note Issuer Distribution Account to be applied as Additional Funds or (during any Specified Class Rapid Amortisation Period or the Rapid Amortisation Period) remain credited to the Series Finance Charge Collections Ledger to make-up the relevant Class Investor Default Amounts and reinstate or reimburse the relevant Class Investor Interest, or (ii) if such Class is divided into Sub-Classes, *pro rata* and *pari passu* in respect of each such Sub-Class, an amount equal to the Class Investor Default Amount in respect of that Sub-Class will be allocated to that Sub-Class and either credited to the Loan Note Issuer Distribution Account to be applied as Additional Funds or (during any Specified Class Rapid Amortisation Period or the Rapid Amortisation Period) remain credited to the Series Finance Charge Collections Ledger to make-up the relevant Class Investor Default Amounts and reinstate or reimburse the relevant Class Investor Interest;
- (14) in respect of Class B of the relevant Series: (i) if such Class is not divided into Sub-Classes, an amount equal to the aggregate amount of Class Investor Charge-offs in respect of that Class that have not been previously reimbursed will be allocated to that Class and either credited to the Loan Note Issuer Distribution Account to be applied as Additional Funds or (during any Specified Class Rapid Amortisation Period or the Rapid Amortisation Period) remain credited to the Series Finance Charge Collections Ledger to make-up the Class Investor Charge-off for that Class and reinstate or reimburse the relevant Class Investor Interest or (ii) if such Class is divided into Sub-Classes, *pro rata* and *pari passu* in respect of each such Sub-Class, an amount equal to the total amount of Class Investor Charge-offs in respect of that Sub-Class that have not been previously reimbursed will be allocated to that Sub-Class and either credited to the Loan Note Issuer Distribution Account to be applied as Additional Funds or (during any Specified Class Rapid Amortisation Period or the Rapid Amortisation Period) remain credited to

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- relevant Series: (a) if such Class is not divided into Sub-Classes, any Loss Make-Up (Charge-off) allocable to the Class Investor Interest in respect of that Class shall be paid to the Receivables Trustee as Additional Funds; or (b) if such Class is divided into Sub-Classes, *pro rata* and *pari passu* in respect of each Sub-Class, any Loss Make-Up (Charge-off) allocable to the Class Investor Interest in respect of that Sub-Class shall be paid to the Receivables Trustee as Additional Funds;
- (18) in respect of Class E of the relevant Series, (a) if such Class is not divided into Sub-Classes, the Class Monthly Distribution Amount in respect of that Class shall be paid to the Issuer; or (b) if such Class is divided into Sub-Classes, *pro rata* and *pari passu* in respect of each Sub-Class, the Class Monthly Distribution Amount in respect of that Sub-Class shall be paid to the Issuer;
- (19) during the Revolving Period, any Specified Class Controlled Accumulation Period and the Controlled Accumulation Period for the relevant Series, in respect of Class E of the relevant Series: (a) if such Class is not divided into Sub-Classes, any Loss Make-Up (Default) allocable to the Class Investor Interest in respect of that Class shall be paid to the Receivables Trustee as Additional Funds; or (b) if such Class is divided into Sub-Classes, *pro rata* and *pari passu* in respect of each Sub-Class, any Loss Make-Up (Default) allocable to the Class Investor Interest in respect of that Sub-Class shall be paid to the Receivables Trustee as Additional Funds;
- (20) during the Revolving Period, any Specified Class Controlled Accumulation Period and the Controlled Accumulation Period for the relevant Series, in respect of Class E of the relevant Series: (a) if such Class is not divided into Sub-Classes, any Loss Make-Up (Charge-off) allocable to the Class Investor Interest in respect of that Class shall be paid to the Receivables Trustee as Additional Funds; or (b) if such Class is divided into Sub-Classes, *pro rata* and *pari passu* in respect of each Sub-Class, any Loss Make-Up (Charge-off) allocable to the Class Investor Interest in respect of that Sub-Class shall be paid to the Receivables Trustee as Additional Funds;
- (21) in respect of Class F of the relevant Series, (a) if such Class is not divided into Sub-

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- the Series Finance Charge Collections Ledger to make-up the Class Investor Charge-off for that Class and reinstate or reimburse the relevant Class Investor Interest;
- (15) in respect of Class C of the relevant Series: (i) if such Class is not divided into Sub-Classes, an amount equal to the Class Investor Default Amount in respect of that Class will be allocated to that Class and either credited to the Loan Note Issuer Distribution Account to be applied as Additional Funds or (during any Specified Class Rapid Amortisation Period or the Rapid Amortisation Period) remain credited to the Series Finance Charge Collections Ledger to make-up the relevant Class Investor Default Amounts and reinstate or reimburse the relevant Class Investor Interest, or (ii) if such Class is divided into Sub-Classes, *pro rata* and *pari passu* in respect of each such Sub-Class, an amount equal to the Class Investor Default Amount in respect of that Sub-Class will be allocated to that Sub-Class and either credited to the Loan Note Issuer Distribution Account to be applied as Additional Funds or (during any Specified Class Rapid Amortisation Period or the Rapid Amortisation Period) remain credited to the Series Finance Charge Collections Ledger to make-up the relevant Class Investor Default Amounts and reinstate or reimburse the relevant Class Investor Interest;
- (16) in respect of Class C of the relevant Series: (i) if such Class is not divided into Sub-Classes, an amount equal to the aggregate amount of Class Investor Charge-offs in respect of that Class that have not been previously reimbursed will be allocated to that Class and either credited to the Loan Note Issuer Distribution Account to be applied as Additional Funds or (during any Specified Class Rapid Amortisation Period or the Rapid Amortisation Period) remain credited to the Series Finance Charge Collections Ledger to make-up the Class Investor Charge-off for that Class and reinstate or reimburse the relevant Class Investor Interest or (ii) if such Class is divided into Sub-Classes, *pro rata* and *pari passu* in respect of each such Sub-Class, an

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- Classes, the Class Monthly Distribution Amount in respect of that Class shall be paid to the Issuer; or (b) if such Class is divided into Sub-Classes, *pro rata* and *pari passu* in respect of each Sub-Class, the Class Monthly Distribution Amount in respect of that Sub-Class shall be paid to the Issuer;
- (22) during the Revolving Period, any Specified Class Controlled Accumulation Period and the Controlled Accumulation Period for the relevant Series, in respect of Class F of the relevant Series: (a) if such Class is not divided into Sub-Classes, any Loss Make-Up (Default) allocable to the Class Investor Interest in respect of that Class shall be paid to the Receivables Trustee as Additional Funds; or (b) if such Class is divided into Sub-Classes, *pro rata* and *pari passu* in respect of each Sub-Class, any Loss Make-Up (Default) allocable to the Class Investor Interest in respect of that Sub-Class shall be paid to the Receivables Trustee as Additional Funds;
- (23) during the Revolving Period, any Specified Class Controlled Accumulation Period and the Controlled Accumulation Period for the relevant Series, in respect of Class F of the relevant Series: (a) if such Class is not divided into Sub-Classes, any Loss Make-Up (Charge-off) allocable to the Class Investor Interest in respect of that Class shall be paid to the Receivables Trustee as Additional Funds; or (b) if such Class is divided into Sub-Classes, *pro rata* and *pari passu* in respect of each Sub-Class, any Loss Make-Up (Charge-off) allocable to the Class Investor Interest in respect of that Sub-Class shall be paid to the Receivables Trustee as Additional Funds;
- (24) during the Revolving Period, any Specified Class Controlled Accumulation Period and the Controlled Accumulation Period for the relevant Series, any Loss Make-Up (Charge-off) allocable to the relevant Series Originator VFN Subordination shall be paid to the Receivables Trustee as Additional Funds;
- (25) any amount (if any) remaining equal to the Group One Series Finance Charge Shortfall amount required by each Series in Group One (if any) to make up shortfalls of Finance Charge Collections shall be distributed to the Loan Note Issuer and

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amount equal to the total amount of Class Investor Charge-offs in respect of that Sub-Class that have not been previously reimbursed will be allocated to that Sub-Class and either credited to the Loan Note Issuer Distribution Account to be applied as Additional Funds or (during any Specified Class Rapid Amortisation Period or the Rapid Amortisation Period) remain credited to the Series Finance Charge Collections Ledger to make-up the Class Investor Charge-off for that Class and reinstate or reimburse the relevant Class Investor Interest;

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- shall belong to the Loan Note Issuer absolutely for such purpose;
- (26) if the relevant Series is in a Qualifying Swap Group, an amount equal to any Qualifying Swap Subordinated Termination Payments referable to such Series shall be paid to the relevant Qualifying Swap Provider;
- (27) the Issuer Junior Costs Amount for the relevant Series shall be retained by the Loan Note Issuer for distribution to the relevant parties; and
- (28) any remaining amount shall be identified as Excess Spread and paid to the Receivables Trustee as Additional Funds.

Please see "*The Loan Note Series*" for more information.

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- (17) in respect of Class D of the relevant Series: (i) if such Class is not divided into Sub-Classes, an amount equal to the Class Investor Default Amount in respect of that Class will be allocated to that Class and either credited to the Loan Note Issuer Distribution Account to be applied as Additional Funds or (during any Specified Class Rapid Amortisation Period or the Rapid Amortisation Period) remain credited to the Series Finance Charge Collections Ledger to make-up the relevant Class Investor Default Amounts and reinstate or reimburse the relevant Class Investor Interest, or (ii) if such Class is divided into Sub-Classes, *pro rata* and *pari passu* in respect of each such Sub-Class, an amount equal to the Class Investor Default Amount in respect of that Sub-Class will be allocated to that Sub-Class and either credited to the Loan Note Issuer Distribution Account to be applied as Additional Funds or (during any Specified Class Rapid Amortisation Period or the Rapid Amortisation Period) remain credited to the Series Finance Charge Collections Ledger to make-up the relevant Class Investor Default Amounts and reinstate or reimburse the relevant Class Investor Interest;
- (18) in respect of Class D of the relevant Series: (i) if such Class is not divided into Sub-Classes, an amount equal to the

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On each Interest Payment Date (or, if applicable, in the case of payments in respect of any Swap Agreement, if the Issuer so elects in accordance with the Swap Agreement, on the immediately preceding Transfer Date), the Issuer will then apply funds available to it in respect of the relevant Series (excluding any Swap Excluded Receivable Amounts and amounts standing to the credit of any relevant Swap Collateral Ledger) as follows:

- (1) in no order of priority between themselves but *pro rata* to the respective amounts then due, to pay remuneration then due to any Receiver or the Note Trustee (and/or any appointee of the Note Trustee under the Note Trust Deed) and all amounts due in respect of legal fees and other costs, charges, liabilities, expenses, losses, damages, proceedings, claims and demands incurred by any Receiver or the Note Trustee (and/or any appointee of the Note Trustee under the Note Trust Deed) under and in respect of the Issuer Documents and in enforcing the Security or in perfecting title to the Security created by or pursuant to the Note Trust Deed or the relevant Note Trust Deed Supplement together with interest thereon as provided in any such document;
- (2) (to the extent not met by paragraph (1) above) in payment or satisfaction (*pro rata* and *pari passu*) of all amounts then due and unpaid to any Receiver or the Note Trustee and/or any appointee of the Note Trustee

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- aggregate amount of Class Investor Charge-offs in respect of that Class that have not been previously reimbursed will be allocated to that Class and either credited to the Loan Note Issuer Distribution Account to be applied as Additional Funds or (during any Specified Class Rapid Amortisation Period or the Rapid Amortisation Period) remain credited to the Series Finance Charge Collections Ledger to make-up the Class Investor Charge-off for that Class and reinstate or reimburse the relevant Class Investor Interest or (ii) if such Class is divided into Sub-Classes, *pro rata* and *pari passu* in respect of each such Sub-Class, an amount equal to the total amount of Class Investor Charge-offs in respect of that Sub-Class that have not been previously reimbursed will be allocated to that Sub-Class and either credited to the Loan Note Issuer Distribution Account to be applied as Additional Funds or (during any Specified Class Rapid Amortisation Period or the Rapid Amortisation Period) remain credited to the Series Finance Charge Collections Ledger to make-up the Class Investor Charge-off for that Class and reinstate or reimburse the relevant Class Investor Interest;
- (19) in respect of Class E of the relevant Series: (i) if such Class is not divided into Sub-Classes, an amount equal to the sum of the Class Monthly Finance Amount, the Class Deficiency Amount and the Class Additional Finance Amount in respect of that Class will be credited to the Loan Note Issuer Distribution Account or (ii) if such Class is divided into Sub-Classes, *pro rata* and *pari passu* in respect of each Sub-Class, an amount equal to the Class Monthly Finance Amount, the Class Deficiency Amount and the Class Additional Finance Amount in respect of that Sub-Class will be allocated to that Sub-Class and deposited in the Loan Note Issuer Distribution Account;
- (20) in respect of Class E of the relevant Series: (i) if such Class is not divided into Sub-Classes, an amount equal to the Class Investor Default Amount in respect of that Class will be allocated to that Class and either credited to the Loan Note Issuer Distribution Account to be applied as Additional Funds or (during

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- under the Note Trust Deed or the relevant Note Trust Deed Supplement, the Agents, the Issuer Account Bank, the Swap Collateral Account Bank, the Issuer Corporate Services Provider and the Holdings Corporate Services Provider;
- (3) the Issuer Profit Amount for the relevant Series to be retained by the Issuer as profit;
- (4) in respect of the Class A Notes, (a) if such Class is not divided into Sub-Classes, up to the aggregate of the Class Monthly Distribution Amount and the Available Repayment Funds for that Class, *pari passu* and *pro rata* (i) in or towards payment of amounts due and unpaid in respect of that Class of Notes, and (ii) if applicable, in or towards payment of amounts (other than any Swap Excluded Payable Amount or Swap Excluded Termination Payment) due and unpaid under any Swap Agreement relating to that Class of Notes; or (b) if such Class is divided into Sub-Classes, in respect of each such Sub-Class, up to the aggregate of the Class Monthly Distribution Amount and the Available Repayment Funds for that Sub-Class of Notes, *pari passu* and *pro rata* (i) in or towards payment of amounts due and unpaid in respect of that Sub-Class of Notes; and (ii) if applicable, in or towards payment of amounts (other than any Swap Excluded Payable Amount or Swap Excluded Termination Payment) due and unpaid under any Swap Agreement relating to that Sub-Class of Notes;
- (5) in respect of the Class B Notes, (a) if such Class is not divided into Sub-Classes, up to the aggregate of the Class Monthly Distribution Amount and the Available Repayment Funds for that Class, *pari passu* and *pro rata* (i) in or towards payment of amounts due and unpaid in respect of that Class of Notes, and (ii) if applicable, in or towards payment of amounts (other than any Swap Excluded Payable Amount or Swap Excluded Termination Payment) due and unpaid under any Swap Agreement relating to that Class of Notes; or (b) if such Class is divided into Sub-Classes, in respect of each such Sub-Class, up to the aggregate of the Class Monthly Distribution Amount and the Available Repayment Funds for that Sub-Class of Notes, *pari passu* and *pro rata* (i) in or towards payment of amounts due and unpaid in respect of that Sub-Class of Notes; and (ii) if applicable, in or towards payment of amounts (other than any Swap

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- any Specified Class Rapid Amortisation Period or the Rapid Amortisation Period) remain credited to the Series Finance Charge Collections Ledger to make-up the relevant Class Investor Default Amounts and reinstate or reimburse the relevant Class Investor Interest, or (ii) if such Class is divided into Sub-Classes, *pro rata* and *pari passu* in respect of each such Sub-Class, an amount equal to the Class Investor Default Amount in respect of that Sub-Class will be allocated to that Sub-Class and either credited to the Loan Note Issuer Distribution Account to be applied as Additional Funds or (during any Specified Class Rapid Amortisation Period or the Rapid Amortisation Period) remain credited to the Series Finance Charge Collections Ledger to make-up the relevant Class Investor Default Amounts and reinstate or reimburse the relevant Class Investor Interest;
- (21) in respect of Class E of the relevant Series: (i) if such Class is not divided into Sub-Classes, an amount equal to the aggregate amount of Class Investor Charge-offs in respect of that Class that have not been previously reimbursed will be allocated to that Class and either credited to the Loan Note Issuer Distribution Account to be applied as Additional Funds or (during any Specified Class Rapid Amortisation Period or the Rapid Amortisation Period) remain credited to the Series Finance Charge Collections Ledger to make-up the Class Investor Charge-off for that Class and reinstate or reimburse the relevant Class Investor Interest or (ii) if such Class is divided into Sub-Classes, *pro rata* and *pari passu* in respect of each such Sub-Class, an amount equal to the total amount of Class Investor Charge-offs in respect of that Sub-Class that have not been previously reimbursed will be allocated to that Sub-Class and either credited to the Loan Note Issuer Distribution Account to be applied as Additional Funds or (during any Specified Class Rapid Amortisation Period or the Rapid Amortisation Period) remain credited to the Series Finance Charge Collections Ledger to make-up the Class Investor Charge-off

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- Excluded Payable Amount or Swap Excluded Termination Payment) due and unpaid under any Swap Agreement relating to that Sub-Class of Notes;
- (6) in respect of the Class C Notes, (a) if such Class is not divided into Sub-Classes, up to the aggregate of the Class Monthly Distribution Amount and the Available Repayment Funds for that Class, *pari passu* and *pro rata* (i) in or towards payment of amounts due and unpaid in respect of that Class of Notes, and (ii) if applicable, in or towards payment of amounts (other than any Swap Excluded Payable Amount or Swap Excluded Termination Payment) due and unpaid under any Swap Agreement relating to that Class of Notes; or (b) if such Class is divided into Sub-Classes, in respect of each such Sub-Class, up to the aggregate of the Class Monthly Distribution Amount and the Available Repayment Funds for that Sub-Class of Notes, *pari passu* and *pro rata* (i) in or towards payment of amounts due and unpaid in respect of that Sub-Class of Notes; and (ii) if applicable, in or towards payment of amounts (other than any Swap Excluded Payable Amount or Swap Excluded Termination Payment) due and unpaid under any Swap Agreement relating to that Sub-Class of Notes;
- (7) in respect of the Class D Notes, (a) if such Class is not divided into Sub-Classes, up to the aggregate of the Class Monthly Distribution Amount and the Available Repayment Funds for that Class, *pari passu* and *pro rata* (i) in or towards payment of amounts due and unpaid in respect of that Class of Notes, and (ii) if applicable, in or towards payment of amounts (other than any Swap Excluded Payable Amount or Swap Excluded Termination Payment) due and unpaid under any Swap Agreement relating to that Class of Notes; or (b) if such Class is divided into Sub-Classes, in respect of each such Sub-Class, up to the aggregate of the Class Monthly Distribution Amount and the Available Repayment Funds for that Sub-Class of Notes, *pari passu* and *pro rata* (i) in or towards payment of amounts due and unpaid in respect of that Sub-Class of Notes; and (ii) if applicable, in or towards payment of amounts (other than any Swap Excluded Payable Amount or Swap Excluded Termination Payment) due and unpaid under any Swap Agreement relating to that Sub-Class of Notes;

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| <p>for that Class and reinstate or reimburse the relevant Class Investor Interest;</p> <p>(22) in respect of Class F of the relevant Series: (i) if such Class is not divided into Sub-Classes, an amount equal to the sum of the Class Monthly Finance Amount, the Class Deficiency Amount and the Class Additional Finance Amount in respect of that Class will be credited to the Loan Note Issuer Distribution Account or (ii) if such Class is divided into Sub-Classes, <i>pro rata</i> and <i>pari passu</i> in respect of each Sub-Class, an amount equal to the Class Monthly Finance Amount, the Class Deficiency Amount and the Class Additional Finance Amount in respect of that Sub-Class will be allocated to that Sub-Class and deposited in the Loan Note Issuer Distribution Account;</p> <p>(23) in respect of Class F of the relevant Series: (i) if such Class is not divided into Sub-Classes, an amount equal to the aggregate amount of Class Investor Charge-offs in respect of that Class that have not been previously reimbursed will be allocated to that Class and either credited to the Loan Note Issuer Distribution Account to be applied as Additional Funds or (during any Specified Class Rapid Amortisation Period or the Rapid Amortisation Period) remain credited to the Series Finance Charge Collections Ledger to make-up the Class Investor Charge-off for that Class and reinstate or reimburse the relevant Class Investor Interest or (ii) if such Class is divided into Sub-Classes, <i>pro rata</i> and <i>pari passu</i> in respect of each such Sub-Class, an amount equal to the total amount of Class Investor Charge-offs in respect of that Sub-Class that have not been previously reimbursed will be allocated to that Sub-Class and either credited to the Loan Note Issuer Distribution Account to be applied as Additional Funds or (during any Specified Class Rapid Amortisation Period or the Rapid Amortisation Period) remain credited to the Series Finance Charge Collections Ledger to make-up the Class Investor Charge-off for that Class and reinstate or reimburse the relevant Class Investor Interest;</p> <p>(24) in respect of Class F of the relevant Series: (i) if such Class is not divided into Sub-Classes, an amount equal to the</p> | <p>(8) in respect of the Class E Notes, (a) if such Class is not divided into Sub-Classes, up to the aggregate of the Class Monthly Distribution Amount and the Available Repayment Funds for that Class, <i>pari passu</i> and <i>pro rata</i> (i) in or towards payment of amounts due and unpaid in respect of that Class of Notes, and (ii) if applicable, in or towards payment of amounts (other than any Swap Excluded Payable Amount or Swap Excluded Termination Payment) due and unpaid under any Swap Agreement relating to that Class of Notes; or (b) if such Class is divided into Sub-Classes, in respect of each such Sub-Class, up to the aggregate of the Class Monthly Distribution Amount and the Available Repayment Funds for that Sub-Class of Notes, <i>pari passu</i> and <i>pro rata</i> (i) in or towards payment of amounts due and unpaid in respect of that Sub-Class of Notes; and (ii) if applicable, in or towards payment of amounts (other than any Swap Excluded Payable Amount or Swap Excluded Termination Payment) due and unpaid under any Swap Agreement relating to that Sub-Class of Notes;</p> <p>(9) in respect of the Class F Notes, (a) if such Class is not divided into Sub-Classes, up to the aggregate of the Class Monthly Distribution Amount and the Available Repayment Funds for that Class, <i>pari passu</i> and <i>pro rata</i> (i) in or towards payment of amounts due and unpaid in respect of that Class of Notes, and (ii) if applicable, in or towards payment of amounts (other than any Swap Excluded Payable Amount or Swap Excluded Termination Payment) due and unpaid under any Swap Agreement relating to that Class of Notes; or (b) if such Class is divided into Sub-Classes, in respect of each such Sub-Class, up to the aggregate of the Class Monthly Distribution Amount and the Available Repayment Funds for that Sub-Class of Notes, <i>pari passu</i> and <i>pro rata</i> (i) in or towards payment of amounts due and unpaid in respect of that Sub-Class of Notes; and (ii) if applicable, in or towards payment of amounts (other than any Swap Excluded Payable Amount or Swap Excluded Termination Payment) due and unpaid under any Swap Agreement relating to that Sub-Class of Notes;</p> <p>(10) in or towards payment of any sums due from (or required to be provided for by) the Issuer to meet its liabilities to any taxation authority (including in respect of corporation tax to HM Revenue &</p> |
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| <p>aggregate amount of Class Investor Charge-offs in respect of that Class that have not been previously reimbursed will be allocated to that Class and either credited to the Loan Note Issuer Distribution Account to be applied as Additional Funds or (during any Specified Class Rapid Amortisation Period or the Rapid Amortisation Period) remain credited to the Series Finance Charge Collections Ledger to make-up the Class Investor Charge-off for that Class and reinstate or reimburse the relevant Class Investor Interest or (ii) if such Class is divided into Sub-Classes, <i>pro rata</i> and <i>pari passu</i> in respect of each such Sub-Class, an amount equal to the total amount of Class Investor Charge-offs in respect of that Sub-Class that have not been previously reimbursed will be allocated to that Sub-Class and either credited to the Loan Note Issuer Distribution Account to be applied as Additional Funds or (during any Specified Class Rapid Amortisation Period or the Rapid Amortisation Period) remain credited to the Series Finance Charge Collections Ledger to make-up the Class Investor Charge-off for that Class and reinstate or reimburse the relevant Class Investor Interest;</p> <p>(25) an amount equal to the aggregate amount of Investor Charge-offs allocated to the Series Originator VFN Subordination for such Series which have not been previously reimbursed will be credited to the Loan Note Issuer Distribution Account to be applied as Additional Funds and reinstate such Series Originator VFN Subordination portion of the Originator VFN Series;</p> <p>(26) in accordance with the provisions of the relevant Supplement, (i) on each Transfer Date from and including the Accumulation Reserve Funding Date for that Series but prior to the date on which the Accumulation Reserve Ledger for that Series is closed, an amount equal to the amount (if any) that the Available Accumulation Reserve Amount is less than the Required Accumulation Reserve Amount shall be deposited in the Receivables Trustee Investment Account to the credit of the Accumulation Reserve Ledger for that Series, and (ii) on each Transfer Date from and including the Specified Class</p> | <p>Customs) in relation to the relevant Series to the extent not capable of being paid from Issuer Profit Amounts;</p> <p>(11) in or towards payment of any other sums due to Noteholders or sums due to third parties in relation to the relevant Series under obligations incurred in the course of the Issuer's business or pursuant to the Dealer Agreement;</p> <p>(12) if applicable, in or towards payment to the relevant Swap Counterparty of any Swap Excluded Termination Payment (excluding any related Swap Excluded Payable Amount) in accordance with the terms of the relevant Swap Agreement in respect of Notes in Class A (or any Sub-Class thereof);</p> <p>(13) if applicable, in or towards payment to the relevant Swap Counterparty of any Swap Excluded Termination Payment (excluding any related Swap Excluded Payable Amount) in accordance with the terms of the relevant Swap Agreement in respect of Notes in Class B (or any Sub-Class thereof);</p> <p>(14) if applicable, in or towards payment to the relevant Swap Counterparty of any Swap Excluded Termination Payment (excluding any related Swap Excluded Payable Amount) in accordance with the terms of the relevant Swap Agreement in respect of Notes in Class C (or any Sub-Class thereof);</p> <p>(15) if applicable, in or towards payment to the relevant Swap Counterparty of any Swap Excluded Termination Payment (excluding any related Swap Excluded Payable Amount) in accordance with the terms of the relevant Swap Agreement in respect of Notes in Class D (or any Sub-Class thereof);</p> <p>(16) if applicable, in or towards payment to the relevant Swap Counterparty of any Swap Excluded Termination Payment (excluding any related Swap Excluded Payable Amount) in accordance with the terms of the relevant Swap Agreement in respect of Notes in Class E (or any Sub-Class thereof);</p> <p>(17) if applicable, in or towards payment to the relevant Swap Counterparty of any Swap Excluded Termination Payment (excluding any related Swap Excluded Payable Amount) in accordance with the terms of the relevant Swap Agreement in respect of</p> |
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Receivables Trustee Priority of Payments**Issuer Priority of Payments**

- Accumulation Reserve Funding Date for any Specified Class in that Series but prior to the date on which the Specified Class Accumulation Reserve Ledger for that Specified Class is closed, an amount equal to the amount (if any) that the relevant Specified Class Available Accumulation Reserve Amount is less than the relevant Specified Class Required Accumulation Reserve Amount shall be credited to the Receivables Trustee Investment Account to the credit of the relevant Specified Class Accumulation Reserve Ledger for that Series;
- (27) an amount equal to the Group One Series Finance Charge Shortfall amount required by each Series in Group One, including the Originator VFN Series, (if any) to make up shortfalls of Available Funds (as defined in the relevant Supplement) shall be distributed to the Loan Note Issuer and shall belong to the Loan Note Issuer absolutely for such purpose, such amounts made so available being known as "**Excess Finance Charges**";
- (28) if the Series is in a Qualifying Swap Group, an amount equal to any Qualifying Swap Subordinated Termination Payments referable to such Series that are due and payable on such Transfer Date to the relevant Qualifying Swap Provider pursuant to the applicable Qualifying Swap Agreement shall be credited to the Loan Note Issuer Distribution Account;
- (29) the Issuer Junior Costs Amount for the relevant Series will be credited to the Loan Note Issuer Distribution Account; and
- (30) the balance, if any, after giving effect to the payments made under paragraphs (1) through (29) above will be applied as Additional Funds and used to pay Deferred Consideration in respect of the relevant Series.
- (18) Notes in Class F (or any Sub-Class thereof); and
to the Loan Note Issuer as deferred subscription price for the Loan Notes in the Related Loan Note Series.
- Please see "*Terms and Conditions of the Notes*" for more information.

Please see "*Series Securitisation Cashflows – Available Funds*" for further information.

Cash Management and Bank Accounts Collections from Obligor are currently paid to a number of bank accounts held in the name of Santander UK (the "**Primary Collection Accounts**"), before being transferred on a daily basis, or as soon as practicable thereafter, to the Transferor Collection Account (without any deductions) and onward to the Receivables Trustee Collection Account on the Business Day following the Date of Processing of such Collections, or as soon as practicable thereafter, until such time in each Collection Period that an

amount equal to the Senior Expense Amount has been transferred from the Primary Collection Accounts to the Transferor Collection Account and onward to the Receivables Trustee Collection Account ("**Senior Funding Completion**"), and thereafter such transfers will be made (net only of any deduction made by Santander UK (or any successor) in respect of: (i) advances on Accounts to payment systems and retailers to fund new Receivables; (ii) Obligors' balance transfers; (iii) insurance premiums charged to Obligors' Accounts; and (iv) payments made in cash in respect of Obligors' claims in respect of their Accounts) to the Transferor Collection Account and, to the extent necessary to meet liabilities of the Receivables Trustee (other than those owed to the Transferor or its Affiliates) which exceed the amounts already transferred during that Collection Period, onward to the Receivables Trustee Collection Account.

The above arrangements are made possible by the terms of the master cash settlement agreement dated 18 December 2014 and made between, *inter alios*, the Receivables Trustee, the Transferor, the Transferor Beneficiary and the Investor Beneficiary (the "**Master Cash Settlement Agreement**"), which permits the Transferor to retain Collections which would otherwise be paid back to it by the Receivables Trustee, where such payments represent the direct or indirect proceeds of:

- (a) Finance Charge Collections, in which case such amounts shall constitute "**Finance Charge Advance Payments**" and shall be retained by the Transferor absolutely, subject only to an obligation to refund an equivalent amount to the extent of any overpayment; or
- (b) Principal Collections, in which case such amounts shall constitute "**Principal Advance Payments**" and shall be held on trust by the Transferor for the Receivables Trustee, subject to an obligation to refund them, until applied by the Transferor for the purpose of funding amounts payable from Cash Available for Investment (including payment for assigned Receivables generated on the Designated Accounts).

Finance Charge Advance Payments represent sums which it is anticipated that the Transferor (or one of its Affiliates, such as the Servicer or Cash Manager) will receive on the Transfer Date following the Collection Period in which such payments are made. Principal Advance Payments represent amounts of Cash Available for Investment which would otherwise be retained by the Receivables Trustee, pending application in accordance with the provisions of the Receivables Trust Deed and Servicing Agreement. It is anticipated that Principal Advance Payments will typically be released to the Transferor in consideration for the assignment of new Receivables to the Receivables Trustee.

The arrangements in respect of the Primary Collection Accounts (subject only to the applicable provisions of the Transaction Documents) may change from time to time at the discretion of the Originator and/or Transferor, as applicable, **provided that** the accounts are held with an appropriately rated institution.

All Collections held in the Transferor Collection Account will be held on trust for the Receivables Trustee pending the transfer of such Collections to the Receivables Trustee Collection Account which (prior to Senior Funding Completion) will take place on the Business Day following the Date of Processing of such Collections, or as soon as practicable thereafter. Following Senior Funding Completion, such Collections shall be retained by the Transferor, either as payments of the Finance Charge Collections or Principal Collections due to it or as Finance Charge Advance Payments or

Principal Advance Payments (and, if they are Principal Advance Payments, such amounts will continue to be held in the Transferor Collection Account on trust for the Receivables Trustee).

Amounts standing to the credit of the Receivables Trustee Collection Account in respect of each Series are applied in accordance with the priority of payments set out in the Receivables Trust Deed and Servicing Agreement and the relevant Supplement thereto on each Transfer Date (see "*The Receivables Trust*" and "*Series Securitisation Cashflows*" for more detail). The Loan Note Issuer will credit the amount received from the Receivables Trustee in respect of the Class Monthly Distribution Amount for each Class or Sub-Class of a Series and any other amounts relating to a Series to the corresponding Series Ledger maintained within the Loan Note Issuer Distribution Account on each Transfer Date.

On each Transfer Date, the Loan Note Issuer will apply amounts standing to the credit of each Series Ledger to make the payments due to the Receivables Trustee in respect of the relevant Series on such Transfer Date in the order of priority specified under "*The Loan Note Series*", thus enabling the Receivables Trustee to make all corresponding payments to be made by it using such funds on such Transfer Date. The Receivables Trustee, the Loan Note Issuer and the Transferor have agreed that such payments will be settled on a net basis and that, as described above, the Transferor is able to retain amounts which would otherwise be paid to it on the following Transfer Date.

On each Transfer Date, with respect to any Series, the Loan Note Issuer shall (after making the payments due to the Receivables Trustee referred to above and any other prior-ranking payments) apply amounts standing to the credit of the relevant Series Ledger in making payments of interest and, on any Transfer Date immediately prior to the Series Scheduled Redemption Date or any Specified Class Scheduled Redemption Date or during the Rapid Amortisation Period or any Specified Class Rapid Amortisation Period, principal on the related Loan Note Series, together with other amounts owed to the Issuer, by transferring such amounts to the Issuer Distribution Account. The Issuer will then utilise such amounts on the subsequent Distribution Date, together with any interest earned on the Issuer Distribution Account since the previous Distribution Date, in making payments of interest and, on the Series Scheduled Redemption Date or any Specified Class Scheduled Redemption Date or during the Rapid Amortisation Period or any Specified Class Rapid Amortisation Period, principal on the Notes and making the other payments to be made by it on such date in the order of priority specified in the Note Conditions.

"**Affiliate**" of any person means any other person controlling, controlled by or under common control with such person.

"**Senior Expense Amount**" means for any Series, the amount calculated on any given day prior to a Transfer Date as being equal to the expected payments under paragraphs 1 to 10, 19, 22, 26 and 28 of the Receivables Trustee priority of payments set out above on the relevant Transfer Date, **provided that** any Reference Rate (as such term is defined in the relevant Supplement) for such purposes, if applicable, will be at least equal to such Reference Rate on the date of calculation of such expected payments as notified to the Servicer by the Calculation Agent on such date.

The expected payments under paragraphs 6(i), 6(ii), 7, 8, 9, 19 and 22, and, if so provided in the relevant Qualifying Swap Agreement, paragraphs 5 and 6(ii) of the Receivables Trustee priority of payments and the Senior Expense Amount may be recalculated, if the Servicer so elects, at any time

or times after the initial calculation of the Senior Expense Amount until and including the relevant Transfer Date.

"RPA Counterparty" means any member of the NewDay Group, or any other person acting on behalf of a member of the NewDay Group, which is the counterparty to any retail partner agreement or other affinity or private-label arrangement pursuant to which any Accounts are originated or maintained by or on behalf of the Originator.

Transferor Advance Amounts Pursuant to an addendum to the Receivables Trust Deed and Servicing Agreement dated 5 October 2020 (as supplemented, amended and/or restated from time to time, the "**RTDSA Transferor Advance Addendum**"), the Transferor may provide cash advances in relation to specified Collection Periods to the Receivables Trustee. Any such advances will form part of Trust Property and be treated, for the purposes of calculations under the Receivables Trust Deed and Servicing Agreement, as additional Finance Charge Collections for the relevant Collection Periods. See "*The Receivables Trust – Transferor Advance Amounts*" for more detail.

TRIGGERS TABLE

Rating Triggers Table

| <u>Transaction Party</u> | <u>Required Ratings/Triggers</u> | <u>Possible effects of trigger being breached include the following</u> |
|--|---|--|
| Receivables Trustee Account Bank, Loan Note Issuer Account Bank and Issuer Account Bank | An institution (i) which is a bank within the meaning of section 991 of the Income Tax Act 2007 and for the purposes of section 878 of the Income Tax Act 2007 and which pays any interest under any relevant Transaction Document in the ordinary course of its business and (ii) which, insofar as the relevant Rating Agency rates any Related Debt or Associated Debt, has (a) a short-term unsecured debt rating of at least F1 by Fitch or a long-term unsecured debt rating of at least A by Fitch; (b) a long-term senior debt and deposits rating of at least A (or, in relation to the Issuer Account Bank, a critical obligation rating of at least A (high)) by DBRS or, in the absence of a rating assigned by DBRS, a DBRS Equivalent Rating at least equal to A by DBRS, or such other rating from time to time notified or published by DBRS replacing any of the above ratings or implementing a rating requirement; and/or (c) such other short-term or long-term rating which is otherwise acceptable to the relevant Rating Agency. | <p>The Receivables Trustee Account Bank, the Loan Note Issuer Account Bank or the Issuer Account Bank (as applicable) shall, as soon as practicable and, in any event, within 30 calendar days (in the case of the Receivables Trustee Account Bank or the Loan Note Issuer Account Bank) or, no earlier than 33 calendar days but within 45 calendar days (in the case of the Issuer Account Bank) (in respect of a downgrade by Fitch or DBRS) (or, in any case, such longer period as may be agreed with the relevant Rating Agencies as not leading to a downgrade of any outstanding Rated Debt), transfer the closing credit balance and all interest accrued on such balance to a new account at a Qualified Institution appointed by the Receivables Trustee, the Loan Note Issuer or the Issuer (as applicable).</p> <p>An institution will be treated as having been downgraded by DBRS: (i) if such institution is or has been rated by DBRS and such rating has been lowered or withdrawn; or (ii) if such institution is not rated by DBRS but ceases to have a DBRS Equivalent Rating.</p> |
| Swap Collateral Account Bank (if applicable) | An institution (i) which is a bank within the meaning of section 991 of the Income Tax Act 2007 and for the purposes of section 878 of the Income Tax Act 2007 and which pays any interest under any relevant Transaction Document in the ordinary course of its business and (ii) which, insofar as the relevant Rating Agency rates any Related Debt or Associated Debt, has (a) a short-term unsecured debt rating of at least F1 by Fitch or a long-term unsecured debt rating of at least A by Fitch; (b) a long-term senior debt and deposits rating of at least A by DBRS or, in the absence of a rating assigned by DBRS, a DBRS Equivalent Rating at least equal to A by DBRS, or such other rating from time to time notified or published by DBRS replacing any of the above ratings or implementing a rating | <p>The Swap Collateral Account Bank shall, no earlier than 33 calendar days but within 45 calendar days (in respect of a downgrade by Fitch or DBRS) (or such longer period as may be agreed with the relevant Rating Agencies as not leading to a downgrade of any outstanding Rated Debt), transfer the closing credit balance and all interest accrued on such balance and any securities or other investments held in such account to a new account at a Qualified Institution appointed by the Issuer.</p> <p>An institution will be treated as having been downgraded by DBRS: (i) if such institution is or has been rated by DBRS and such rating has been lowered or withdrawn; or (ii) if such institution is not rated by DBRS but</p> |

| Transaction Party | Required Ratings/Triggers | Possible effects of trigger being breached include the following |
|--|---|--|
| | requirement; and/or (c) such other short-term or long-term rating which is otherwise acceptable to the relevant Rating Agency. | ceases to have a DBRS Equivalent Rating. |
| Bank with which the Primary Collection Accounts are maintained | An institution (i) which is a bank within the meaning of section 991 of the Income Tax Act 2007 and for the purposes of section 878 of the Income Tax Act 2007 and which pays any interest under any relevant Transaction Document in the ordinary course of its business and (ii) which, insofar as the relevant Rating Agency rates any Related Debt or Associated Debt, at all times has (a) a short-term unsecured debt rating of at least F2 by Fitch or a long-term unsecured debt rating of at least BBB+ by Fitch; (b) a long-term senior debt and deposits rating of at least BBB by DBRS or, in the absence of a rating assigned by DBRS, a DBRS Equivalent Rating at least equal to BBB by DBRS, or such other rating from time to time notified or published by DBRS replacing any of the above ratings or implementing a rating requirement; and/or (c) such other short-term or long-term rating which is otherwise acceptable to the relevant Rating Agency. | The Servicer shall procure that, within 30 calendar days of being notified (or such longer period as may be agreed with the relevant Rating Agencies as not leading to a downgrade of any outstanding Rated Debt), the relevant collection account is transferred to an account bank that has the required ratings or the Obligors are notified to make future payments in respect of their Accounts directly to the Transferor Collection Account. |
| Bank with which the Transferor Collection Account is maintained | An institution (i) which is a bank within the meaning of section 991 of the Income Tax Act 2007 and for the purposes of section 878 of the Income Tax Act 2007 and which pays any interest under any relevant Transaction Document in the ordinary course of its business and (ii) which, insofar as the relevant Rating Agency rates any Related Debt or Associated Debt, at all times has (a) a short-term unsecured debt rating of at least F1 by Fitch or a long-term unsecured debt rating of at least A by Fitch; (b) a long-term senior debt and deposits rating of at least A by DBRS or, in the absence of a rating assigned by DBRS, a DBRS Equivalent Rating at least equal to A by DBRS, or such other rating from time to time notified or published by DBRS replacing any of the above ratings or implementing a rating requirement; and/or (c) such other short-term or long-term rating which | The Transferor shall, as soon as practicable and, in any event, within 30 calendar days (in respect of a downgrade by Fitch or DBRS) of being notified (or such longer period as may be agreed with the relevant Rating Agencies as not leading to a downgrade of any outstanding Rated Debt), establish a new Transferor Collection Account with a Qualified Institution and shall transfer any cash or any investments to such new Transferor Collection Account. An institution will be treated as having been downgraded by DBRS: (i) if such institution is or has been rated by DBRS and such rating has been lowered or withdrawn; or (ii) if such institution is not rated by DBRS but ceases to have a DBRS Equivalent Rating. |

| <u>Transaction Party</u> | <u>Required Ratings/Triggers</u> | <u>Possible effects of trigger being breached include the following</u> |
|--------------------------|--|---|
| | is otherwise acceptable to the relevant Rating Agency. | |
| Swap Counterparty | Such ratings as are specified in the relevant Drawdown Prospectus or Final Terms (as applicable) relating to the Note Series to which the relevant Swap Agreement relates. | As specified in the relevant Drawdown Prospectus or Final Terms (as applicable) relating to the Note Series to which the relevant Swap Agreement relates. |

Non-Rating Triggers

| Description of trigger | Consequence of trigger |
|--|--|
| <i>Notification Events</i> | |
| The occurrence of any of the following: | The Receivables Trustee may transfer legal title to the Securitised Portfolio to itself or to a nominee. |
| <ul style="list-style-type: none"> • a Pay Out Insolvency Event in relation to the Transferor or the Originator; or • the Transferor (or the Servicer on behalf of the Transferor) failing to pay to the Receivables Trustee any sum due to it under the Receivables Securitisation Deed within five Business Days of the due date or (if payable on demand) the demand and such failure continues unremedied for ten Business Days following notice thereof from the Receivables Trustee. | |
| <i>Servicer Termination Events</i> | |
| The occurrence of any of the following: | Termination of appointment of Servicer. |
| <ul style="list-style-type: none"> • payment default by the Servicer which is not remedied within 5 Business Days; • failure by the Servicer to duly perform any of its other obligations which has a Material Adverse Effect on the Beneficiaries of any Outstanding Series and is not remedied within 60 days of notice being given to the Servicer by the Receivables Trustee or to the Servicer and the Receivables Trustee by a majority of the Beneficiaries, which continues to have a Material Adverse Effect on the interest of such Beneficiaries in respect of such Outstanding Series for such period; • any relevant representation, warranty or certification being incorrect when made which has a Material Adverse Effect on the interests of the Beneficiaries in respect of any Outstanding Series and is not remedied within 60 days of notice being given to the Servicer by the Receivables Trustee or to the Servicer and the Receivables Trustee by a majority of the Beneficiaries, and continues to have a Material Adverse Effect on the interest of such Beneficiaries in respect of such Outstanding Series for such period; • an insolvency event in relation to the Servicer; or • delegation by the Servicer of its duties to any other entity except as permitted by the Receivables Trust Deed and Servicing Agreement, which has a Material Adverse Effect on the interest of the Beneficiaries in respect of any Outstanding Series. | See the section entitled " <i>Servicing of Receivables – Termination of Appointment of Servicer</i> " for further information. |
| <i>Cash Manager Termination Events</i> | |
| The occurrence of any of the following: | Termination of appointment of Cash Manager. |
| <ul style="list-style-type: none"> • payment default by the Cash Manager which is not remedied within 5 Business Days; • failure by the Cash Manager to comply with any of its other covenants or obligations which has a Material Adverse Effect on the interests of any Loan Note Holders holding Loan Notes with a principal amount outstanding greater than zero and which is not remedied within 60 days of notice being given to the Cash Manager by the Loan Note Issuer or | See the section entitled " <i>The Security Trust Deed and Cash Management Agreement – Appointment and</i> |

| Description of trigger | Consequence of trigger |
|---|---|
| <p>to the Cash Manager and the Loan Note Issuer by Loan Note Holders in respect of more than 50 per cent. or more of the principal amount outstanding of any Loan Notes adversely affected thereby;</p> <ul style="list-style-type: none"> • delegation by the Cash Manager of its duties to any other entity, except as permitted by the Security Trust Deed and Cash Management Agreement, which has a Material Adverse Effect on the interest of the Beneficiaries in respect of any Outstanding Series; • any relevant representation, warranty or certification being incorrect when made which has a Material Adverse Effect on the interests of any Loan Note Holders holding Loan Notes with a principal amount outstanding greater than zero and is not remedied within 60 days of notice being given to the Cash Manager by the Loan Note Issuer or to the Cash Manager and the Loan Note Issuer by Loan Note Holders in respect of more than 50 per cent. or more of the principal amount outstanding of any Loan Notes adversely affected thereby; or • an insolvency event in relation to the Cash Manager. | <p><i>Responsibilities of the Cash Manager</i>" for further information.</p> |
| <i>Rapid Amortisation Trigger Events</i> | |
| <p>The occurrence of a Series Pay Out Event in respect of a Series or a Trust Pay Out Event.</p> | <p>Rapid Amortisation Period will begin in respect of the relevant Series (in the case of a Series Pay Out Event) or all Series (in the case of a Trust Pay Out Event).</p> |
| <i>Trust Pay Out Events</i> | |
| <p>The occurrence of any of the following:</p> | <p>A Series Pay Out Event will occur for each Series and the Transferor Beneficiary (and, in the case of a Pay Out Insolvency Event in relation to the Originator or the Transferor, the Receivables Trustee) will have certain additional rights under the Receivables Trust Deed and Servicing Agreement.</p> |
| <ul style="list-style-type: none"> • a Pay Out Insolvency Event in relation to the Originator or the Transferor; • the Transferor becomes unable to transfer Receivables on the Designated Accounts to the Receivables Trustee in the manner described in the Receivables Securitisation Deed; • either the Originator or the Transferor stops being either resident in the United Kingdom for United Kingdom tax purposes or liable for United Kingdom corporation tax; or • either: <ul style="list-style-type: none"> • a change in law or its interpretation or administration results in the Receivables Trustee becoming liable to make any payment on account of tax which is more than trivial; or • any tax authority asserts a tax liability or takes other actions against the Originator or Transferor in relation to the transaction which would have an adverse effect on them which is more than trivial, if the Originator or Transferor obtains an opinion of counsel stating that the tax liability would be due. This event will be treated as occurring when | |

| Description of trigger | Consequence of trigger |
|---|---|
| <p>the Originator or Transferor gives written notice of it to the Receivables Trustee.</p> | |
| <p><i>Series Pay Out Events</i></p> | |
| <p>The occurrence of a Trust Pay Out Event or any of the following:</p> | <p>A Series Pay Out Event will occur in respect of the relevant Series.</p> |
| <ul style="list-style-type: none"> • failure on the part of the Transferor: <ul style="list-style-type: none"> • to make any payment or deposit required to be made by it to the Receivables Trustee under the terms of the Receivables Securitisation Deed within five Business Days after the date that the payment or deposit is required to be made, including the payment of Collections into the Receivables Trustee Collection Account (as contemplated under the Transaction Documents); or • duly to observe or perform any covenants or agreements of the Transferor in the Receivables Securitisation Deed or the relevant Supplement that has a material adverse effect on the interests of the relevant Investor Beneficiary and which continues unremedied for a period of 60 days after the date on which written notice of the failure, requiring it to be remedied, is given to the Transferor by the Receivables Trustee, or is given to the Transferor and the Receivables Trustee by the Loan Note Issuer acting on the instructions of persons holding together 50 per cent. or more of the total balance of the relevant Loan Note Series outstanding at that time, and which continues during that 60 day period to have a material adverse effect on the interests of the relevant Investor Beneficiary; • any representation or warranty made by the Transferor in the Receivables Securitisation Deed or the relevant Supplement, or any information contained in any computer file required to be delivered by the Transferor under the Receivables Securitisation Deed, proves to have been incorrect in any material respect when made or when delivered and continues to be incorrect in any material respect for a period of 60 days after the date on which written notice of the error, requiring it to be remedied, is given to the Transferor by the Receivables Trustee, or is given to the Transferor and the Receivables Trustee by the Loan Note Issuer acting on the instructions of persons holding together 50 per cent. or more of the total balance of the relevant Loan Note Series outstanding at that time and which continues during that 60 day period to have a material adverse effect on the interests of the relevant Investor Beneficiary; | |
| <p>Notwithstanding the above, no Series Pay Out Event shall be deemed to have occurred if the Transferor has complied with its obligations relating to a breach of representation or warranty as set out in the Receivables Securitisation Deed;</p> | |
| <ul style="list-style-type: none"> • for the relevant Series, the average Portfolio Yield for a period of three consecutive Collection Periods is less than the average Expense Rate for that period; • either: | |

| Description of trigger | Consequence of trigger |
|--|---|
| <ul style="list-style-type: none"> • the aggregate of the Transferor Interest and the Originator VFN Excess Amount averaged over any period of thirty consecutive days is less than the relevant Minimum Transferor Interest calculated as at the last day of such period and the Transferor Interest and/or the Originator VFN Excess Amount is not increased on or before the tenth Business Day following that thirty day period to an amount such that the average of the aggregate of the Transferor Interest and the Originator VFN Excess Amount for such thirty day period as a percentage of the Average Principal Receivables (computed by assuming that the amount of the increase of the Transferor Interest and/or the Originator VFN Excess Amount by the last day of the ten Business Day period, as compared to the Transferor Interest and/or the Originator VFN Excess Amount on the last day of the thirty day period, existed in the Receivables Trust during each day of the thirty day period), is at least equal to the Minimum Transferor Interest; or • on the last day of any Collection Period the Eligible Receivables Balance is less than the Minimum Aggregate Principal Receivables and the Eligible Receivables Balance fails to increase to an amount equal to or greater than the Minimum Aggregate Principal Receivables on or before the tenth Business Day following that last day; • any Servicer Default occurs that has a material adverse effect on the relevant Investor Beneficiary; • the relevant Series Investor Interest is not reduced to zero on the Series Scheduled Redemption Date for such Series (which, for the avoidance of doubt, may be postponed to a later Interest Payment Date falling within the relevant Series Extension Period (which will be specified in the relevant Final Terms or Drawdown Prospectus, as applicable), where a Series Extension Notice is delivered); or • the Loan Note Issuer is required to withhold or deduct any amounts for or on account of tax on the payment of any principal or interest in respect of the relevant Loan Note Series, as a result of any change in the laws of the United Kingdom or any political subdivision or taxing authority thereof which change becomes effective on or after the Closing Date. | |
| <p><i>Issuer Events of Default</i></p> <p>The occurrence of any of the following in respect of a Note Series:</p> <ul style="list-style-type: none"> • the Issuer fails to pay any amount of principal on any Note in respect of the relevant Note Series within 7 days of the due date for payment thereof or fails to pay any amount of interest in respect of any Note in the relevant Note Series within 15 days of the due date for payment thereof; • the Issuer defaults in the performance or observance of any of its other obligations under or in respect of the Issuer Documents in respect of the relevant Note Series (other than, in any such case, any obligation for the payment of any principal or interest on the Notes) and the Note Trustee upon being notified of such default has given written notice | <p>An Enforcement Notice may be issued to the Issuer declaring the Notes of the relevant Note Series to be immediately due and payable and the security enforced.</p> |

| Description of trigger | Consequence of trigger |
|--|------------------------|
| thereof to the Issuer, certifying that such default is, in the opinion of the Note Trustee, materially prejudicial to the interests of the relevant Noteholders and (except where such default is incapable of remedy) such default remains unremedied for 30 days after such notice; | |
| <ul style="list-style-type: none"> • a secured party or encumbrancer takes possession of, or a receiver, administrative receiver, administrator, examiner, manager or other similar officer is legally and validly appointed over, the whole or any part of the business, assets and revenues of the Issuer or execution is levied against any of the assets of the Issuer which is not frivolous or vexatious and, in each case, is not discharged within five business days provided that the taking of any action by the Note Trustee against the Issuer or any of its assets in respect of any other Note Series, or the appointment of any receiver or other officer in respect of any assets of the Issuer which are subject to security in respect of any other Note Series, shall not constitute an Event of Default in respect of any other Note Series; or • an Insolvency Event occurs in relation to the Issuer; • any action, condition or thing at any time required to be taken, fulfilled or done in order: <ul style="list-style-type: none"> • to enable the Issuer lawfully to enter into, exercise its rights and perform and comply with its obligations in respect of the relevant Note Series under and in respect of the relevant Notes and the Issuer Documents; or • to ensure that those obligations are legal, valid, binding and enforceable, except as that enforceability may be limited by applicable bankruptcy, insolvency, moratorium, reorganisation or other similar laws affecting the enforcement of the rights of creditors generally and general principles of equity, | |
| is not taken, fulfilled or done such failure to do so is materially prejudicial to the interests of the relevant Noteholders; | |
| <ul style="list-style-type: none"> • it is or becomes unlawful for the Issuer to comply with any of its obligations in respect of the relevant Note Series under or in respect of the relevant Notes or any of the Issuer Documents; or • (i) all or substantially all of the business, assets and revenues of the Issuer is seized or otherwise appropriated by any person acting under the authority of any national, regional or local government, or (ii) the Issuer is prevented by any person acting under the authority of any national, regional or local government from exercising normal control over all or substantially all of its business, assets and revenues. | |

FEES

The table below sets out the principal ongoing transaction fees and the expenses related to the admission to trading of the Notes. Each of these fees (other than the servicing fee) is subject to change at any time without Noteholder notification or approval, including upon the appointment of any successor transaction party pursuant to the applicable transaction document.

| <u>Expense</u> | <u>Amount</u> | <u>Priority in cashflow</u> | <u>Frequency</u> |
|--|---|---|--------------------|
| Servicing fee | One-twelfth of the product of 6.0 per cent. and the average of the daily aggregate outstanding amount of Receivables during the relevant Collection Period and any amount agreed, on an arm's length basis, between a successor Servicer and the Receivables Trustee from time to time, less (while NewDay Cards Ltd is the Servicer) any net receipts of insurance commission income received by the Servicer during such Collection Period (subject to any Servicing Fee Waiver, as to which, see "Servicing of Receivables – Servicing Fee Addendum to the RTDSA" for further details) | Insofar as such fee is payable by the Series Investor Beneficiary (as to which, see "Servicing of Receivables - Series Investor Servicing Fee"), in priority to the Class Monthly Distribution Amount in respect of each Class or Sub-Class | Each Transfer Date |
| Cash management fee | Estimated £4,500 each year | In priority to the Class Monthly Distribution Amount in respect of each Class or Sub-Class | Each Transfer Date |
| Back-up cash management fee | Estimated £6,500 each year prior to the Back-Up Cash Manager undertaking the role of the cash manager | In priority to the Class Monthly Distribution Amount in respect of each Class or Sub-Class | Each Transfer Date |
| The aggregate cost of the corporate expenses of the Receivables Trustee, the corporate expenses of the Loan Note Issuer, the corporate expenses of the Issuer, the corporate expenses of Holdings and the Note Trustee | Estimated £17,750 each year | In priority to the Class Monthly Distribution Amount in respect of each Class or Sub-Class | Each Transfer Date |

| <i>Expense</i> | <i>Amount</i> | <i>Priority in cashflow</i> | <i>Frequency</i> |
|--|--|-----------------------------|--|
| and the Security Trustee fees | | | |
| Estimated expenses relating to admission to trading of the Notes | As specified in the relevant Drawdown Prospectus or the Final Terms (as applicable) relating to the Note Series | N/A | Once following the Closing Date of the Note Series |

THE ISSUER

The Issuer, NewDay Partnership Master Issuer plc, is a public limited company which was incorporated as a special purpose vehicle for the issue of asset backed securities in England and Wales, under the Companies Act 2006 (as amended) on 19 May 2023, with registered number 14879901. Its registered office and principal place of business are located at 1 Bartholomew Lane, London EC2N 2AX.

The memorandum and articles of association of the Issuer may be inspected at the registered office of the Issuer (Telephone: +44 (0)20 7398 6300).

Directors, company secretary and corporate services

The directors of the Issuer and their respective business addresses and principal activities are:

| Name | Business Address | Principal Activities |
|--------------------------------|-------------------------------------|----------------------|
| Intertrust Directors 1 Limited | 1 Bartholomew Lane, London EC2N 2AX | Corporate Director |
| Intertrust Directors 2 Limited | 1 Bartholomew Lane, London EC2N 2AX | Corporate Director |
| Paivi Helena Whitaker | 1 Bartholomew Lane, London EC2N 2AX | Director |

The directors of each of Intertrust Directors 1 Limited and Intertrust Directors 2 Limited and their principal activities are as follows:

| Name | Business Address | Principal Activities |
|-----------------------|-------------------------------------|-----------------------------|
| Paivi Helena Whitaker | 1 Bartholomew Lane, London EC2N 2AX | Company Secretary, Director |
| Ian Hancock | 1 Bartholomew Lane, London EC2N 2AX | Director |
| Wenda Adriaanse | 1 Bartholomew Lane, London EC2N 2AX | Director |
| John Nowacki | 1 Bartholomew Lane, London EC2N 2AX | Director |
| Debra Parsall | 1 Bartholomew Lane, London EC2N 2AX | Director |
| Aline Stenberg | 1 Bartholomew Lane, London EC2N 2AX | Director |

The company secretary of the Issuer is Intertrust Corporate Services Limited whose principal office is at 1 Bartholomew Lane, London EC2N 2AX.

The Issuer is organised as a special purpose vehicle and will be largely passive, engaging only in the types of transactions described in this Base Prospectus. The Issuer will be managed and controlled by its directors in England and Wales; however, it is expected that, once the company is conducting business, it will require only a small amount of active management with respect to its day-to-day activities.

Save as set out below, no potential conflicts of interest exist between the directors of the Issuer (and, in the case of the corporate directors of the Issuer, the directors thereof) and their duties to the Issuer and their private interests and other duties.

In accordance with the terms of a corporate services agreement dated on or about the date of this Base Prospectus (the "**Issuer Corporate Services Agreement**"), the Issuer Corporate Services Provider will provide the Issuer with general secretarial, registrar and company administration services. A proportionate share of the fees of the Issuer Corporate Services Provider for providing such services is included in the Issuer Costs Amount for each Series issued under the Programme.

The Issuer is aware that the payment of such fees and the appointment of such directors may result in potential conflicts of interests between the duties owed to it and the private interests of its board of directors.

Principal activities

The Issuer's principal activities are the issue of Notes from time to time, utilisation of the proceeds of those Notes to acquire the corresponding Loan Note Series issued by the Loan Note Issuer, the execution and performance of the Transaction Documents to which it is a party, the execution and performance of all documents relating thereto to which it is a party, the exercise of related rights and powers and other activities reasonably incidental thereto.

Insolvency matters relating to the Issuer

The Issuer has been organised, and its activities are limited, to minimise the likelihood of insolvency proceedings being commenced against the Issuer and to minimise the likelihood that there would be claims against the Issuer if insolvency proceedings were commenced against it. The Issuer has not engaged in and will not engage in any activity other than the business and activities described or referred to in this Base Prospectus and activities incidental thereto.

Share capital

The issued share capital of the Issuer as of the date of this Base Prospectus comprises 50,000 ordinary shares of £1 each. One ordinary share was allotted for cash, and fully paid, on incorporation. On 5 June 2023, 49,999 ordinary shares were resolved to be allotted and were each quarter paid on or around the date thereof. All of the issued shares of the Issuer are held by NewDay Partnership Securitisation Holdings Ltd ("**Holdings**"). The entire issued share capital of Holdings is held by Intertrust Corporate Services Limited (the "**Holdings Share Trustee**") under the terms of a declaration of trust made by the Holdings Share Trustee on 18 November 2014 (the "**Holdings Share Declaration of Trust**"). Any income or capital held by the Holdings Share Trustee under the Holdings Share Declaration of Trust is to be applied for discretionary purposes.

As at the date of this Base Prospectus, there are no other outstanding securities, loans or subscriptions, allotments or options in respect of the Issuer.

Neither the Originator nor the Transferor owns, directly or indirectly, any of the share capital of the Issuer.

Holdings

In accordance with the terms of a corporate services agreement dated 18 December 2014 (the "**Holdings Corporate Services Agreement**"), the Holdings Corporate Services Provider provides Holdings with general secretarial, registrar and company administration services. The fees of the Holdings Corporate Services Provider for providing such services are included in the Issuer Costs Amount.

Financial information regarding the Issuer

The Issuer has not traded since its incorporation on 19 May 2023. There has been no material adverse change in the financial position or prospects of the Issuer, and no significant change in the Issuer's financial performance or financial position, since its date of incorporation. The accounting reference date for the Issuer is 31 December each year.

The Issuer has not commenced operations and no financial statements have been produced as at the date of this Base Prospectus.

Legal proceedings

There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware), nor have there been any since 19 May 2023 (being the date of the incorporation of the Issuer), which may have, or have had in the recent past, significant effects upon the financial position or profitability of the Issuer.

Indemnity Deed

On or prior to the Closing Date of the first Note Series to be issued by the Issuer, the Loan Note Issuer and the Issuer will enter into an indemnity deed with NewDay Group (Jersey) Ltd ("**JerseyCo**") as the provider of the indemnity (the "**Indemnity Deed**"), pursuant to which JerseyCo will agree to indemnify the Issuer and the Loan Note Issuer in relation to the fees, costs and expenses incurred by the Issuer in issuing each Note Series and the Loan Note Issuer in issuing the Related Loan Note Series.

THE LOAN NOTE ISSUER

The Loan Note Issuer, NewDay Partnership Loan Note Issuer Ltd, is a private limited company which was incorporated as a special purpose vehicle for the issue of asset backed securities in England and Wales under the Companies Act 2006 (as amended) on 5 February 2014 as Glorybrook Limited with registered number 08878251. The name of the Loan Note Issuer was changed to NewDay Partnership Loan Note Issuer Ltd by a special resolution dated 3 October 2014. The registered office of the Loan Note Issuer is at 1 Bartholomew Lane, London EC2N 2AX.

The memorandum and articles of association of the Loan Note Issuer may be inspected at the registered office of the Loan Note Issuer (Telephone: +44 (0)20 7398 6300).

The principal purpose of the Loan Note Issuer is, amongst other things, to be an Investor Beneficiary of the Receivables Trust, to issue Loan Notes (including the Loan Note Series corresponding to each Note Series issued by the Issuer) and all financial arrangements in that connection.

The Legal Entity Identifier code of the Loan Note Issuer is 213800I9Y3YT9VW9L313.

Directors, company secretary and corporate services

The following table sets out the directors of the Loan Note Issuer and their respective business addresses and principal activities.

| <u>Name</u> | <u>Business Address</u> | <u>Principal Activities</u> |
|--------------------------------|-------------------------------------|-----------------------------|
| Intertrust Directors 1 Limited | 1 Bartholomew Lane, London EC2N 2AX | Corporate Director |
| Intertrust Directors 2 Limited | 1 Bartholomew Lane, London EC2N 2AX | Corporate Director |
| Paivi Helena Whitaker | 1 Bartholomew Lane, London EC2N 2AX | Director |

The directors of each of Intertrust Directors 1 Limited and Intertrust Directors 2 Limited and their principal activities are as follows:

| <u>Name</u> | <u>Business Address</u> | <u>Principal Activities</u> |
|-----------------------|-------------------------------------|--------------------------------|
| Paivi Helena Whitaker | 1 Bartholomew Lane, London EC2N 2AX | Company Secretary, Director |
| Ian Hancock | 1 Bartholomew Lane, London EC2N 2AX | Director |
| Wenda Adriaanse | 1 Bartholomew Lane, London EC2N 2AX | Director |
| John Nowacki | 1 Bartholomew Lane, London EC2N 2AX | Director |
| Debra Parsall | 1 Bartholomew Lane, London EC2N 2AX | Director |
| Aline Stenberg | 1 Bartholomew Lane, London EC2N 2AX | Director |

The company secretary of the Loan Note Issuer is Intertrust Corporate Services Limited whose principal office is at 1 Bartholomew Lane, London EC2N 2AX.

The Loan Note Issuer is organised as a special purpose vehicle and is largely passive, engaging only in the types of transactions described in this Base Prospectus. The Loan Note Issuer is managed and controlled by its directors in England and Wales; however, it requires only a small amount of active management with respect to its day-to-day activities.

Save as set out below, no potential conflicts of interest exist between the directors of the Loan Note Issuer (and, in the case of the corporate directors of the Loan Note Issuer, the directors thereof) and their duties to the Loan Note Issuer and their private interests and other duties.

In accordance with the terms of a corporate services agreement dated 18 December 2014 (the "**Loan Note Issuer Corporate Services Agreement**"), the Loan Note Issuer Corporate Services Provider provides the Loan Note Issuer with general secretarial, registrar and company administration services. A proportionate share of the fees of the Loan Note Issuer Corporate Services Provider for providing such services is included in the Loan Note Issuer Costs Amount for each Series.

Principal activities

The Loan Note Issuer's principal activities are the issue of Loan Notes (including the Related Loan Note Series in respect of each Note Series issued by the Issuer), the making of Contributions resulting in the granting of beneficial interests (including the Investor Interests which form part of the same Series as the Note Series issued by the Issuer) in the Receivables Trust, the making of further Contributions in order to increase such beneficial interests, the entering into of all documents relating to each such issues and beneficial interests to which it is expressed to be a party and the exercise of related rights and powers and other activities reasonably incidental thereto.

There are also certain covenants given by the Loan Note Issuer under the terms of the STDCMA (see "*The Security Trust Deed and Cash Management Agreement*").

Insolvency matters relating to the Loan Note Issuer

The Loan Note Issuer has been organised, and its activities are limited, to minimise the likelihood of insolvency proceedings being commenced against the Loan Note Issuer and to minimise the likelihood that there would be claims against the Loan Note Issuer if insolvency proceedings were commenced against it. The Loan Note Issuer has not engaged in and will not engage in any activity other than the business and activities described or referred to in this Base Prospectus and activities incidental thereto.

Share capital

The issued share capital of the Loan Note Issuer as of the date of this Base Prospectus is £1, consisting of one fully paid share of £1.00. Such share is held by Crestbridge Corporate Trustees Limited (the "**Loan Note Issuer Share Trustee**") on discretionary trust.

As at the date of this Base Prospectus, there is no loan capital outstanding, loan capital created but unissued, term loan, other borrowing or indebtedness in the nature of borrowing, contingent liability or guarantee in respect of the Loan Note Issuer other than the Loan Notes of each Outstanding Series, as to which, see "*Series Currently in Issue*".

Financial information regarding the Loan Note Issuer

Since 31 December 2022 (being the date of the Loan Note Issuer's most recent audited financial statements), there has been no material adverse change in the financial position or prospects of the Loan Note Issuer, and no significant change in the Loan Note Issuer's financial performance or financial position. The accounting reference date for the Loan Note Issuer is 31 December each year.

Legal proceedings

There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Loan Note Issuer is aware), nor have there been any since 31 December 2022 (being the date of the Loan Note Issuer's most recent audited financial statements), which may have, or have had in the recent past, significant effects upon the financial position or profitability of the Loan Note Issuer.

Indemnity Deed

On or prior to the Closing Date of the first Note Series to be issued by the Issuer, the Loan Note Issuer and the Issuer will enter into an Indemnity Deed with JerseyCo, pursuant to which the Loan Note Issuer – as an indemnified party – may, on the date of issuance of each Note Series and Related Loan Note Series, request indemnification in relation to the fees, costs and expenses incurred by the Loan Note Issuer in issuing the Related Loan Note Series.

THE RECEIVABLES TRUSTEE

The Receivables Trustee, NewDay Partnership Receivables Trustee Ltd, was incorporated in Jersey on 24 September 2014 with company number 116699 as a private company with limited liability under the Companies (Jersey) Law 1991, as amended (which is also the relevant primary legislation under which the Receivables Trustee operates). The registered office of the Receivables Trustee is located at 44 Esplanade, St Helier, Jersey JE4 9WG.

The entire issued share capital of the Receivables Trustee is held by Intertrust Offshore Limited, a company incorporated in Jersey and having its registered office at 44 Esplanade, St Helier, Jersey JE4 9WG (acting solely in its capacity as trustee of The NewDay Partnership Charitable Trust) (in such capacity, the "**Jersey Share Trustee**") under the terms of a declaration of trust (the "**Jersey Share Declaration of Trust**") made by the Jersey Share Trustee on 22 September 2014. The Jersey Share Declaration of Trust provides that any income or capital held by the Jersey Share Trustee subject thereto is to be applied to or for the benefit of various charities and charitable purposes.

The memorandum and articles of association of the Receivables Trustee may be inspected at the registered office of the Receivables Trustee (Telephone: +44 (0)1534 504000).

Directors, company secretary and corporate services

The directors of the Receivables Trustee and their respective business addresses and principal activities are:

| <u>Name</u> | <u>Business Address</u> | <u>Principal Activities</u> |
|---|---|-----------------------------|
| Intertrust Directors (Jersey) Limited | 44 Esplanade, St Helier, Jersey JE4 9WG | Corporate Director |
| Intertrust Directors 2 (Jersey) Limited | 44 Esplanade, St Helier, Jersey JE4 9WG | Corporate Director |

The Receivables Trustee is organised as a special purpose vehicle and is largely passive, engaging only in the types of transactions described in this Base Prospectus. The Receivables Trustee is managed and controlled by its directors in Jersey; however, it requires only a small amount of active management with respect to its day-to-day activities.

The directors of Intertrust Directors (Jersey) Limited and Intertrust Directors 2 (Jersey) Limited are Ellen Chislett, Robert English, Philip Hendy and Ryan Mendez, whose business addresses are 44 Esplanade, St Helier, Jersey JE4 9WG, and who perform no other principal activities outside the Receivables Trustee which are significant with respect to the Receivables Trustee. Ellen Chislett, Robert English, Philip Hendy and Ryan Mendez are also directors of Intertrust Offshore Limited. Fees are payable to Intertrust Offshore Limited pursuant to and in accordance with the terms of the Receivables Trustee Corporate Services Agreement (as defined below). The Receivables Trustee is aware that the payment of such fees and the appointments of such corporate directors and the directors of such corporate directors may result in potential conflicts of interest between the duties owed to it and the private interests of its board of directors.

In accordance with a corporate services agreement dated 18 December 2014 (the "**Receivables Trustee Corporate Services Agreement**"), the Receivables Trustee Corporate Services Provider provides the Receivables Trustee with certain secretarial, registrar and company administration services. The fees of Intertrust Offshore Limited for providing such services are included in the Aggregate Trustee Payment Amount (see "*The Receivables Trust – Aggregate Trustee Payment Amount*").

The secretary of the Receivables Trustee is Intertrust Offshore Limited whose registered office is at 44 Esplanade, St Helier, Jersey JE4 9WG.

Intertrust Offshore Limited is a private limited company incorporated in Jersey, Channel Islands with registered number 83135. Intertrust Offshore Limited undertakes diversified offshore trust administration services and is regulated by the Jersey Financial Services Commission under the Financial Services (Jersey) Law 1998, as amended, for the purpose of carrying on trust company business.

Principal activities

The principal activities of the Receivables Trustee are to undertake and perform the office and duty of the Receivables Trustee as described in the Receivables Securitisation Deed, the Receivables Trust Deed and Servicing Agreement, each Supplement and all documents incidental to those documents. Such duties include acting as trustee of the Receivables Trust, purchasing and accepting assignments of the Receivables from the Transferor and entering into documents incidental to or relating to those activities.

The Receivables Trustee has been established specifically to act as trustee of the Receivables Trust. Its activities are restricted by the Receivables Trust Deed and Servicing Agreement and the related supplements.

Since it was formed, the Receivables Trustee has:

- (i) engaged in activities incidental to the declaration of the Receivables Trust;
- (ii) obtained the necessary data protection registrations in the United Kingdom and/or Jersey;
- (iii) authorised and executed the documents that it is a party to in order to establish the Receivables Trust;
- (iv) established the Trust Register to record the entitlements of beneficiaries under the Receivables Trust;
- (v) acquired Receivables under the Designated Accounts from the Transferor;
- (vi) engaged in activities incidental to the transfer to it of Receivables under the Designated Accounts; and
- (vii) authorised and executed other documents to which it is party.

The Receivables Trustee has not engaged in any activities since its incorporation other than the above and matters incidental to the above.

The Receivables Trustee has made a number of covenants in the Receivables Trust Deed and Servicing Agreement, including that it will not without the prior written consent of each of the beneficiaries of the Receivables Trust:

- (i) carry on any business other than as trustee of the Receivables Trust and in respect of that business shall not engage in any activity or do anything whatsoever except:
 - (1) hold and exercise its rights in the trust property of the Receivables Trust and perform its obligations in respect of the Receivables Trust's property;
 - (2) preserve, exercise and enforce any of its rights and perform and observe its obligations under the Relevant Documents to which it is expressed to be a party;
 - (3) pay dividends or make other distributions to the extent permitted by applicable law;
 - (4) use, invest or dispose of any of its property or assets in the manner provided in or contemplated by the Relevant Documents to which it is expressed to be a party; and
 - (5) perform any and all acts incidental to or otherwise necessary in connection with paragraph (1), (2), (3) or (4) above;
- (ii) incur any indebtedness whatsoever (other than as expressly contemplated in the Receivables Trust Deed and Servicing Agreement or in any Supplement) or give any guarantee or indemnity in respect any indebtedness in any other Relevant Document;
- (iii) give any guarantee or indemnity in respect of any indebtedness, other than a guarantee or indemnity that is described in, incurred under or contemplated by the Receivables Trust Deed and Servicing Agreement and any other Relevant Document;

- (iv) create any encumbrance whatsoever over any of its assets, or use, invest, sell or otherwise dispose of any part of its assets, including any uncalled capital, or undertaking, present or future, other than as expressly contemplated by the Relevant Documents;
- (v) consolidate or merge with any other person or convey or transfer its properties or assets to any person;
- (vi) permit the validity or effectiveness of the Receivables Trust to be supplemented, amended, varied, terminated, postponed or discharged – other than as expressly contemplated in the Receivables Trust Deed and Servicing Agreement or any Supplement;
- (vii) have an interest in any bank account other than a Trust Account and its own bank account opened for the purpose of receiving and making payments to be made otherwise than in its capacity as Receivables Trustee – including paying the Servicing Fee to the Servicer and the fee due and payable for the provision of corporate services to the Receivables Trustee;
- (viii) register or maintain a branch registration or place of business in the United Kingdom under Part 34 of the Companies Act 2006, as amended;
- (ix) maintain or carry on any business through any office, establishment, branch or agency in the United Kingdom for United Kingdom tax purposes;
- (x) have any employees or premises (other than a sufficient number of employees or premises in light of its contemplated business operations); or
- (xi) engage in any activities other than Permitted Activities.

"Incorrect Withdrawal" means any use of monies representing Trust Property by the Transferor or the Servicer or any bank operating the Transferor Collection Account or any other party, whether by way of withdrawal, set-off or otherwise, prior to payment of such monies into the Receivables Trustee Collection Account in accordance with the Relevant Documents.

"Permitted Activities" means the primary activities of the Receivables Trustee, which are:

- (i) holding any Receivables transferred by the Transferor and the other Trust Property of the Receivables Trust, such Trust Property to be only that which is permitted under the terms of the Receivables Trust Deed and Servicing Agreement and any Supplement thereto, including passive derivative financial instruments that pertain to beneficial interests in the Receivables Trust;
- (ii) evidencing beneficial interests in the Trust Property by annotating the Trust Register;
- (iii) receiving Collections into the Trust Accounts and making transfers and distributions in accordance with the terms of the Receivables Trust Deed and Servicing Agreement and any Supplement thereto; and
- (iv) engaging in other activities that are necessary or incidental to accomplish the foregoing purposes.

"Trust Property" is defined in the Master Framework Agreement as follows:

- (i) until such time as such monies have been applied in accordance with the terms of the Receivables Trust Deed and Servicing Agreement, all monies which may from time to time be provided by the Beneficiaries to the Receivables Trustee;
- (ii) the Eligible Receivables and Ineligible Receivables and any other property acquired by the Receivables Trustee pursuant to the terms and subject to the conditions of the Receivables Securitisation Deed;
- (iii) all monies, investments and property from time to time representing or derived from or to be applied in respect of paragraph (ii) above, including, without limitation:
 - (a) all monies due or to become due with respect to Receivables assigned to the Receivables Trustee;

- (b) all proceeds of such Receivables and Insurance Proceeds relating to such Receivables;
- (c) the right to receive Acquired Interchange and Dilution Refunds as provided for in the Receivables Securitisation Deed;
- (d) monies deposited from time to time in the Trust Accounts; and
- (e) the rights to any Enhancement with respect to any Investor Beneficiary;
- (iv) all rights vested by the Relevant Documents or by law in favour of the Receivables Trustee by virtue of an Incorrect Withdrawal in respect of monies representing Trust Property (as set out in paragraph (iii) above);
- (v) without prejudice to the provisions in the Receivables Trust Deed and Servicing Agreement, the benefit of all representations, covenants, indemnities and other contractual provisions in favour of the Receivables Trustee (other than any such made or granted solely for its own benefit) made or granted in or pursuant to any of the Relevant Documents or pursuant to any assignment and all rights to make demands, bring proceedings or take any other action in respect thereof;
- (vi) all other property, other than (for the avoidance of doubt) any amounts standing to the credit of the bank account opened for the purpose of receiving and making payments to be made otherwise than in its capacity as Receivables Trustee and amounts representing its paid up share capital, which may from time to time be held by or on behalf of the Receivables Trustee; and
- (vii) all rights vested by law in the Receivables Trustee by virtue of its holding the Trust Property (as set out in paragraphs (i) to (vi) inclusive above).

"**Trust Register**" means the register maintained pursuant to the Receivables Trust Deed and Servicing Agreement recording the identity of the Beneficiaries of the Receivables Trust from time to time and the amounts of any Contributions by them and repayments thereof.

THE NOTE TRUSTEE AND THE SECURITY TRUSTEE

Citicorp Trustee Company Limited

Citicorp Trustee Company Limited acts as Security Trustee and Note Trustee. The Note Trustee will act as trustee for the Secured Creditors of the Issuer and also will hold the security in respect of each Note Series under the terms of the Note Trust Deed (and the relevant Note Trust Deed Supplement) (see "*Terms and Conditions of the Notes*" and "*The Note Trust Deed*"). The Security Trustee will act as trustee for the benefit of the secured creditors of the Loan Note Issuer which will include the Issuer (in the Issuer's capacity as holder of each Related Loan Note Series) and also, in particular, will hold the security created by the Loan Note Issuer in respect of the Loan Notes (including each Related Loan Note Series) under the terms of the STDCMA. See also "*The Security Trust Deed and Cash Management Agreement*" and "*The Loan Note Series*".

Citicorp Trustee Company Limited was incorporated on 24 December 1928 under the laws of England and Wales and has its registered office at Citigroup Centre, Canada Square, Canary Wharf, London E14 5HQ with company number 00235914.

THE CALCULATION AGENT, THE PRINCIPAL PAYING AGENT, THE REGISTRAR, THE
AGENT BANK, THE U.S. PAYING AGENT, THE U.S. REGISTRAR, THE TRANSFER AGENT
AND THE BACK-UP CASH MANAGER

**THE CALCULATION AGENT, THE PRINCIPAL PAYING AGENT, THE REGISTRAR, THE
AGENT BANK, THE U.S. PAYING AGENT, THE U.S. REGISTRAR, THE TRANSFER AGENT
AND THE BACK-UP CASH MANAGER**

Citibank, N.A., London Branch

Citibank, N.A., London Branch acts as the Calculation Agent (under the Security Trust Deed and Cash Management Agreement), the Principal Paying Agent, the Registrar, the Agent Bank, the U.S. Paying Agent, the U.S. Registrar and the Transfer Agent (under the terms of the Paying Agency and Agent Bank Agreement) and the Back-Up Cash Manager (under the Back-Up Cash Management Agreement).

Citibank, N.A. is a company incorporated with limited liability in the United States of America under the laws of the City and State of New York on 14 June 1812 and reorganised as a national banking association formed under the laws of the United States of America on 17 July 1865 with Charter number 1461 and having its principal business office at 388 Greenwich Street, New York, NY 10013, USA and has in the United Kingdom a principal branch office situated at Canada Square, Canary Wharf, London E14 5LB with foreign company number FC001835 and branch number BR001018.

The London Branch of Citibank, N.A. is authorised and regulated by the U.S. Office of the Comptroller of the Currency and authorised by the PRA. It is subject to regulation by the FCA and limited regulation by the PRA.

THE PANEL SWAP COUNTERPARTIES

Banco Santander, S.A. as Panel Swap Counterparty

Banco Santander, S.A. is the parent bank of Grupo Santander ("**Santander**"). It was established on 21 March 1857 and incorporated in its present form by a public deed executed in the city of Santander, Spain, on 14 January 1875.

Banco Santander, S.A. and its consolidated subsidiaries are a financial group operating through a network of offices and subsidiaries across Spain, the United Kingdom and other European countries, Brazil and other Latin American countries and the US, offering a wide range of financial products. In Latin America, Santander has majority shareholdings in banks in Argentina, Brazil, Chile, Colombia, Mexico, Peru and Uruguay.

At 31 December 2022, Santander had a market capitalisation of €47.1 billion, stockholders' equity of €89.1 billion and total assets of €1,734.7 billion. Santander had €1,255.7 billion total customer funds at that date.

As of 31 December 2022, Santander had 65,581 employees and 3,148 branch offices in Europe (of which 26,839 employees and 1,913 branches were in Spain and 21,185 employees and 449 branches were in the United Kingdom), 44,518 employees and 1,854 branches in North America, 78,271 employees and 3,653 branches in South America (of which 55,993 employees and 2,847 branches were in Brazil), 16,193 employees and 364 branches in the Digital Consumer Bank and 1,899 employees in the Corporate Centre.

At the date of this Base Prospectus, Banco Santander, S.A. has a long-term credit rating of "A-" by Fitch, "A+" by S&P, "A2" by Moody's and "A (high)" by DBRS.

The information in the preceding five paragraphs has been provided by Banco Santander, S.A. for use in this Base Prospectus and Banco Santander, S.A. is solely responsible for the accuracy of the preceding five paragraphs. Except for the preceding five paragraphs, Banco Santander, S.A., in its capacity as a Panel Swap Counterparty, and its affiliates have not been involved in the preparation of, and do not accept responsibility for, this Base Prospectus.

BNP Paribas as Panel Swap Counterparty

BNP Paribas is a French multinational bank and financial services company with its registered office in Paris, France. BNP Paribas, together with its consolidated subsidiaries (the "**BNP Paribas Group**"), is a global financial services provider, conducting retail, corporate and investment banking, private banking, asset management, insurance and specialised and other financial activities throughout the world.

BNP Paribas' organisation is based on three operating divisions: Corporate & Institutional Banking (CIB), Commercial, Personal Banking & Services (CPBS) and Investment & Protection Services (IPS).

BNP Paribas SA is the parent company of the BNP Paribas Group.

As at 31 December 2022, the BNP Paribas Group had consolidated assets of €2,666 billion (compared to €2,634 billion at 31 December 2021), consolidated loans and receivables due from customers of €857 billion (compared to €814 billion at 31 December 2021), consolidated items due to customers of €1,008 billion (compared to €958 billion at 31 December 2021) and shareholders' equity (Group share) of € 122 billion (compared to €118 billion at 31 December 2021).

As at 31 December 2022, pre-tax income from continuing activities was €13.6 billion (compared to €12.7 billion as at 31 December 2021). For the year 2022, net income attributable to equity holders was €10.2 billion (compared to €9.5 billion for the year 2021).

At the date of this Base Prospectus, the BNP Paribas Group currently has long term senior preferred debt ratings of "A+" with stable outlook from S&P, "Aa3" with stable outlook from Moody's, "AA-" with stable outlook from Fitch and "AA (low)" with stable outlook from DBRS.

The information contained in the preceding six paragraphs relates to and has been obtained from BNP Paribas. The information concerning BNP Paribas and the BNP Paribas Group contained in the preceding six paragraphs is furnished solely to provide limited introductory information regarding BNP Paribas and the BNP Paribas Group and does not purport to be comprehensive.

The delivery of the information contained in the preceding six paragraphs shall not create any implication that there has been no change in the affairs of BNP Paribas or the BNP Paribas Group since the date hereof, or that the information contained or referred to in the preceding six paragraphs is correct as of any time subsequent to its date.

For up-to-date financial information, including quarterly results since the last fiscal year end, please refer to <http://invest.bnpparibas.com/en>.

The website referred to in this section and the contents thereof do not form part of this Base Prospectus.

ING Bank N.V. as Panel Swap Counterparty

ING Bank N.V. ("**ING Bank**") is a public limited company (*naamloze vennootschap*) incorporated under the laws of The Netherlands on 12 November 1927, with its corporate seat (*statutaire zetel*) in Amsterdam, The Netherlands. ING Bank is registered at the Chamber of Commerce of Amsterdam under No. 33031431.

ING Bank is part of the corporate group headed by ING Groep N.V. ("**ING Group**"). ING Group is the holding company of a broad spectrum of companies (together called "**ING**") offering banking services to meet the needs of a broad customer base. ING Bank is a wholly-owned, non-listed subsidiary of ING Group and currently offers retail banking services to individuals, small and medium-sized enterprises and mid-corporates in Europe, Asia and Australia and commercial banking services to customers around the world, including multinational corporations, governments, financial institutions and supranational organisations. ING Group currently serves around 37 million retail and wholesale banking customers through an extensive network in over 40 countries. ING has more than 57,500 employees.

As at the date of this Base Prospectus, ING Bank has a long-term credit rating of Aa3 from Moody's, AA- from Fitch and A+ from S&P.

ING Bank is directly supervised by the European Central Bank ("**ECB**") as part of the Single Supervisory Mechanism ("**SSM**"). The SSM comprises of the ECB and national competent authorities of participating Member States. The SSM is responsible for 'prudential supervision' (the financial soundness of financial institutions). The ECB is responsible for specific tasks in the area of prudential supervision while the Dutch Central Bank, De Nederlandsche Bank, remains responsible for prudential supervision in respect of those powers that are not conferred to the ECB, which includes supervision of payment systems and financial crime supervision. The Netherlands Authority for the Financial Markets is responsible for 'conduct of business supervision' (assessing the behaviour of participants in the Dutch financial markets) of ING Bank.

The information in the preceding four paragraphs has been provided by ING Bank for use in this Base Prospectus and ING Bank is solely responsible for the accuracy of the preceding four paragraphs. Except for the preceding four paragraphs, ING Bank and its affiliates have not been involved in the preparation of, and do not accept responsibility for, this Base Prospectus.

J.P. Morgan AG as Panel Swap Counterparty

J.P. Morgan SE is a European company (*Societas Europaeae* or *SE*) established and existing in accordance with the laws of the Federal Republic of Germany and the European Union with registered address at Taunustor 1 (*TaunusTurm*), 60310 Frankfurt am Main, Germany and registered with the Commercial Register B (*Handelsregister B*) of the local court (*Amtsgericht*) of Frankfurt am Main under registration number HRB 126056. J.P. Morgan SE is authorised as a credit institution by the Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht* or *BaFin*) and jointly supervised by the BaFin, the German Central Bank (*Deutsche Bundesbank*) and the ECB.

As at the date of this Base Prospectus, J.P. Morgan SE has a long-term credit rating of Aa1(cr) from Moody's, AA from Fitch and A+ from S&P.

The information in the preceding two paragraphs has been provided by J.P. Morgan SE for use in this Base Prospectus and J.P. Morgan SE is solely responsible for the accuracy of the preceding two paragraphs. Except for the preceding two paragraphs, J.P. Morgan SE and its affiliates have not been involved in the preparation of, and do not accept responsibility for, this Base Prospectus.

Citibank Europe plc (acting through its head office or its UK Branch) as Panel Swap Counterparty

Citibank Europe plc (acting through its head office or its UK Branch) is incorporated in Ireland and has its Head office and registered address at 1 North Wall Quay, Dublin 1, Ireland. Its UK Branch is located at Citigroup Centre, Canada Square, London, E14 5LB.

Citibank Europe plc was incorporated in Ireland on 9 June 1988 under registration number 132781, is a public company limited by shares and is authorised by the Central Bank of Ireland as a credit institution and jointly regulated by the Central Bank of Ireland and the European Central Bank. Citibank Europe plc is an indirect wholly-owned subsidiary of Citigroup Inc., a Delaware holding company.

Citibank Europe plc, UK Branch was registered as a UK establishment on 15 September 2015, under UK establishment number BR017844.

The obligations of Citibank Europe plc under any swap agreement will not be guaranteed by Citigroup or by any other affiliate.

As at the date of this Base Prospectus, Citibank Europe plc has a long-term credit rating of A+ from S&P, Aa3 from Moody's and A+ from Fitch.

The information in the preceding five paragraphs has been provided by Citibank Europe plc for use in this Base Prospectus and Citibank Europe plc is solely responsible for the accuracy of the preceding five paragraphs. Except for the preceding five paragraphs, Citibank Europe plc and its affiliates have not been involved in the preparation of, and do not accept responsibility for, this Base Prospectus.

THE ORIGINATOR, THE SERVICER AND THE NEWDAY GROUP

The Originator

NewDay Ltd (which, prior to 1 April 2014, was known as Progressive Credit Limited) is a private limited company incorporated in England and Wales under registered number 07297722 which has its registered office at 7 Handyside Street, London N1C 4DA, United Kingdom. NewDay Ltd is an authorised payment institution (under the Payment Services Regulations 2017) and acts as the legal title holder, lender and card issuer in respect of the accounts managed by JerseyCo and its subsidiaries (the "**NewDay Group**"), including the accounts within the Securitised Portfolio.

The Servicer

NewDay Cards Ltd (which, prior to 1 April 2014, was known as SAV Credit Limited) is a private limited company incorporated in England and Wales under registered number 04134880 which has its registered office at 7 Handyside Street, London N1C 4DA, United Kingdom. NewDay Cards Ltd is the servicing company within the NewDay Group, and acts as servicer of the Securitised Portfolio pursuant to the Receivables Trust Deed and Servicing Agreement and as cash manager for the Loan Note Issuer pursuant to the Security Trust Deed and Cash Management Agreement.

See the section of this Base Prospectus headed "*Servicing of Receivables*" for further information regarding the Servicer and its responsibilities under the Receivables Trust Deed and Servicing Agreement.

The NewDay Group

The NewDay Group is a leading consumer credit business serving approximately 5 million customers in the United Kingdom through a highly diversified and digital business model. The NewDay Group utilises an advanced technology platform, which allows it to provide innovative credit products directly to consumers as well as through its relationships with retail partners, including with some of the United Kingdom's leading brands. The NewDay Group's business model is flexible, highly scalable, customisable and has been deployed across a range of brands and consumer credit products.

The NewDay Group is a purpose-led organisation committed to helping people move forward with credit and having the interests of consumers at the forefront of its priorities. The NewDay Group seeks to fulfil its purpose through the development of innovative products for customers and enables its retail partners to benefit from offering consumer credit, whilst helping customers stay in control of their finances and access appropriate credit seamlessly. Through the responsible provision of accessible credit backed up by a level of support and service that is designed to be appropriate to each individual customer, the NewDay Group helps customers to move forward with credit in a way that supports them, rewards them and adapts as their needs change. The NewDay Group's retail partners are able to engage with their customers and offer seamless credit and loyalty schemes to help drive their businesses forward.

The products currently provided by the NewDay Group include revolving credit (such as credit card accounts (certain of which are capable of being used with Apple Pay and GooglePay) and point-of-sale finance accounts) and personal loans. It currently focuses on full spectrum (excluding sub-prime) risk lending to two key segments of the UK consumer credit market.

- (a) direct-to-consumer ("**D2C**") near-prime lending: The NewDay Group currently offers revolving credit products to customers who may not have access to credit from mainstream lenders. This includes credit cards issued under the aqua, marbles, opus, Fluid and Bip brands. Over the 12 months to 30 April 2023, approximately 33 per cent. of the NewDay Group's new customers were acquired onto such products.
- (b) merchant offering ("**MO**") credit solutions: The NewDay Group currently offers co-branded revolving credit and point-of-sale products to customers of well-known consumer brands both online and in-store. Over the 12 months to 30 April 2023, approximately 67 per cent. of the NewDay Group's new customers were acquired onto such products.

Many of the NewDay Group's products are now wholly-digital, whereas others feature (for example) a physical payment card which can be used with the product.

With over 20 years of experience, the NewDay Group has an extensive array of through-the-cycle data and proprietary credit, pricing and risk models, which has enabled the NewDay Group to offer full-spectrum underwriting in the prime and near-prime sectors, in both its D2C and MO business lines. NewDay Ltd and NewDay Cards Ltd accordingly have expertise (and more than five years of experience) in originating and servicing, respectively, exposures of a similar nature to those securitised via the Programme.

NewDay Cards Ltd (then known as SAV Credit Limited) commenced trading in 2002, with the launch of the aqua credit card. The NewDay Group has since grown both organically and through acquisitions. In 2007, it acquired a portfolio of credit card accounts (which are now operated under the marbles brand) from HSBC. In 2010, it acquired another portfolio of credit card accounts (which are now operated under the opus brand) from Citibank. In May 2013, it acquired a portfolio of co-brand credit card, store card and instalment credit accounts from, *inter alios*, Santander UK plc. In May 2015, the NewDay Group re-launched the marbles credit card, originating into the 'near-prime' segment of the UK credit card market. In December 2016, it partnered with Amazon to launch a co-brand credit card in January 2017 and, also in December 2016, the NewDay Group launched an unsecured personal loan product marketed to selected existing near-prime lending credit card customers (although new lending under this unsecured personal loan product was discontinued in March 2020). In October 2017, the NewDay Group re-launched the opus credit card and, in April 2018, the NewDay Group launched the Fluid credit card. In April 2019, the NewDay Group partnered with Argos to launch the Argos Classic Card, which is offered to certain applicants for the Argos store card (operated by Home Retail Group Card Services Limited ("**HRG**")) who are outside of HRG's lending appetite. In August 2019, the NewDay Group partnered with AO.com to launch AO Finance on the NewPay platform. This is a digital revolving credit product integrated into AO's digital channels, and allows AO's customers to split purchases into equal instalments or defer payment through 'buy now, pay later' functionality. In June 2021, the NewDay Group launched Bip, a digital credit card. In July 2021, the NewDay Group expanded the NewPay offering by launching the NewPay '1:Many' digital revolving credit product, which offers consumers a single digital credit account to make online purchases at a number of participating retailers, and also migrated all remaining store card accounts in the MO portfolio to credit card accounts operated via Mastercard. In August 2021, it partnered with Currys with the intention of offering digital revolving point-of-sale credit to customers who are not eligible for their primary credit offering. During the third quarter of 2021, the NewDay Group migrated the accounts within the MO portfolio operated under the "Laura Ashley", "Outfit", "Topman", "Topshop" and "Miss Selfridge" brands to operate under its Pulse brand, following the then-owner of those brands entering into administration. In August 2022, the NewDay Group launched a credit card in partnership with John Lewis & Partners, initially involving an assisted transfer of existing balances from the previous product provider. In October 2022, the NewDay migrated the accounts within the MO portfolio operated under the "Amazon" brand to operate under its Pulse brand following the end of its commercial partnership with Amazon, which ceased formally in January 2023. In December 2022, the NewDay Group relaunched its unsecured personal loan product, targeting eligible customers within its D2C customer base. NewDay Ltd originates the loans then immediately assigns them to a third party (Link, operating as Antelope Loans) who then services and finances them under an 'origination-as-a-service' arrangement.

As at 30 April 2023, the NewDay Group operated approximately 3 million active accounts in its portfolios with an aggregate balance of receivables of approximately £4.2 billion.

The NewDay Group is currently majority owned by funds advised by private equity firms Cinven and CVC Capital Partners. Cinven is a leading private equity provider for large European buyouts, having led transactions totalling in excess of €150 billion. Cinven was founded in 1977 and has offices in London, Frankfurt, Guernsey, Hong Kong, Luxembourg, Madrid, Milan, New York and Paris. CVC Capital Partners is a leading international private equity and advisory firm and has completed over 300 investments in a wide range of industries and countries across the globe. CVC Capital Partners was founded in 1981 and today has a network of 25 offices around the world.

THE TRANSFEROR

The Transferor, NewDay Partnership Transferor plc (which, prior to 12 December 2014, was known as NewDay Partnership Funding Plc), is a public limited company incorporated in England and Wales, under the Companies Act 2006 (as amended), on 14 December 2012, under the name "Tosca Funding Limited" and with registered number 08331325. The Transferor was re-registered as a public company on 28 March 2013 and the name of the Transferor was changed to NewDay Partnership Funding Plc by a special resolution dated 25 March 2014 and changed to NewDay Partnership Transferor plc by a special resolution dated 11 December 2014. Its registered office and principal place of business are located at 7 Handyside Street, London N1C 4DA, United Kingdom.

The Transferor was originally incorporated in order to hold beneficial title to, and issue debt securities to fund, the portfolio of credit card, store card and instalment credit accounts which now comprises the Securitised Portfolio. The Transferor's principal activities comprise the holding of the Transferor Interest and its holding of the Originator VFN Loan Note, together with the ongoing sale of Receivables to the Receivables Trustee, in connection with which it will be involved in the execution and performance of the Transaction Documents to which it is a party, the execution and performance of all documents relating thereto to which it is a party, the exercise of related rights and powers and other activities reasonably incidental thereto.

The Transferor is also involved in a secondary funding facility for credit card (and/or other) receivables which are separate from, and do not form part of, the Securitised Portfolio (the "**Other Receivables**"). Pursuant to such arrangements, the Transferor (i) has entered into arrangements for the assignment of Other Receivables to a special purpose entity (the "**SFF Issuer**"), (ii) holds subordinated interests (including in the form of debt instruments) issued by the SFF Issuer, (iii) has entered into servicing, cash management and settlement arrangements in respect of the Other Receivables and (iv) has executed (and may in the future execute further) transaction documents, and may exercise rights and powers in respect of such secondary funding facility.

The Transferor's activities are limited to minimise the likelihood of insolvency proceedings being commenced against the Transferor and to minimise the likelihood that there would be claims against the Transferor if insolvency proceedings were commenced against it.

CONSUMER CREDIT IN THE UNITED KINGDOM

The UK consumer credit market consists of the following key sectors:

- personal credit cards (physical and digital): direct-to-consumer and merchant payment cards allowing consumers to pay through a pre-agreed credit facility;
- point-of-sale credit: provision of consumer credit at the point-of-sale (both online and in-store);
- personal and car loans: structured credit products with a fixed repayment period, typically repayable in instalments over one to 10 years; and
- other: remaining unsecured lines of credit offered to consumers.

According to the Bank of England¹, the UK consumer credit market (excluding student loans) grew 5% per annum between the year-ended 31 December 2017 (approximately £275 billion of new lending) and the year ended 31 December 2019 (approximately £302 billion of new lending), with credit cards constituting 71% of gross new lending for the year ended 31 December 2019.

Gross new lending fell 21% during the year ended 31 December 2020 due to the COVID-19 pandemic but grew 15% during the year ended 31 December 2021 (£276 billion of new lending). As at 31 December 2022, gross new lending stood at £326 billion exhibiting a 18% year-on-year growth as the market continues to recover.

As at 31 March 2023, there were approximately £211 billion of unsecured credit receivables outstanding in the United Kingdom, which comprised £64 billion of credit card receivables and £147 billion of other loan types (including point-of-sale credit, personal loans and car loans).

The features of the products available in the UK consumer credit market are constantly changing as a result of changes in the market, changes in applicable regulation and changes in technology. For example, some credit card, charge card, store card or other payment card accounts no longer have a traditional plastic card associated with them, but instead may rely upon a software authentication mechanism or be used in conjunction with technologies such as Apple Pay or GooglePay, and may offer instalment credit alongside traditional revolving credit (although, in accordance with common practice, such accounts are still referred to in this Base Prospectus as "credit card accounts", "store card accounts" or "charge card accounts" and any associated authentication mechanism is still referred to as a "card").

¹ See: <https://www.bankofengland.co.uk/boeapps/database/BankStats.asp?Travel=NIx>. For the avoidance of doubt, the contents of such website does not form part of this Base Prospectus.

THE SECURITISED PORTFOLIO

General

The Securitised Portfolio comprises Receivables existing and arising from accounts in the NewDay Group's MO consumer credit business. As at the date of this Base Prospectus, the Securitised Portfolio is comprised of Receivables existing or arising on all those accounts in the MO portfolio which were originated via sales channels made available by members of the "Arcadia", "Debenhams", "House of Fraser" and "Laura Ashley" corporate groups, irrespective of whether or not they have been re-carded to the Pulse brand, and certain of the Receivables existing or arising on those accounts in the MO portfolio which were originated via sales channels made available by members of the "Amazon" corporate group, which have now been re-carded to the Pulse brand. The accounts in the Securitised Portfolio include those acquired from Santander UK and its affiliates in May 2013 and those subsequently originated or acquired by NewDay Ltd. Please see "*Retailers*" for further details.

Following the date of this Base Prospectus, further credit card (and, potentially, charge card, store card and instalment credit) accounts originated or acquired by NewDay Ltd and originated via sales channels made available by existing or new retail partners may be added to the Securitised Portfolio.

The product types included, or which may be included, within the Securitised Portfolio as at the date of this Base Prospectus comprise credit card accounts, store card accounts and instalment credit accounts (each of which are summarised below).

"**Securitised Portfolio**" means the portfolio of Designated Accounts, the Receivables arising on which are held by the Receivables Trustee on behalf of the Beneficiaries or, when used in a historical context, means those accounts, and the receivables arising thereon, which, at the relevant time, formed part of the portfolio of accounts which, as at the date of this Base Prospectus, constitute the Securitised Portfolio.

The Designated Accounts comprise credit facilities provided to individuals for personal, family or household consumption purposes. The Receivables are:

- (i) underwritten in accordance with standards that apply similar approaches for assessing associated credit risk (i.e. the Credit Guidelines) (see "*Servicing and Origination*" below);
- (ii) serviced in accordance with similar procedures for monitoring, collecting and administering cash receivables on the asset side of the Issuer (pursuant to the Servicer's obligations under the STDCMA); and
- (iii) exposures to individuals located in the same jurisdiction (i.e. such individuals' most recent billing address, as at the beginning of the day on which the relevant Account becomes a Designated Account, is located in the United Kingdom), and are accordingly "homogenous" for the purposes of Article 20(8) of the UK Securitisation Regulation and Commission Delegated Regulation (EU) 2019/1851 of 28 May 2019 as it forms part of the domestic law of the United Kingdom by virtue of the EUWA.

The Designated Accounts are originated in the ordinary course of the Originator's (and, therefore, the Transferor's) business. The Transferor intends (consistent with the overall approach of the NewDay Group) to securitise (whether via the Programme or otherwise) all Receivables arising on the Designated Accounts and any similar Accounts, but – were it not to do so – the Receivables securitised through the Programme would be underwritten pursuant to underwriting standards (i.e. the Credit Guidelines) that are no less stringent than those that the Originator would apply at the time of origination to similar exposures that are not so securitised.

Credit Card Accounts

A customer to whom a credit card has been issued may use his or her card for purchases, cash advances and, where available, balance transfers or money transfers. A purchase is when an Obligor uses his or her credit card to acquire goods or services. A cash advance is when an Obligor uses his or her credit card to get cash from a financial institution or automated teller machine or to purchase travellers' cheques or foreign currency. Cash advances also include certain specified transactions such as electronic money transfers. A balance transfer is when an Obligor uses his or her credit card to repay a borrowing on another credit card, thereby transferring the balance to the credit card issued by the Originator. A money transfer is when an

Obligor uses his or her credit card to deposit cash into his or her bank account, thereby transferring the balance to the credit card issued by the Originator. Certain customers may be offered the ability to split credit card purchases into equal instalments or to defer payment through 'buy now, pay later' functionality.

As at the date of this Base Prospectus, the credit cards issued in respect of the accounts in the Securitised Portfolio all utilise the Mastercard payment scheme.

Store Card Accounts

A customer to whom a store card has been issued may only use his or her card for purchases of goods and services from the retailer to which that store card relates or (where available) to obtain cash from that retailer in store. Store cards are operated directly with the relevant retailer, and not via the American Express, Visa, Mastercard or any other payment system. As at the date of this Base Prospectus, no store card accounts, other than staff store card accounts, have been originated by NewDay Ltd since 1 June 2017 and no staff store card accounts have been originated by NewDay Ltd since 2 April 2020.

Instalment Credit Accounts

A customer to whom instalment credit has been made available may only use such finance to purchase goods and services from the relevant retailer. Unlike credit cards and store cards, instalment credit accounts are not revolving credit products, and (after any applicable period where the customer does not have to make repayments) the balance on an instalment credit account will be reduced over time by the making of fixed scheduled repayments. Like store cards, instalment credit accounts are operated directly with the relevant retailer, and not via the American Express, Visa, Mastercard or any other payment system. As at the date of this Base Prospectus, no instalment credit accounts have been originated by NewDay Ltd since it acquired the MO portfolio in May 2013.

Retailers

The accounts which, as at the date of this Base Prospectus, are within the Securitised Portfolio were originated via certain of the NewDay Group's Retail Partners. Certain of these Retail Partners which operated under well-known consumer brands (such as "Burton", "Dorothy Perkins", "Topman", "Topshop" and "Wallis" (which were all operated by members of the former "Arcadia" group of companies), "Debenhams", "House of Fraser" and "Laura Ashley") ceased trading (although, in a number of cases, the underlying business continues under new ownership, such as the "Burton", "Debenhams", "Dorothy Perkins" and "Wallis" businesses, which are now owned and operated by the "Boohoo" corporate group) and certain of the related customer accounts were re-carded under the "Pulse" brand. The other significant Retail Partner through which accounts which, as at the date of this Base Prospectus, are within the Securitised Portfolio were originated, "Amazon", ceased to facilitate the origination of such accounts in June 2022, upon the termination of the commercial relationship with the NewDay Group. All customer accounts originated via that commercial relationship were re-carded under the "Pulse" brand.

"Retail Partner" means a retailer or other party (not being a member of the NewDay Group, or any other person acting on behalf of a member of the NewDay Group) which is party to a Retail Partner Agreement.

"Retail Partner Agreement" means a retail partner agreement or other affinity or private-label arrangement pursuant to which any Accounts are originated or maintained by or on behalf of the Originator.

Servicing and Origination

See *"Servicing of Receivables"* for a description of how the Servicer services Receivables included in the securitisation. The Servicer undertakes all the processing and administering of accounts making use of external suppliers as appropriate.

The NewDay Group uses a brand-led, value-driven marketing strategy to focus new origination campaigns. This process is assisted by the use of financial forecasting models for each method it uses to solicit customers. New customers for the MO segment of the NewDay Group's business are recruited both on the relevant retailer's premises (in the case of retailers with physical sales locations) and via digital sales channels, such as marketing emails, the relevant retailer's websites and credit aggregation websites (such as "MoneySuperMarket").

Credit application details are screened by a combination of system based checking, external credit bureau data and, where appropriate, manual verification. Decisions on whether to accept or reject an application are automated to the extent possible.

The Servicer uses a range of application scorecards to assess the credit quality of new account applications, in addition to an affordability assessment and a set of lending eligibility criteria. Scorecards assess a range of factors, including previous account history (if relevant), annual income, time at and type of residence, current employment status and the latest credit bureau data.

In January 2021, the NewDay Group launched its next generation of credit underwriting models in combination with affordability enhancements aimed at capturing more data about the NewDay Group's customers' income and expense stability. The improvement delivered by these models has allowed the NewDay Group to originate accounts to customers in greater volumes than would otherwise be possible without expanding its risk appetite or relaxing any other credit policy rules. The NewDay Group continues to monitor consumer credit risk and takes action to update its credit underwriting approaches whenever it deems it appropriate.

When an application for an account is accepted, the initial credit limit and pricing of the account are determined using credit scoring, behaviour scoring, an affordability assessment and other business rules. The NewDay Group utilises a low and grow methodology for certain customers, which has been developed by the NewDay Group over time and which balances business growth with risk management (i.e. higher risk customers are left on lower credit limits).

Credit limits and pricing are adjusted in a controlled and regular manner using behaviour scores, affordability criteria and credit bureau data. Behaviour scoring is one of the key tools used by the Servicer in risk management and underpins all risk decisions applied to accounts once they have been opened.

Credit limits are adjusted based upon the Servicer's continuing evaluation of a given customer's credit behaviour and suitability using a range of statistical models, behaviour scores and monthly credit bureau data which includes current account information for the customer. Under the low and grow methodology, if applicable, once an account has demonstrated sufficient performance, further assessments are conducted and customers demonstrating that they can successfully manage their credit limit and have use for an increased limit are offered higher limits. This process results in the amount of charge-offs being lower than it would be if customers were given an initial high credit limit.

To monitor changes in key macroeconomic factors, such as unemployment and real consumer spending, the Servicer tracks a number of early warning indicators (including, but not limited to, average nominal weekly earnings, retail sales volumes and consumer credit growth) and also tracks internet searches for key subjects that may infer additional stress such as "IVA filing", "benefits" and similar terms. The Servicer has the ability to react quickly to any changes in these early warning indicators by deploying a number of credit-focused, commercial and collections strategies (including, but not limited to, tightening credit score cut-offs, adjusting credit limits and the Credit Guidelines, repricing and changing collections approaches) to manage the Securitised Portfolio.

The Servicer sub-contracts the provision of certain cash management and settlement services relating to the Securitised Portfolio to Santander UK and sub-contracts the provision of certain other services (including information technology, application processing, card production, transaction and payment processing and customer communication services) relating to the Securitised Portfolio to First Data Global Services Limited ("**Fiserv**"), which has its registered office in Dublin, Ireland and which is not affiliated with the NewDay Group.

The Servicer uses a combination of several credit reference agencies that are not affiliated with the NewDay Group for its initial and ongoing credit scoring processes, such as Experian Limited, a wholly-owned subsidiary of Experian Group Limited, which has its operational headquarters in Nottingham, England, TransUnion, which has its operational headquarters in Leeds, England, and Equifax Inc., which has its headquarters in Atlanta, Georgia, United States.

Credit Agreements

The relationship between each customer and the Originator in respect of that customer's account is set out in a credit agreement which is a single document comprising all the relevant terms and conditions (the

"**Credit Agreement**"). Under each Credit Agreement, the Originator is, subject to compliance with the terms of the Credit Agreement and applicable laws, regulation, guidance and codes, able to add or change certain terms, conditions, services or features of the customer's account. This includes increasing or decreasing Periodic Finance Charges. A customer is entitled to reject interest rate increases, close his or her account and pay down the balance in accordance with the terms of the Credit Agreement. Each Credit Agreement enables the Originator to apply charges to balances outstanding at the time of the change as well as to future transactions.

The Servicer regularly assesses the forms of Credit Agreement used by the Originator in order to determine their compliance with applicable law and regulatory codes and guidance, as well as the suitability of their terms and conditions.

Description of Processing

Pursuant to its arrangements with the Servicer, Santander UK makes settlement payments on behalf of the Originator to Mastercard (in the case of credit card transactions otherwise than where the relevant transaction involves the acquisition of goods or services from the relevant retail partner) and the retail partners (in the case of store card and instalment credit transactions, as well as credit card transactions, involving the acquisition of goods or services from the relevant retail partner).

Billing, Payment and Charges

Customers are provided with monthly statements which give details of the transactions on their account each month. Credit card and store card customers will also be provided with an annual summary of the transactions on their account.

Pursuant to its arrangements with the Servicer, Fiserv generates an output file which is sent electronically to a third party who produces and mails statements to customers (other than those customers who receive only online statements). Printed statements are mailed along with customer service material. Customers are also able to view their statements online or via an app, and may receive online statements only.

Customers with credit cards or store cards may have up to approximately 46 to 56 days (depending on the type of account) following purchases before they are required to make a payment, depending on which stage during a billing cycle a purchase is made.

Certain revolving products (including digital credit accounts and credit cards) allow for customers, where offered, to set-up instalment plans. Save for interest free instalment plans, interest is charged on the instalment plan principal balance over the life of the instalment plan at the instalment plan interest rate. The customer's instalment plan is made up of fixed equal monthly payments which are calculated based on the amount of the instalment plan plus the projected interest over the term of the plan. The monthly payments on the customer's instalment plan are optional, although the customer will still be required to meet the contractual minimum payment on their account. Customers will not go into arrears if they miss a payment on their instalment plan provided that they continue to pay at least the contractual minimum payment. However, in such circumstances, the instalment plan will be cancelled and interest will accrue on the balance previously subject to the instalment plan at the standard purchase rate.

NewDay Ltd may also offer the option of buy-now-pay-later ("**BNPL**"). Customers do not need to make any payment towards the BNPL purchase during the BNPL promotional period and BNPL balances, which are separate to the standard purchase balance, are not included in the calculation of the contractual minimum payment. Interest does not accrue on the BNPL balance during the BNPL period. If any of the BNPL balance remains outstanding at the end of the promotional period, it will be transferred to the standard purchase balance and start to accrue interest at the standard purchase rate.

For the credit card and store card accounts in the Securitised Portfolio, customers (other than those who are on a repayment plan or other relevant collections toolkit arrangements) must, subject to any promotional arrangements, make a monthly contractual minimum payment (consisting of the repayment of principal and the payment of interest, fees and/or other amounts) in respect of their accounts which is equal to the sum of (i) the amount of any interest and default fees charged to the account in the current statement period and (ii) at least 1% of the outstanding balance shown on the statement (including interest and default fees), subject to the contractual minimum payment being a minimum of £5. If the total of the foregoing is less

than £5, then the minimum payment due will be the total outstanding balance. Any arrears and amounts over a customer's credit limit are repayable immediately.

For customers who have had their balance moved to a PayDown Plan due to being in persistent debt, the contractual minimum payment will be equal to:

- (a) the amount that NewDay calculates is needed to be paid so that the customer is able to pay off the balance in their PayDown Plan in a reasonable period (for example, four years); plus
- (b) a proportion of any remaining balance owed, which is not subject to the PayDown Plan, calculated as the sum of:
 - (i) twice the amount of interest on that remaining balance;
 - (ii) twice the amount of default fees and transaction fees (other than balance transfer and money transfer fees) added to the account since the last statement date; and
 - (iii) a proportion of any balance transfer fees and money transfer fees split according to the number of months of the relevant promotional period (or, if there is no promotional period, the fees will be split over 12 months).

Customers who may be at risk of persistent debt are requested to pay an optional additional amount equal to any contractual minimum payments already missed in order to ensure that they are paying off their balance. As at the date of this Base Prospectus, customers who are in persistent debt (i.e. over two consecutive 18 month periods they have paid more in interest and charges than they have paid towards reducing their balance) are offered a solution to ensure that they will pay off their balance in a reasonable time, which would typically be a period of three to four years by moving their balance to a repayment plan. Where customers at risk of persistent debt are able to continue to use their cards, they make monthly minimum payments of the greatest of: (i) twice the amount of then accrued interest and fees charged on the outstanding balance on the customer's Account that is not in the repayment plan; (ii) 1 per cent. of the statement balance plus all interest and default fees accrued in the preceding month; or (iii) the entire amount owed, if £5 or less. Customers on some repayment plans may, in accordance with that repayment plan, pay less than their stipulated contractual minimum payment and there are a range of other solutions that are available to help customers.

Any contractual minimum payments already missed and any amounts spent beyond the customer's credit limit are repayable immediately.

The Originator typically charges a default fee of £12 in the following circumstances:

- (a) late payment;
- (b) when an Obligor goes over his or her credit limit and each subsequent statement month that the account remains over limit; or
- (c) each time an attempted payment is returned unpaid,

provided that:

- (a) it is the Originator's current policy that a customer will only be charged a maximum of two default fees in respect of a statement month;
- (b) a returned payment fee is not charged if the customer's cheque or direct debit is returned unpaid, but the account is brought back up to date before the next bill cycle;
- (c) an over limit fee is not charged where the account is caused to go over limit by the application of a returned payment and late payment fee or by lagged transaction or service fees (such as cash advance fees or foreign transaction fees); and
- (d) a returned payment or late payment fee is not charged where the customer's balance is less than £12.

As at the date of this Base Prospectus, a cash advance fee of 3 per cent. (with a minimum fee of £3) is charged on all cash advances and, where a card can be used to make transactions in a currency other than Sterling, purchases and cash advances which are not in Sterling are additionally subject to a 2.75 per cent. non-Sterling transaction fee (with no minimum) in relation to the currency conversion. The finance charges on both purchases and cash balances (which may be cash advances and other transactions deemed to be cash) are assessed daily and calculated by multiplying the account's actual daily balance by the applicable daily interest rate, which is itself calculated by dividing the configured annual flat rate by either 365 or 366 depending on how many actual days there are in the then current calendar year. Finance charges are calculated from the transaction posting date. For purchases, any accrued daily interest is deferred until the following statement, and is waived if each month the full statement balance is cleared on or before the account due date, which varies between 15 and 25 days after the statement date, depending on the product type. Cash balances have finance charges assessed daily, although there is no deferment and interest is accrued and charged even if the Obligor pays off the balance in full and on time each month. All interest is billed on the next available statement following either the transaction posting date (for cash balances) or the deferred interest period (for purchases).

The interest rates on the Originator's credit card and store card accounts may be changed by the Originator in accordance with the Credit Agreements for such accounts, but subject to applicable laws, regulation, guidance and codes, and such rates were historically not directly linked to any other rate or index. However, with effect from 29 August 2018, the Originator's standard interest rates on its credit card and store card products have been linked to the Bank Rate, subject to certain exclusions. The Originator may offer a range of promotional rates (including 0% offers) in relation to promotions such as purchases, balance transfers or money transfers.

The Originator may also offer or administer on behalf of a retail partner activation and other incentive schemes (including "cash back" or voucher-based incentive programmes) from time to time.

As well as the risk profile of a customer, pricing decisions at acquisition and within the customer lifecycle are based upon:

- actual and anticipated movements in underlying interest rates;
- marketing strategies and recruitment campaigns;
- regulatory requirements and industry guidance;
- the competitive environment; and
- the contractual arrangements with the relevant retail partner.

English law does not prescribe a maximum rate that may be charged as interest for a debt on any of the product types included in the Securitised Portfolio. However, the FCA has the power under FSMA to make rules limiting, *inter alia*, the cost of credit applicable to such a product, and a very high interest rate might be treated by a court as an indicator of the existence of an "unfair relationship" between the debtor and the creditor for the purposes of the CCA (see "*Risk Factors – Certain Legal, Tax and Regulatory Considerations – Consumer Credit Regulation May Impair the Collectability of the Receivables – Unfair Relationships*" and "*Risk Factors – Certain Legal, Tax and Regulatory Considerations – Authorisation and Regulation by the FCA*" for more details). The FCA has published rules capping the price on high-cost short-term credit (otherwise known as "payday lending") which came into force on 2 January 2015. At present, the FCA has not made any rules regarding the maximum cost of credit that may be charged on credit cards, store cards or instalment credit products and the Originator considers that the interest rates charged across the Securitised Portfolio are not excessive and would not contravene the unfair relationship provisions of the CCA. However, in the future, the FCA may make rules regarding the maximum cost of credit that may be charged on credit cards or store cards.

Delinquency, Collections and Loss Experience

An account is treated as delinquent if the minimum payment is not received by the due date indicated on the customer's statement and this has not been rectified by the next statement date. Delinquent accounts, and those where the balance on the account exceeds the specified credit limit, will enter the collections process. The collections strategy which will be applied to any given account will be determined according

to a variety of risk-based and customer-focused factors, including the product type, the age of the account, the amount outstanding, the past performance and behaviour score, and any information that is available from external credit bureaus. The collections team utilise a strategic decision making process to determine the timing and type of contact that will be made with any customer whose account is in collections but will always comply fully with FCA requirements.

Activities during the collections process include statement messages, telephone calls, formal letters, e-mails and SMS text messages and dedicated collections processes on the NewDay mobile device software. Accounts are automatically charged off at 180 days of delinquency unless they are subject to "specialist activity". Specialist activity includes insurance claims, authorised user disputes, voucher disputes and complaints. However, this is rare, and charge-off would not occur more than 210 days after the account became delinquent even under these circumstances. An account may be charged off before it is 180 days delinquent; for example, insolvent accounts and the accounts of deceased customers are charged off within 30 days after notification. In limited circumstances, the Servicer may cease to treat a customer's account as delinquent if the customer demonstrates that he or she is able to pay the contractual minimum payment (excluding arrears).

In addition to the above, the Servicer may agree, for a customer who is experiencing financial difficulties or is otherwise vulnerable, to place the account on a repayment plan if it is believed that this is appropriate for the customer and would improve the likelihood of returning the account to performing status. This is done by means of a temporary concession rather than a change to the terms and conditions of the account. Before a repayment plan is entered into, an income and expenditure review is conducted, which may be online, to understand what level of payments he or she is able to afford.

For customers in the collections process experiencing shorter term financial difficulties, the NewDay Group has a "collections toolkit" to provide the appropriate level of help and support to customers. This toolkit includes options which may be offered to customers at the discretion of the NewDay Group, depending on the individual circumstances of the customer, such as default fee refunds, payment holidays and short term no fee arrangements. Payment holidays are, as at the date of this Base Prospectus, available for up to two separate periods of up to three months within a 12 month period and during any such period no payment is required. Although the customer does not have the ability to spend on their account during this period, interest does not accrue during this period and the customer's credit file is not further adversely impacted.

Customers who are in more significant financial difficulties may, following an income and expenditure review, have the interest, fees and other charges which would otherwise apply to their accounts suspended, in accordance with the Originator's forbearance policy. The Originator suspends accrual of fees and interest charges for accounts which are delinquent for 60 days or more. These forbearance and loss recognition policies of the Originator are subject to regular review by senior credit risk management and may be subject to change in the future.

As part of any recovery activity, accounts may be passed to external debt collection agencies to seek recovery or sold to a third-party debt purchaser, either prior to, or after, such accounts are charged off by the Servicer as uncollectible in line with the Credit Guidelines or the usual servicing procedures of the Servicer.

The Final Terms or Drawdown Prospectus in respect of each Note Series will contain tables which set forth the delinquency and loss experience of the Total Portfolio as at a date prior to the Closing Date for such Note Series. Investors should note that any information provided in relation to delinquency and loss experience is, at the point at which it is provided, historical and provided in relation to the Total Portfolio (rather than just the Securitised Portfolio). Investors should also note that such information will not be updated and that delinquency and loss rates will vary over time.

The delinquency statistics are obtained from month end positions.

Debt Respite Scheme

The Debt Respite Scheme (Breathing Space Moratorium and Mental Health Crisis Moratorium) (England and Wales) Regulations 2020 introduced a debt respite scheme which started on 4 May 2021. This scheme established two types of moratoria, a 'breathing space moratorium' and a 'mental health crisis moratorium'. Each type of moratorium is intended to support debtors who are struggling to pay their debts. During a moratorium, a creditor is prevented from taking steps (i) to require a debtor to pay interest that accrues on

a moratorium debt (being a debt owed at the time the application for a moratorium was made and registered with the Secretary of State) during the moratorium period, (ii) to require a debtor to pay fees, penalties or charges in relation to a moratorium debt that accrue during the moratorium period, (iii) to take any enforcement action in respect of a moratorium debt or (iv) to instruct an agent to take any actions in (i) to (iii) above. During a moratorium the creditor may not take any steps to collect the moratorium debt. A breathing space moratorium will last for 60 days and cannot be extended. A debtor will be able to access a breathing space moratorium once in each 12-month period. A mental health crisis moratorium will last for the duration of an individual's mental health crisis treatment plus 30 days. There is no limit to the number of times a debtor will be able to access a mental health crisis moratorium.

Payment Schemes and Card Types

Newly originated accounts will automatically be held on trust by the Originator for the Transferor and the Transferor will (subject to the restrictions set out in the Receivables Securitisation Deed) automatically assign receivables arising under Designated Accounts to the Receivables Trustee pursuant to the terms of offers made under the Receivables Securitisation Deed. The Securitised Portfolio does not include American Express or Visa credit card accounts as at the date of this Base Prospectus, but it may do so in the future, and may also (subject to the restrictions set out in the Receivables Securitisation Deed) include Receivables arising on charge card accounts and/or accounts originated via additional retailers or through other channels.

Credit Risk Mitigation

The Originator has internal policies and procedures in relation to the granting of credit, administration of credit-risk bearing portfolios and risk mitigation. The policies and procedures of the Originator in this regard broadly include the following:

- (a) criteria for the granting of credit and the process for approving, amending, renewing and re-financing credits (as to which, in relation to the Receivables, please see the information set out in this Base Prospectus headed "*Receivables and Servicing of Receivables – Eligibility Criteria*" and "*Servicing of Receivables*");
- (b) systems in place to administer and monitor the various credit-risk bearing portfolios and exposures (as to which it should be noted that the Securitised Portfolio will be serviced in line with the servicing procedures of the Originator and the Servicer - please see further the section of this Base Prospectus headed "*Servicing of Receivables*");
- (c) adequate diversification of credit portfolios given the Originator's target market and overall credit strategy (as to which, in relation to the Securitised Portfolio, please see the section of this Base Prospectus headed "*The Securitised Portfolio*"); and
- (d) policies and procedures in relation to risk mitigation techniques (as to which, please see further the sections of this Base Prospectus headed "*Receivables and Servicing of Receivables – Eligibility Criteria*" and "*Servicing of Receivables*").

Debt Sales

The NewDay Group makes use of both one-off and regular "forward flow" debt sale contracts to sell debt on customer accounts that have been charged off, are on payment arrangements or are otherwise delinquent.

THE RECEIVABLES

The Originator holds and will hold legal title to all the Accounts in the Securitised Portfolio, meaning that it is the contractual counterparty to all of the underlying Credit Agreements, the creditor to whom all of the debts arising on such Accounts are legally owed and the issuer of the credit cards and store cards relating to those Accounts in respect of which a credit card or store card has been issued. Pursuant to declarations of trust dated 1 April 2014 (as amended and restated on 18 December 2014) and 3 October 2016, the Originator holds all of its rights in respect of the Accounts on trust for the Transferor. Accordingly, the Transferor is the beneficial owner of all of the Receivables arising on the Accounts within the Securitised Portfolio.

Assignment of Receivables to the Receivables Trustee

Under the terms of a receivables securitisation deed dated 18 December 2014, as supplemented, amended and/or as amended and restated from time to time, (the "**Receivables Securitisation Deed**"), the Transferor, on 18 December 2014 (the "**Initial Assignment Date**"), offered to the Receivables Trustee an assignment of all Receivables that have arisen or will arise in certain of the Accounts on designated product lines identified (or to be identified) in the manner described below (the "**Initial Offer**"), and the Receivables Trustee, by paying the initial purchase price for such assignment, accepted such offer (the assignment arising out of such offer and acceptance being the "**Initial Assignment**").

The Receivables which have been or will be assigned pursuant to the Initial Assignment, and those which will be assigned pursuant to any Subsequent Assignment (as defined below), are those which arise on Designated Accounts. An Account will be designated as a "**Designated Account**" if the Account has been originated or acquired by the Originator, conforms to the eligibility criteria described in this Base Prospectus, comes within a product line named in an accepted offer and has not been identified on the Originator's System as being excluded from such accepted offer.

Under the terms of the Receivables Securitisation Deed, following the Initial Assignment Date, the Transferor may, from time to time, offer to the Receivables Trustee (each a "**Subsequent Offer**") with effect from a specified date (each a "**Subsequent Assignment Date**") an assignment of all present and future Receivables which arise on certain specified Accounts arising under one or more given product lines. If the Receivables Trustee accepts any such offer by paying the initial purchase price due in respect of such offer, then all Accounts falling within such offer shall (unless such Accounts are otherwise identified on the Originator's System on the account opening date) be Designated Accounts and all Receivables arising on such Accounts shall be assigned to the Receivables Trustee subject to and in accordance with the terms of the Receivables Securitisation Deed (each such assignment being a "**Subsequent Assignment**").

In the case of the Initial Assignment, the Transferor nominated and, in the case of any Subsequent Assignment, the Transferor may nominate all future Accounts that come into existence on a specified product line which are not Restricted Accounts (unless and to the extent that such Accounts are individually identified on the Originator's System as being excluded from such nomination from the relevant account creation date) on or after the relevant Assignment Date as Designated Accounts. This is known as a "**Future Receivables Transfer**".

Where a Future Receivables Transfer is made, the Transferor must as soon as reasonably practicable and in any case within five Business Days after the occurrence of an Automatic Addition Trigger deliver to the Receivables Trustee an Automatic Addition Suspension Notice unless a Rating Confirmation is given in respect of the continued designation of all future accounts which are the subject of a Future Receivables Transfer. Upon the delivery of an Automatic Addition Suspension Notice to the Receivables Trustee, future Accounts in respect of a product line which come into existence under that product line which are the subject of a Future Receivables Transfer will, after the delivery of the Automatic Addition Suspension Notice and pursuant to its terms, no longer be designated as Designated Accounts.

If for any reason there are Receivables from Designated Accounts that cannot be assigned to the Receivables Trustee, the Transferor will hold those Receivables, and any Collections on those Receivables, on trust for the Receivables Trustee. These Collections will be treated as if the Receivables had been properly assigned.

When additional Accounts are nominated to become Designated Accounts pursuant to a Subsequent Offer, the Transferor must, amongst other things provide:

- (a) a Solvency Certificate;
- (b) statements from the Transferor in the relevant offer substantially in the form set out in the Receivables Securitisation Deed confirming satisfaction of the criteria listed therein; and
- (c) a legal opinion addressed to the Receivables Trustee in relation to any Receivables from a jurisdiction outside of the United Kingdom.

Any of these preconditions may be waived by the Receivables Trustee if a Rating Confirmation is provided in respect of such waiver. At the time that it is nominated, each additional Account must also meet the relevant eligibility criteria as at the time of its designation. These criteria are explained in "*Representations*" below. Additional Accounts may have been originated or purchased using underwriting standards that are different from the underwriting standards used in originating the original Designated Accounts. As a result, additional Accounts that are selected in future may not have the same credit quality. The Transferor may choose to add an entire portfolio of accounts from those portfolios which it acquires but which currently do not form part of the Securitised Portfolio (see "*The Securitised Portfolio*"). In the event that such an addition would be in excess of the Maximum Addition Amount, or would include the addition of Restricted Accounts, a Rating Confirmation would be sought.

"**Accounts**" means each of (a) revolving credit card accounts under the American Express Limited, Mastercard International Incorporated or Visa International Incorporated networks or any other payment system for revolving credit card accounts established pursuant to a Credit Card Agreement, (b) revolving credit accounts established pursuant to a Store Card Agreement, (c) charge card accounts established pursuant to a Charge Card Agreement and (d) instalment credit accounts established pursuant to an Instalment Credit Agreement.

"**Allowed Retail Partner**" means a Retail Partner in any of the "Amazon" group of companies, the "Arcadia" group of companies, the "Debenhams" group of companies, the "House of Fraser" group of companies, the "John Lewis & Partners" group of companies, the "Laura Ashley" group of companies and any Retail Partner which is a member of any other corporate group in respect of which a Rating Confirmation has been given in connection with the designation of Accounts originated through sales channels made available by any member of such corporate group as Designated Accounts.

"**Assignment Date**" means the Initial Assignment Date or a Subsequent Assignment Date.

"**Automatic Addition Suspension Notice**" means a notice stating that, with effect from the date of such notice, either: (i) all future Accounts falling within the scope of an Offer shall not be designated as Designated Accounts, **provided that**, where an Automatic Addition Trigger has occurred as a result of the aggregate principal balance of all Designated Accounts which are Instalment Credit Accounts exceeding 25 per cent. of the aggregate amount of Eligible Receivables, then the Automatic Addition Suspension Notice shall only be in respect of Instalment Credit Accounts, or (ii) **provided that** a Rating Confirmation is given in respect of the continued designation of either all, or a specified set of, future Accounts falling within the scope of an Offer, such Accounts (if any) falling within the scope of such Offer as are not within the scope of that Rating Confirmation shall not be designated as Designated Accounts.

"**Automatic Addition Trigger**" means:

- (a) the designation (otherwise than on a Subsequent Assignment Date) of any Accounts as Designated Accounts in excess of the Maximum Addition Amount, provided that, if the designation of any Accounts as Designated Accounts in excess of the Maximum Addition Amount is as a result of the aggregate principal balance of all Designated Accounts which are Instalment Credit Accounts exceeding 25 per cent. of the aggregate amount of Eligible Receivables, then the Automatic Addition Trigger shall only be in respect of Instalment Credit Accounts; and/or
- (b) in respect of Accounts originated via sales channels made available by any particular Allowed Retail Partner, such alternative or additional trigger (if any) as may be specified in the Rating Confirmation designating (or confirming on different terms) that Retail Partner as an Allowed Retail Partner.

"Charge Card Account" means an Account established pursuant to a Charge Card Agreement.

"Charge Card Agreement" means an agreement between the Originator and an Obligor, either on one of the Originator's standard forms or (in the case of an account originated otherwise than by the Originator) otherwise, providing for, *inter alia*, the establishment of a revolving credit account pursuant to which the relevant Obligor is required to repay the balance of the credit account in full on a periodic basis, and the terms and conditions of use by such Obligor of a charge card, as such agreement or contractual terms may be amended, modified or otherwise changed from time to time.

"Collections" means:

- (i) all payments received by the Transferor or the Servicer in respect of Receivables in the form of cash, cheques, direct debits, bank giro credits or other forms of payment in accordance with the Credit Agreements in effect from time to time in relation thereto;
- (ii) any such payments under guarantees obtained by the Originator in respect of the obligations of Obligors to make payments on the Accounts;
- (iii) any Insurance Proceeds in respect of the Accounts;
- (iv) any amounts paid in cash by the Transferor as a result of a Dilution Loss, Dilution Refund or breach of warranty or in respect of Transferor advances pursuant to the RTDSA Transferor Advance Addendum;
- (v) any amounts paid in cash to the Receivables Trustee as consideration for the re-assignment of Receivables on a Re-designated Account; and
- (vi) all Recoveries.

"Credit Card Agreement" means an agreement between the Originator and an Obligor, either on one of the Originator's standard forms (or in the case of an account originated otherwise than by the Originator) otherwise, providing for, *inter alia*, the establishment of a credit card account operated under the American Express, Visa or Mastercard network or any other payment system for revolving credit card accounts; and the terms and conditions of use by an Obligor of a credit card, as such agreement or contractual terms may be amended, modified or otherwise changed from time to time.

"Instalment Credit Account" means an Account established pursuant to an Instalment Credit Agreement.

"Instalment Credit Agreement" means an agreement between the Originator and an Obligor, either on one of the Originator's standard forms or (in the case of an account originated otherwise than by the Originator) otherwise, providing for, *inter alia*, the establishment of a fixed credit finance account (including, without limitation, point-of-sale finance accounts), as such agreement may be amended, modified or otherwise changed from time to time.

"Insurance Proceeds" means any amounts recovered by the Originator or the Servicer pursuant to any credit insurance policies covering any Obligor with respect to Receivables under that Obligor's Designated Account.

"Maximum Addition Amount" means the maximum number of Accounts which may be nominated by the Transferor as Designated Accounts in a given period, which shall (unless otherwise provided in a Supplement or a Rating Confirmation):

- (a) with respect to any period of three consecutive Monthly Periods, be equal to 15 per cent. of the number of Designated Accounts as of the later of (i) the first day of the calendar year during which such period of three Monthly Periods commences and (ii) the first day of the first Monthly Period following the most recent date on which each Rating Agency issued or confirmed the ratings of all classes of Rated Debt; and
- (b) with respect to any period of twelve consecutive Monthly Periods, be equal to 20 per cent. of the number of Designated Accounts as of the later of (i) the first day of such period and (ii) the first day of the first Monthly Period following the most recent date on which each Rating Agency issued or confirmed the ratings of all classes of Rated Debt,

provided, however, that:

- (i) the aggregate principal balance in the nominated Designated Accounts (determined as at the date each such Account becomes a Designated Account) in any period of three consecutive Monthly Periods may not exceed 15 per cent. of the aggregate amount of Eligible Receivables, determined as of the later of (A) the first day of the first such period and (B) the first day of the first Monthly Period following the most recent date on which each Rating Agency issued or confirmed the ratings of all classes of Rated Debt, in all of the Accounts beneficially owned by the Transferor that have been designated as Designated Accounts; and
- (ii) the aggregate principal balance in the nominated Designated Accounts (determined as at the date each such Account becomes a Designated Account) in any period of 12 consecutive Monthly Periods may not exceed 20 per cent. of the aggregate amount of Eligible Receivables, determined as of the later of (A) the first day of the calendar year in which the first such Monthly Period falls and (B) the first day of the first Monthly Period following the most recent date on which each Rating Agency issued or confirmed the ratings of all classes of Rated Debt, in all of the Accounts beneficially owned by the Transferor that have been designated as Designated Accounts,

and provided, however, that the aggregate principal balance in all Designated Accounts which are Instalment Credit Accounts shall not exceed 25 per cent. of the aggregate amount of Eligible Receivables, determined as of the first day of each Monthly Period.

"Monthly Period" means the period from and including the first day of a calendar month to and including the last day of the same calendar month.

"Obligor" or **"Obligors"** means, with respect to any Account, the person or persons obliged directly or indirectly to make payments in respect of Receivables generated on that Account.

"Offer" means the Initial Offer or a Subsequent Offer.

"Originator Ring-fenced Account" means the bank account maintained by the Originator for the purposes of safeguarding amounts in respect of credit balances on Accounts pursuant to Regulation 23 of the Payment Services Regulations 2017.

"Originator's System" means the IT system or systems maintained for the Originator by or on behalf of the Servicer on which information relating to, *inter alia*, each of the Accounts is recorded and updated.

"Rated Debt" means, in respect of any Series, any Related Debt or Associated Debt which is rated by one or more Rating Agencies where such rating was procured by the Loan Note Issuer and/or the issuer of the relevant Associated Debt and, in respect of a VFN Series only, which is expressly designated as being Rated Debt for the purposes of the transaction.

"Rating Agency" means, with respect to each Series, the rating agency or agencies, if any, selected by the Loan Note Issuer and/or the issuer of the relevant Associated Debt to provide a rating for any Associated Debt and/or Related Debt, as applicable, as specified in the related Supplement.

"Recoveries" means all amounts, excluding Insurance Proceeds, recovered in respect of Defaulted Receivables, including, for the avoidance of doubt, the proceeds of any sale of Defaulted Receivables to a third party.

"Restricted Accounts" means:

- (a) until the inclusion of such Accounts within the scope of a Subsequent Offer has been subject to a Rating Confirmation, any Charge Card Accounts;
- (b) until the inclusion of such Accounts within the scope of a Subsequent Offer has been subject to a Rating Confirmation, any Instalment Credit Accounts originated after the Initial Assignment Date;

- (c) until the inclusion of such Accounts within the scope of a Subsequent Offer has been subject to a Rating Confirmation, any Store Card Accounts originated after 31 March 2015 other than Staff Store Card Accounts; and
- (d) until the inclusion of such Accounts within the scope of a Subsequent Offer has been subject to a Rating Confirmation, any Accounts originated through sales channels made available by any Retail Partner which is not an Allowed Retail Partner.

"Run-off Accounts" means Accounts which (a) were originated through sales channels made available by Retail Partners in respect of whom no further Accounts are being originated by or on behalf of the Originator, and (b) have had any spending privileges withdrawn.

"Solvency Certificate" means a certificate of a duly authorised officer substantially in the form set out in the Receivables Securitisation Deed.

"Staff Store Card Account" means any Store Card Account where the Obligor is a current or former officer or employee of the Retail Partner through which that Account was originated and who was offered that Account in connection with his or her office or employment with that Retail Partner.

"Store Card Account" means an Account established pursuant to a Store Card Agreement.

"Store Card Agreement" means an agreement between the Originator and an Obligor, either on one of the Originator's standard forms or (in the case of an account originated otherwise than by the Originator) otherwise, providing for, inter alia, the establishment of a closed-loop revolving credit account, and the terms and conditions of use by such Obligor of a store card, as such agreement or contractual terms may be amended, modified or otherwise changed from time to time.

"Transaction Documents" means the following documents:

Trust Documentation

- (a) the Master Framework Agreement;
- (b) the Receivables Securitisation Deed;
- (c) the Receivables Trust Deed and Servicing Agreement;
- (d) any Supplement to the Receivables Trust Deed and Servicing Agreement;
- (e) the Master Cash Settlement Agreement;
- (f) the Beneficiaries Deed;
- (g) the Receivables Trustee Account Bank Agreement; and
- (h) any other document designated as such by the Transferor and the Receivables Trustee.

Loan Note Documentation

- (a) the Security Trust Deed and Cash Management Agreement;
- (b) any Loan Note Supplement;
- (c) any swap agreement;
- (d) the Back-Up Cash Management Agreement;
- (e) any Indemnity Deed;
- (f) the Loan Note Issuer Account Bank Agreement;
- (g) the Loan Note Issuer Corporate Services Agreement; and

(h) any other document designated as such by the Loan Note Issuer and Security Trustee.

"**VFN Series**" means a Series in which the Related Debt comprises Loan Notes which may, in accordance with their terms, periodically have their Principal Amount Outstanding (as defined in the Security Trust Deed and Cash Management Agreement) increased or decreased at the option of the Loan Note Issuer.

Every offer of Receivables to the Receivables Trustee under the Receivables Securitisation Deed will comprise offers of the following:

- (i) all existing Receivables in the Designated Accounts;
- (ii) all future Principal Receivables under the Designated Accounts, until the first to occur of (1) the time a Designated Account becomes a Re-designated Account, or (2) the Receivables Trust is terminated;
- (iii) all future Finance Charge Receivables under those Designated Accounts that have accrued on Receivables that have been assigned to the Receivables Trustee as described in paragraphs (i) and (ii) above;
- (iv) if capable of being assigned, the benefit of any guarantee or insurance policy obtained by the Originator for any obligations of an Obligor in respect of Receivables that have been assigned to the Receivables Trustee as described in paragraphs (i), (ii) and (iii) above; and
- (v) the benefit of all amounts representing Acquired Interchange and Dilution Refunds in respect of the Designated Accounts.

Following the Initial Assignment Date, any designation of Accounts as Designated Accounts which would otherwise be Restricted Accounts or exceed the Maximum Addition Amount will require a prior Rating Confirmation.

The Transferor will ensure that each Re-designated Account is identified on the Originator's System on the date that a Designated Account becomes a Re-designated Account (see "*Re-designation of Accounts*" below).

Throughout the term of the Receivables Trust, the Designated Accounts from which the Receivables will arise will be the Accounts designated by the Transferor pursuant to the Initial Assignment *plus* any additional Accounts designated by the Transferor from time to time pursuant to any Subsequent Assignment, *minus* any Re-designated Accounts.

Existing Receivables and future Receivables arising under the Designated Accounts are either Principal Receivables or Finance Charge Receivables. "**Principal Receivables**" are, broadly, amounts owing by Obligors for the purchase of merchandise or services, balance transfers and cash advances (other than, in each case, Discount Option Receivables). They are reduced by any credit balance on the Designated Account on that day.

"**Finance Charge Receivables**" (together with Principal Receivables, the "**Receivables**") are, broadly, amounts owing from Obligors for transaction fees, Periodic Finance Charges, special fees and annual fees (see "*Special Fees and Annual Fees*" below) and Discount Option Receivables (see "*Discount Option Receivables*" below).

Under the Receivables Securitisation Deed, each offer of Receivables made by the Transferor may be accepted by paying the purchase price for the offered Receivables. If the Receivables Trustee chooses to accept the offer, payment for existing Receivables has to be made no later than the Business Day following the date on which the offer is made or such longer period as the parties may agree.

A "**Business Day**" means any day other than a Saturday, a Sunday or a day on which banking institutions in London, England or Jersey, Channel Islands are authorised or obliged by law or executive order to be closed.

Any reference to a "**credit card**", "**store card**" or "**charge card**" includes any credit token or other authentication mechanism (whether physical or digital) relating to an Account (and, where the context requires, shall include the related Account) and a "**card**" or "**payment card**" includes any of the foregoing.

Any reference to a "**revolving credit account**" includes any account which incorporates (or may incorporate) instalment payment, deferred payment or other payment features within or alongside the overall revolving credit structure.

For the purposes of the Transaction Documents, it is necessary to allocate Collections between the outstanding Finance Charge Receivables and the outstanding Principal Receivables. This is done by reference to the amount of "**Billed Finance Charge Receivables**" in respect of the immediately preceding Collection Period, which are, broadly, the amount of Finance Charge Receivables billed to Designated Accounts in respect of that preceding Collection Period, plus any Discount Option Receivables arising on Designated Accounts in respect of that Collection Period, less any Receivables arising on Accounts which have already become, or prior to the end of such Collection Period became, Defaulted Accounts. Each month, Collections up to the amount of the preceding month's Billed Finance Charge Receivables are treated as being in respect of Finance Charge Receivables (such Collections being "**Finance Charge Collections**"), and any further Collections are treated as being in respect of Principal Receivables (such Collections being "**Principal Collections**"). The foregoing calculations are set out in more detail in "*The Receivables Trust – Allocation and Application of Collections*".

Re-designation of Accounts

Each Designated Account will continue to be a Designated Account until such time as the Transferor reclassifies it as being no longer a Designated Account, following which it will be a "**Re-designated Account**".

A Designated Account becomes a Re-designated Account on the "**Re-designation Date**", being:

- (i) in the case of a Cancelled Account, the day on which the relevant Designated Account is recorded by the Servicer as a Cancelled Account on the Originator's System;
- (ii) in the case of a Defaulted Account, the day on which the relevant Designated Account becomes a Defaulted Account. Notwithstanding any other provision hereof, any Receivables on a Defaulted Account that are Ineligible Receivables prior to such date shall be treated as Ineligible Receivables rather than as Receivables on a Defaulted Account; and
- (iii) in the case of a Designated Account to which a Re-designation Notice relates and which is not a Cancelled Account or a Defaulted Account, the date specified by the Transferor.

No Designated Account will become a Re-designated Account which is not a Cancelled Account, a Zero Balance Account, a Defaulted Account, an Ineligible Account or an Account which is being re-designated due to a breach of representation in respect of such Account this way unless the following conditions are satisfied:

- (i) save in relation to Third Party Re-designated Accounts, the re-designation will not cause, in the reasonable opinion of the Transferor, (a) a Pay Out Event to occur, (b) the aggregate of the Transferor Interest and the Originator VFN Excess Amount to be less than the Minimum Transferor Interest on the relevant Re-designation Date or (c) the Eligible Receivables Balance to be less than the Minimum Aggregate Principal Receivables on the relevant Re-designation Date;
- (ii) on or before the tenth Business Day prior to the Re-designation Date, each Rating Agency and the Receivables Trustee shall have received notice in writing from the Transferor of the proposed re-designation and, save in relation to Third Party Re-designated Accounts, a Rating Confirmation shall have been provided in respect of such re-designation;
- (iii) save in relation to Third Party Re-designated Accounts, no selection procedures believed by the Transferor to be materially adverse to the interests of the Investor Beneficiaries or any Enhancement Provider were utilised in selecting the Designated Accounts which are to be Re-designated Accounts;
- (iv) the Servicer shall certify to the Receivables Trustee that Collections equal to the Outstanding Face Amount of each Principal Receivable have been (or will be) received by the Receivables Trustee in respect of every Principal Receivable which has been assigned to or held on trust for the Receivables Trustee in respect of that Account, other than Receivables which have been charged-off as uncollectible in accordance with the Credit Guidelines on the computer master file of

Accounts used by the Servicer, or which have been the subject of a Credit Adjustment or Reduction, **provided, however, that** the maintenance of such records shall be without prejudice to the beneficial ownership of the Receivables in question;

- (v) in the case of Third Party Re-designated Accounts, the Beneficiaries have consented in writing to the removal of such Third Party Re-designated Accounts (which they will do in accordance with the Beneficiaries Deed); and
- (vi) the Transferor has delivered to the Receivables Trustee a solvency certificate and an officer's certificate confirming that the conditions set out at paragraphs (i) to (v) above have been satisfied.

A "**Cancelled Account**" is a Designated Account (which is not a Defaulted Account or a Debt Recovery Account) which has had its charging privileges permanently withdrawn either (a) at the instigation of the Servicer or (b) at the request of the relevant Obligor, and, in either case, which has been designated by the Servicer as a "Cancelled Account" in accordance with the Credit Guidelines or the Servicer's usual servicing procedures. A "**Defaulted Account**" is a Designated Account where the Receivables have been charged off by the Servicer as uncollectible in line with the Credit Guidelines or the usual servicing procedures of the Servicer for similar consumer finance accounts. A "**Zero Balance Account**" is a Designated Account that has had a nil balance of Receivables for a considerable period of time and has been identified by the Servicer as a Zero Balance Account under the Credit Guidelines or the usual servicing procedures of the Servicer. A "**Debt Recovery Account**" is a Designated Account (which is not a Defaulted Account) where the relevant Obligor has been sent a notice of default in respect of such Account or is otherwise on a payment plan. An "**Ineligible Account**" is a Designated Account on which all Principal Receivables that arise under such Account are Ineligible Receivables which the Transferor wishes to cease to be a Designated Account.

Re-designated Accounts include all accounts that become Cancelled Accounts, Defaulted Accounts, Zero Balance Accounts, Debt Recovery Accounts or Ineligible Accounts from the date on which they are re-designated in any of these ways. The Principal Receivables that exist before the date of re-designation will be paid for by the Receivables Trustee (except in respect of Ineligible Accounts). Any future Receivables that come into existence after that time (other than Finance Charge Receivables in respect of Receivables which are in existence prior to such Re-designation Date which come into existence on or following such Re-designation Date) will not be assigned to the Receivables Trustee as set out in the Receivables Securitisation Deed.

Until money has been received for the assigned Receivables (which are Eligible Receivables), the Receivables arising on a Re-designated Account will not be re-assigned. Save in respect of Defaulted Accounts or Debt Recovery Accounts (where the amount payable shall be calculated in accordance with the terms of the applicable Call Option, as outlined below) or, in respect of Ineligible Accounts (where, subject to any payment for breach of warranty, only a nominal amount shall be payable), the amount payable will be equal to the Outstanding Face Amount of each outstanding Principal Receivable which is to be re-assigned.

"**Outstanding Face Amount**" means, in respect of any Receivable on any date, the amount which is the outstanding balance due in respect thereof at the close of business in London on the last Business Day (which term shall, for this purpose only, include any day which would be a Business Day but for the closure of banking institutions in any jurisdiction other than London) immediately preceding such date.

Call Options

Pursuant to the Receivables Securitisation Deed, the Receivables Trustee has granted to the Transferor a call option in respect of Defaulted Receivables and a call option in respect of Debt Recovery Receivables.

The Transferor may exercise either of these options by sending an assignment agreement (an "**Option Assignment**") for the Receivables Trustee to execute, stating that at the opening of business (the "**Option Exercise Time**") on a specified date (the "**Option Exercise Date**") it shall require the Receivables Trustee to re-assign to it all Defaulted Receivables on the Defaulted Accounts (or any specified Defaulted Accounts) or the Debt Recovery Receivables on the Debt Recovery Accounts (or any specified Debt Recovery Accounts), as applicable (in each case as are in existence at the Option Exercise Time) and stating the amount of Defaulted Receivables or Debt Recovery Receivables, as applicable, to be re-assigned and released to the Transferor at the related Option Exercise Time.

The consideration payable by the Transferor for such re-assignment shall, in the case of Defaulted Receivables, be the aggregate of (a) £1 (payable on the Option Exercise Date), (b) any amount received from the relevant Obligor (directly or indirectly), for the avoidance of doubt excluding Insurance Proceeds, by the Transferor with respect to such Re-assigned Defaulted Receivables and (c) any consideration payable by any third party to the Transferor, including debt collection agents, for the assignment of such Re-assigned Defaulted Receivables (net of any costs of the Transferor in connection with such sale and any retention in respect of provisions), (b) and (c) together being the "**Sale Recoveries**" and being payable on the Transfer Date relating to the Collection Period during which the Sale Recoveries were realised.

The consideration payable by the Transferor for such re-assignment shall, in the case of Debt Recovery Receivables, be an amount equal to the aggregate balance of the Eligible Receivables relating to such Debt Recovery Accounts as at the Option Exercise Date and stated in the Option Assignment.

"**Defaulted Receivables**" means any Receivables in a Defaulted Account.

"**Debt Recovery Receivables**" means all present and future Receivables arising on Debt Recovery Accounts.

A "**Re-assigned Defaulted Receivable**" is a Defaulted Receivable existing on the Defaulted Accounts which is re-assigned and released to the Transferor in accordance with the applicable provisions in the Receivables Securitisation Deed.

Discount Option Receivables

The Transferor may, by giving at least thirty days' prior notice to the Servicer, the Receivables Trustee and the Rating Agencies, nominate a fixed or variable percentage ("**Discount Percentage**") of Principal Receivables in the Designated Accounts. If a Discount Percentage has been nominated previously, an extension to the period for which it applies can be specified in the same way. From the date and for the length of time stated in the notice:

- (i) the amount payable by the Receivables Trustee to accept an offer of Receivables will be reduced by a percentage amount equal to the Discount Percentage; and
- (ii) a percentage of the Principal Receivables equal to the Discount Percentage will be treated by the Receivables Trustee as Finance Charge Receivables. These are called "**Discount Option Receivables**".

The nomination of a Discount Percentage or increase in the time it is in place will be effective only if:

- (i) a Rating Confirmation has been provided;
- (ii) the Servicer has provided the Receivables Trustee with an officer's certificate confirming that the performance of the Securitised Portfolio of Designated Accounts is such that in the reasonable opinion of the Servicer the yield of Finance Charge Collections is not generating adequate cashflows for the Beneficiaries of the Receivables Trust; and
- (iii) the Transferor has provided the Receivables Trustee with a solvency certificate confirming that the Transferor is able to pay its debts within the meaning of section 123(1) of the Insolvency Act 1986 and will not become unable to pay its debts within the meaning of that section in consequence of such Discount Percentage coming into effect or being in effect for an additional period, as at the date on which the Discount Percentage or additional period is to take effect.

The Transferor may have different reasons to designate a Discount Percentage. For example, the Finance Charge Collections on the Designated Accounts may decline for various reasons or may stay constant, whilst the Notes have interest rates that are variable and that could increase. This could cause a Series Pay Out Event to occur based in part on the amount of Finance Charge Collections and the interest rate on the Notes. The Transferor could avoid the occurrence of this Series Pay Out Event by designating a Discount Percentage, causing an increase in the amount of Finance Charge Collections. The Transferor, however, is under no obligation to designate a Discount Percentage and the Issuer can make no assurance that the Transferor would designate a Discount Percentage to avoid a Series Pay Out Event.

Special Fees and Annual Fees

The Originator may charge special fees – including late, over limit and non-sufficient funds fees – on credit card, store card, charge card or instalment credit accounts. These special fees as well as additional special fees may be assessed at one time or on an ongoing basis. Certain of the Receivables assigned or to be assigned to the Receivables Trustee may include annual fees on Designated Accounts. Any special fees and annual fees that are charged on Designated Accounts are generally regarded as Finance Charge Receivables (and will therefore be taken into account in the calculation of Billed Finance Charge Receivables). The Transferor may, however, decide that these special fees or annual fees will be viewed as Principal Receivables (and will therefore not be taken into account in the calculation of Billed Finance Charge Receivables).

Interchange

Members participating in the American Express, Visa and Mastercard associations receive fees as partial compensation for, amongst other things, taking credit risk and absorbing fraud losses. Under the American Express, Visa and Mastercard systems, such fees are passed from the banks that clear the transactions for merchants to card issuing banks. Such fees are calculated as a percentage of the amount of a credit or charge card transaction for the purchase of goods or services. This percentage varies from time to time. The Originator and/or the relevant RPA Counterparties also receive fees directly from certain Retail Partners for whom the Originator provides store card and instalment credit accounts and also for whom it provides credit card accounts when the credit cards issued in respect of those accounts are used to pay for goods and services from such Retail Partners, in each case in payment for such service. These fees, together with the fees received as a result of participation in the American Express, Visa and Mastercard systems, are referred to in this Base Prospectus as "**Interchange**".

On each Transfer Date, the Transferor will deposit into the Receivables Trustee Collection Account an amount equal to the Interchange received in respect of the Designated Accounts for the preceding Collection Period. This amount is called the "**Acquired Interchange**". Interchange is received on a daily basis and is identified on the Originator's System with a flag identifying the product to which it relates. The amount of Acquired Interchange applicable to the Receivables in the trust is arrived at monthly by interrogation of the Originator's System. Interchange relating to Designated Accounts will be deposited in the Receivables Trustee Collection Account.

A "**Transfer Date**" means, in relation to any Monthly Period or Collection Period, unless otherwise specified in the related Supplement with respect to any Series, the Business Day immediately prior to the Distribution Date immediately following the end of such Monthly Period or Collection Period.

Reductions in Receivables, Early Collections and Credit Adjustments

If the outstanding amount of a Principal Receivable that has been assigned to the Receivables Trustee is reduced (a "**Reduction**") – for reasons other than because of a Credit Adjustment – after the date on which it was assigned because of set off, counterclaim or any other matter between the Obligor and the Originator, and the Transferor has received a benefit, then that Receivable will be considered a Dilution Receivable and the associated loss a Dilution Loss. If an existing Receivable has purportedly been assigned to, or held on trust for, the Receivables Trustee and the Transferor has received full or partial payment of that receivable before the date that the receivable was purportedly assigned or a trust declared in respect of it, then the Transferor will pay the amount of that collection to the Receivables Trustee.

If any Principal Receivable assigned to the Receivables Trustee is reduced by way of a Credit Adjustment after the relevant Assignment Date, then that Receivable will also be considered a Dilution Receivable and the associated loss a Dilution Loss. A "**Credit Adjustment**" is the outstanding face amount of a Principal Receivable that:

- (i) was created by virtue of a sale of merchandise that was subsequently refused or returned by an Obligor or against which the Obligor has asserted any defence, dispute, set off or counterclaim;
- (ii) is reduced because the Obligor had received a rebate, refund, charge back or adjustment;
- (iii) is fraudulent or counterfeit; or
- (iv) is an Obligor Claim and is recorded as a reduction on the Principal Collections Ledger.

"Obligor Claims" means complaints, claims, requests for refunds or entitlements of Obligors which result in the making of cash payments to Obligors (or former Obligors) by or on behalf of the Originator, including (without limitation):

- (i) all Obligor claims against the Originator, to the extent that such claims are satisfied by a cash payment and not credited to an Obligor's Account;
- (ii) entitlements of Obligors pursuant to any incentive scheme relating to an Account, to the extent that such entitlements are satisfied by a cash payment and not by a credit to an Obligor's Account; and
- (iii) complaints, claims or requests for refunds which result in the making of ex gratia payments or other payments or refunds to Obligors (or former Obligors) by or on behalf of the Originator, to the extent that such complaints, claims or requests for refunds are satisfied by a cash payment and not by a credit to an Obligor's Account,

If the Servicer determines that a Credit Adjustment or Reduction has occurred in respect of a Receivable, such Receivable will be considered a **"Dilution Receivable"** and to have suffered a **"Dilution Loss"**.

Dilution Losses will first be allocated to the Transferor Interest until the Transferor Interest is reduced to zero and thereafter to the Originator VFN Investor Interest until the Originator VFN Excess Amount is zero. Once the Originator VFN Excess Amount is reduced to zero, any excess Dilution Loss which has not been allocated to the Transferor Interest or the Originator VFN Excess Amount will be allocated to the other Investor Interests (including the Available Originator VFN Subordination for each Series) as set out in *"Series Securitisation Cashflows"* below.

The Transferor or the Servicer may subsequently receive amounts (including via a payment system or from a Retail Partner) in respect of Dilution Losses (such amounts, **"Dilution Refunds"**). Dilution Refunds have been assigned to the Receivables Trustee as set out under *"Assignment of Receivables to the Receivables Trustee"* above.

"Portfolio" means the total portfolio of Accounts from which the Transferor may from time to time nominate Accounts in respect of which Receivables may be offered to the Receivables Trustee.

Acquired Interchange and Dilution Refunds

On each Transfer Date, the Transferor shall notify, or procure that the Servicer notifies, the Receivables Trustee of the amount of Acquired Interchange and Dilution Refunds received by the Originator in respect of the preceding Collection Period, and shall pay to the Receivables Trustee an amount equal to the aggregate of the Acquired Interchange and the Dilution Refunds for that Transfer Date.

Representations

Each offer of Receivables to the Receivables Trustee under the Receivables Securitisation Deed includes representations by the Transferor about the existing Principal Receivables and the future Principal Receivables. The representations for the existing Principal Receivables are given as of the relevant Assignment Date, and the representations for the future Principal Receivables are given on the date they are processed, and include, in each case, that:

- (i) unless identified as an Ineligible Receivable, the Principal Receivable is an Eligible Receivable and has arisen from an Eligible Account in the amount specified in the offer or daily activity report, as applicable;
- (ii) each assignment passes good and marketable title for that Principal Receivable to the Receivables Trustee, together with the benefit of all Collections and other rights in connection with it, free from encumbrances of any person claiming through the Originator or any of its affiliates, subject to any limitations arising on enforcement in the jurisdiction of the relevant Obligor, and no further act, condition or thing will be required to be done in connection therewith to enable the Receivables Trustee to require payment of any such Receivable or to enforce any such right in the courts of England and Wales, Scotland or Northern Ireland or any Permitted Additional Jurisdiction without the participation of the Originator and the Transferor other than:

- (a) the execution of a legal assignment of such Receivable in favour of the Receivables Trustee and notification of such assignment to the relevant Obligor; and
- (b) the joining of the Originator and/or the Transferor as a party to proceedings by the Receivables Trustee against the relevant Obligor;
- (iii) the assignment complies with all applicable laws on the date of assignment, save where any such non-compliance would not have a material adverse effect on the ability of the Originator or the Transferor (as applicable) to conduct its business; and
- (iv) the Originator holds legal title to the Designated Accounts.

If a representation relating to the eligibility criteria given in connection with any Principal Receivable proves to be incorrect when made, then the Transferor is obliged to pay the Receivables Trustee an amount equal to the face value of that Receivable by no later than the Transfer Date following the end of the Collection Period during which such representation becomes known to the Transferor to be incorrect. A Principal Receivable of this type will afterwards be treated as an Ineligible Receivable.

The Transferor's obligation to pay amounts due as a result of any breach of a representation can be fulfilled, in whole or in part, by a reduction in the amount of the Transferor Interest, or the Originator VFN Excess Amount of the Originator VFN Investor Interest. The Transferor Interest and the Originator VFN Excess Amount, however, may not be reduced below zero. If the Transferor meets a payment obligation in this way, the Receivables Trustee will have no further claim against the Transferor for the breached representation. However, a breach of a representation may result in a Series Pay Out Event (see "*Series Securitisation Cashflows – Series Pay Out Events*").

If:

- (i) all Principal Receivables arising under a Designated Account become ineligible as a result of incorrect representations;
- (ii) that account has become a Re-designated Account; and
- (iii) the Transferor has complied with the payment obligations for the Principal Receivables,

then the Transferor can require the Receivables Trustee to reassign or release all those Receivables to the Transferor.

The Receivables Trustee has not made and will not make any initial or periodic examination of the Receivables to determine if they arise on Eligible Accounts or if the Transferor's representations and warranties in respect of them are true.

An Account will be an "**Eligible Account**" if, as at the beginning of the day on the date on which it becomes a Designated Account, it is an Account:

- (a) where the Obligor is an individual;
- (b) which is governed by English law or by the law of another country in the United Kingdom or a Permitted Additional Jurisdiction in respect of which the Servicer has received a legal opinion confirming the assignability or transferability of the receivables arising thereon and in respect of which a Rating Confirmation has been provided;
- (c) which was in existence and maintained with the Originator prior to or at the time of its designation as a Designated Account;
- (d) which is payable in pounds sterling or the lawful currency of a Permitted Additional Jurisdiction (if the Account is in a Permitted Additional Jurisdiction);
- (e) which is governed by a Credit Agreement as amended from time to time, **provided that** no amendments may be made which would alter the governing law of the agreement or adversely affect the assignability thereof or the ability of the Originator to provide, or consent to the provision of, information regarding the relevant Obligor to any person assuming the Originator's rights under

the agreement, and, if acquired by the Originator, the contractual terms of such Credit Agreement are not materially different from one or more of the Originator's standard forms in relation to such matters;

- (f) which is governed in whole or in part by the CCA and creates legal, valid and binding obligations between the Originator and the relevant Obligor and is enforceable against the relevant Obligor in accordance with the Credit Agreement and the CCA, subject to applicable bankruptcy laws, other similar laws affecting creditors' rights, general equitable principles and other limitations on enforcement in the jurisdiction of the relevant Obligor and was created and otherwise complies in all material respects with all other applicable laws;
- (g) where the Obligor's most recent billing address is located in either England, Wales, Scotland, Northern Ireland or in a Permitted Additional Jurisdiction;
- (h) which has not been classified by the Originator as a Cancelled Account or as counterfeit, fraudulent, stolen or lost;
- (i) which has been originated or purchased by the Originator;
- (j) which has been operated by the Originator in all material respects in accordance with the Credit Guidelines; and
- (k) the Receivables in respect of which have not been classified by the Originator as having been charged-off,

provided, however, that, notwithstanding paragraphs (a) to (k) above, an Account will be an Eligible Account if a Rating Confirmation is provided in respect of the designation of such an Account as an Eligible Account.

A "**Permitted Additional Jurisdiction**" is a jurisdiction – other than England, Wales, Scotland and Northern Ireland – agreed by the Transferor and the Receivables Trustee as being acceptable as a Permitted Additional Jurisdiction, **provided that** a Rating Confirmation is provided in respect of designating such jurisdiction as a Permitted Additional Jurisdiction.

A Principal Receivable will be an "**Eligible Receivable**" if it complies with the following criteria as at: (i) in the case of any existing Receivable which is the subject of an Offer made by the Transferor, the relevant Assignment Date in respect of that Offer; or (ii) in the case of any future Receivable, the Date of Processing with respect to the transaction which gives rise to that Receivable:

- (i) it has arisen under an Eligible Account;
- (ii) it was created and otherwise complies in all material respects with all other applicable laws;
- (iii) it (a) was originated by the Originator (or any predecessor in title) in accordance with and is governed by a Credit Agreement without waiver or amendment in any material respect of the following matters: governing law, assignment and disclosure of information to persons who may assume rights under the Credit Agreement, or else, it was originated by the Originator or another originator in all material respects in accordance with and is governed by contractual terms not materially different from those contained in the Credit Agreements in relation to those matters listed previously; (b) is governed in whole or in part by the CCA, and creates legal, valid and binding obligations between the Originator and the relevant Obligor and is enforceable against the relevant Obligor in accordance with the Credit Agreement and the CCA, subject to applicable bankruptcy laws, other similar laws affecting creditor's rights, general equitable principles and other limitations on enforcement in the jurisdiction of the relevant Obligor; and (c) was originated in all material respects in accordance with the Credit Guidelines (or, in respect of a Receivable which has arisen on an Account acquired by the Originator prior to the date of acquisition by the Receivables Trustee, it was, to the best of the Originator's knowledge and belief, originated in all material respects in accordance with the credit guidelines of the originator of such Account);
- (iv) it is free and clear of any encumbrances exercisable against the Originator, the Transferor or the Receivables Trustee arising under or through the Originator or the Transferor (or any of their respective affiliates) and to which, at the time of its creation (or at the time of its acquisition by the

Originator if such Receivable was originated by any person other than the Originator) and at all times thereafter, the Originator, the Transferor or the Receivables Trustee (as applicable) had good and marketable title;

- (v) it constitutes the legal, valid, and binding obligations of the relevant Obligor, enforceable in accordance with the terms of the relevant Credit Agreement, subject only to (a) applicable bankruptcy, insolvency, reorganisation, moratorium or other similar laws affecting the rights of creditors generally and (b) general equitable principles and other limitations on enforcement in the jurisdiction of the relevant Obligor;
- (vi) it is not currently subject to any right of rescission, defence, dispute, set-off, counterclaim or enforcement order; and
- (vii) it has not been waived or modified except as permitted in accordance with the terms of the Receivables Securitisation Deed.

The "**Date of Processing**" means, in respect of any transaction (including, for the avoidance of doubt, receipt of any Collections) in respect of an Account (and, in the case of a transaction relating to Interchange, in respect of all Accounts), the Business Day after the overnight processing which resulted in that transaction being first recorded on the Originator's System (without regard to the effective date of such recording). Any reference to the date on which any Collections or transactions are processed shall be taken as referring to the Date of Processing relative to such Collections or (as the case may be) transactions.

As is market practice in the United Kingdom for credit and charge card securitisation transactions, Principal Receivables that are delinquent will still constitute Eligible Receivables if they comply with the eligibility requirements. See the table captioned "*Delinquency Experience – Total Portfolio*" in "*Portfolio Information – Delinquency and Loss Experience*" in the Final Terms or Drawdown Prospectus for each Series for data showing the historical percentage of delinquent Receivables.

"**Ineligible Receivables**" means Principal Receivables which arise under a Designated Account but which do not comply with all the criteria set out in the definition of Eligible Receivables as at the relevant date specified therein.

Amendments to Credit Agreements and Credit Guidelines

The Originator may amend the terms and conditions of its standard form credit agreements or change its policies and procedures and usual practices for its general credit business (insofar as the Originator is permitted to do so by relevant consumer credit legislation, regulation and guidance). These amendments may (insofar as the Originator is permitted to do so by relevant consumer credit legislation, regulation and guidance and the terms of the relevant credit agreement), include reducing or increasing the amount of monthly minimum required payments or changes to Periodic Finance Charges or other charges that would apply to the Designated Accounts. See "*Risk Factors – A Change in the Terms of the Designated Accounts May Adversely Affect the Amount or Timing of Collections and May Cause an Early Redemption of the Notes or a Downgrade of the Notes*".

Overview of Securitised Portfolio

Each Final Terms or Drawdown Prospectus relating to a Note Series will contain tables summarising information in relation to the Total Portfolio as at a date prior to the Closing Date for such Note Series. The tables will stratify the accounts and associated balances of the Total Portfolio by various criteria. Investors should note that any such information is, at the point at which it is provided, historical and provided in relation to the Total Portfolio (rather than just the Securitised Portfolio). Investors should also note that such information will not be updated and that the composition and performance of the Total Portfolio (and the Securitised Portfolio) will vary over time.

MATURITY ASSUMPTIONS

In respect of a Series, on each Transfer Date during the Controlled Accumulation Period or any Specified Class Controlled Accumulation Period for that Series, as applicable, an amount equal to the Controlled Deposit Amount or the relevant Specified Class Controlled Deposit Amount, as applicable, will, to the extent funds are available for such purpose, be deposited in the relevant Series Principal Funding Ledger of the Receivables Trustee Investment Account and identified as referable to the relevant Classes of that Series, as applicable, until the balance of the relevant Series Principal Funding Ledger equals the relevant Series Investor Interest (other than Class Investor Interests for any Specified Classes within such Series) or the relevant Class Investor Interest for any Specified Class within that Series, as applicable.

Although it is anticipated that, in respect of any Series, Principal Collections will be available on each Transfer Date during the Controlled Accumulation Period and any Specified Class Controlled Accumulation Period to make a deposit of the Controlled Deposit Amount or Specified Class Controlled Deposit Amount, as applicable, and that an amount equal to the relevant Series Investor Interest (other than Class Investor Interests for any Specified Classes within such Series) or the Class Investor Interest for the relevant Specified Class will be paid to the Loan Note Issuer on or immediately prior to the Series Scheduled Redemption Date for such Series or the relevant Specified Class Scheduled Redemption Date, as applicable, allowing the Loan Note Issuer to redeem the Loan Notes in the relevant Loan Note Series (other than any Loan Note of any Specified Class) or the Loan Note which corresponds to the relevant Specified Class, as applicable, in full, no assurance can be given that sufficient Principal Collections will be available. If the amount required to repay the relevant Series Investor Interest (other than the Class Investor Interests relating to any Specified Classes within that Series) in full is not available on the relevant Scheduled Redemption Date, a Series Pay Out Event will occur and the Rapid Amortisation Period for that Series will begin. If the amount required to repay the Class Investor Interest for any Specified Class in full is not available on the relevant Specified Class Scheduled Redemption Date, a Specified Class Rapid Amortisation Period in respect of the relevant Series will begin.

If a Pay Out Event occurs in respect of a Series during the Controlled Accumulation Period or a Specified Class Controlled Accumulation Period, the Rapid Amortisation Period for that Series will begin. In each case, any amount on deposit in the Series Principal Funding Ledger and referable to the relevant Series (or any Class thereof) will be paid to the Loan Note Issuer in respect of the relevant Series Investor Interest (or any Class thereof) on the first Transfer Date relating to the Rapid Amortisation Period for that Series. In addition, to the extent that the Series Investor Interest for each Class has not been distributed in full, the Loan Note Issuer will be entitled to monthly distributions of Principal Collections during the Rapid Amortisation Period for that Series equal to the Available Retained Principal Collections until such Series Investor Interest has been distributed in full. A Pay Out Event occurs when either a Trust Pay Out Event or a Series Pay Out Event for the relevant Series occurs. See *"The Receivables Trust – Trust Pay Out Events"* and *"Series Securitisation Cashflows – Series Pay Out Events"*. If a Pay Out Event occurs, it will automatically trigger the early redemption of the Related Loan Note Series.

Each Final Terms or Drawdown Prospectus will contain a table that presents the highest and lowest Obligor monthly payment rates, and the average Obligor monthly payment rates, for the Total Portfolio (as defined therein) during prior years and, if relevant, the period from the end of the previous year to a date prior to the Closing Date for the relevant Series. These will be calculated as a percentage of total opening Receivables balances during the periods shown. The payment rates will be based on amounts which would be deemed payments of Principal Collections and Finance Charge Collections for the related Accounts.

Collections may vary from month to month due to:

- (i) seasonal variations;
- (ii) promotional offerings – such as payment holidays;
- (iii) general economic conditions (and corresponding rates of defaults, delinquencies and use of payment plans and other collection tools); and
- (iv) payment habits of individual Obligors.

There is no guarantee that the future monthly payment rates for the Securitised Portfolio will be similar to the historical experience set forth in any Final Terms or Drawdown Prospectus or that there will be enough

Principal Collections to deposit the Controlled Deposit Amount or any Specified Class Controlled Deposit Amount, as applicable, into the Series Principal Funding Ledger each month to fully redeem the Notes in the relevant Note Series (other than any Notes in a Specified Class for that Series) or the Notes in any Specified Class for that Series, as applicable, by the relevant Scheduled Redemption Date for such Series or any Specified Class Scheduled Redemption Date. If a Pay Out Event occurs, the average life and maturity of the Notes could be significantly reduced, since Noteholders may start receiving principal distributions before the relevant Scheduled Redemption Date for such Series or any Specified Class Scheduled Redemption Date.

Because a slowdown in the payment rate below the payment rates used to determine the Controlled Deposit Amount and/or any Specified Class Controlled Deposit Amount for each Series, as applicable, may occur or a Pay Out Event may occur which would start the Rapid Amortisation Period, there is no guarantee that the actual number of months elapsed from each Closing Date to the final Distribution Date for the Notes of any Series (or of any Specified Class) will equal the expected number of months. Furthermore, any Specified Class Scheduled Redemption Date may be reset following the service of a Class Reset Notice and/or extended following the service of a Class Extension Notice and a Series Scheduled Redemption Date may be extended following the delivery of a Series Extension Notice, in each case subject to the satisfaction of certain conditions. As described under "*Credit Structure and Cashflows*", if the Servicer shortens the Controlled Accumulation Period or any Specified Class Controlled Accumulation Period for any Series, as applicable, there is no guarantee that there will be enough time to accumulate all amounts necessary to fully repay the Series Investor Interest on the Series Scheduled Redemption Date or any Class Investor Interest for a Specified Class within a Series on the relevant Specified Class Scheduled Redemption Date, as applicable. See "*Risk Factors – Principal on the Notes May be Paid Earlier or Later than Expected if the Transferor Cannot Finance the Creation of New Receivables – Creating a Re-investment Risk to Noteholders*".

RECEIVABLES YIELD CONSIDERATIONS

The gross revenues from finance charges billed to accounts in the Total Portfolio for the most recent available periods will be presented in the Final Terms or Drawdown Prospectus for each Note Series.

Yield information is calculated by allocating cash in priority against finance charges ahead of principal in line with the manner in which the amount of Finance Charge Collections will be calculated under the Transaction Documents. The yield will be affected by many factors, including changes in the delinquency rate on the Receivables and (in the case of credit card and store card accounts) changes in the monthly Periodic Finance Charges on the Receivables and the percentage of Obligor who pay their balances in full each month and do not incur monthly Periodic Finance Charges and (in the case of credit card, store card and charge card accounts) the amount of the annual fees and other fees and (in the case of instalment credit accounts) changes in the percentage of Obligor who prepay their debts. The Transferor is only required to exercise a limited amount of control over the ability of the Originator to change the monthly interest rate applied to the accounts or reduce or eliminate fees on the accounts. See "*Risk Factors – A Change in the Terms of the Designated Accounts May Adversely Affect the Amount or Timing of Collections and May Cause an Early Redemption of the Notes or a Downgrade of the Notes*".

The gross revenue for the Total Portfolio is comprised of monthly Periodic Finance Charges, card fees, special fees, annual fees and Interchange. These revenues vary for each account based on the type and volume of activity for each account. See "*The Securitised Portfolio*".

THE RECEIVABLES TRUST

General Legal Structure

A receivables trust (the "**Receivables Trust**") was constituted pursuant to a receivables trust deed and servicing agreement dated 18 December 2014 (as supplemented, amended and/or restated from time to time, the "**Receivables Trust Deed and Servicing Agreement**") between the Receivables Trustee, the Transferor, the Servicer and the Loan Note Issuer and consists of trusts declared under English law by the Receivables Trustee in favour of the initial beneficiaries. The Loan Note Issuer (in its capacity as an Investor Beneficiary) and NewDay Partnership Transferor plc (in its capacity as Transferor Beneficiary) are the initial beneficiaries (together, the "**Beneficiaries**") of the Receivables Trust. The Receivables Trust was declared for the purposes of the structure described in this Base Prospectus.

The terms and conditions of the Receivables Trust are set out in the Receivables Trust Deed and Servicing Agreement (the principal contents of which are described in this section of this Base Prospectus), as varied and supplemented from time to time by the execution of a supplement thereto relating to each Series (a "**Supplement**"). Under the Receivables Trust Deed and Servicing Agreement, which is governed by English law, the Receivables Trustee declares that it will hold all Trust Property upon the trusts set out in the Receivables Trust Deed and Servicing Agreement for the Transferor Beneficiary and the Investor Beneficiary as the initial Beneficiaries, and for each other person which from time to time becomes an additional beneficiary (an "**Additional Beneficiary**") in accordance with the terms of the Receivables Trust Deed and Servicing Agreement. As of the date of this Base Prospectus, there are no Additional Beneficiaries.

Each Beneficiary (other than the Transferor Beneficiary) will belong to either of two categories of Beneficiary, namely: (i) any person in its capacity as an Investor Beneficiary, or (ii) an Enhancement Provider if the related Supplement provides for that Enhancement Provider to be a Beneficiary. NewDay Partnership Transferor plc, its successors and permitted assignees, in its capacity as holder of the Transferor Interest in the Receivables Trust (the "**Transferor Beneficiary**"), belongs to its own unique category of Beneficiary. Each Series in respect of the Receivables Trust will be established pursuant to a Supplement to the Receivables Trust Deed and Servicing Agreement. Such Supplement (and where such Supplement relates to a Series with a corresponding Note Series, the Final Terms or Drawdown Prospectus in respect of such Note Series) will also specify the Enhancement Provider, if any, with respect to the relevant Series and whether such Enhancement Provider is to be a Beneficiary.

"**Enhancement**" means, with respect to any Series or any Class within such Series, the subordination, cash collateral, guarantee or account, collateral interest, letter of credit, surety bond, insurance policy, spread account, reserve account, cross-support feature or other contract or agreement for the benefit of such Series or class (if any) which is designated as such in the applicable Supplement.

"**Enhancement Provider**" means, with respect to any Series, the person, if any, designated as such in the related Supplement.

"**Investor Beneficiary**" means any person in its capacity as an investor beneficiary of the Receivables Trust, which may include any investor beneficiary subordinate to another investor beneficiary as a provider of Enhancement as specified in any Supplement.

In addition to the Receivables Trust Deed and Servicing Agreement, the initial Beneficiaries entered into a deed dated 18 December 2014 (as supplemented, amended and/or restated from time to time, the "**Beneficiaries Deed**") that sets out the contractual arrangement amongst them in respect of certain commercial decisions (relating to authorisations, consents, waivers or other acts of the Beneficiaries) to be made from time to time in respect of the Receivables Trust Deed and Servicing Agreement and any Supplement thereto. However the terms of the Beneficiaries Deed make clear that it is in no way intended to prejudice the absolute entitlement that each Beneficiary has to Trust Property as described in this Base Prospectus and as set out under the terms of the Receivables Trust Deed and Servicing Agreement and each Supplement nor does it alter or amend the terms of the Receivables Trust.

"**Series**" means, as the context requires:

- (a) with respect to an Investor Beneficiary (and, where appropriate, an Enhancement Provider), the relevant beneficial entitlement acquired by it under the Receivables Trust (as a result of making a

Contribution funded by the issue of a Loan Note or as otherwise specified in the relevant Supplement); and/or

- (b) the Related Debt and/or Associated Debt which is referred to in the applicable Supplement as appertaining to the relevant Series.

Contributions to Trust Property and Disposals of Beneficial Entitlement

An existing Investor Beneficiary may increase its existing beneficial interest in the Receivables Trust (or, with the prior written consent of all existing Beneficiaries, a person may become an Additional Beneficiary of the Receivables Trust):

- by making a payment to the Receivables Trustee as a contribution to Trust Property; or
- by such other method (subject to the provision of a Rating Confirmation) as the existing Beneficiaries may agree between themselves and jointly direct the Receivables Trustee to implement,

(in each case, a "**Contribution**", **provided that** no payment of Additional Funds shall be regarded as a Contribution) (the Beneficiaries Deed provides that the Investor Beneficiaries shall promptly give consent to a Contribution in accordance with the terms of any request from the Transferor Beneficiary). In addition, an existing Investor Beneficiary (or an Additional Beneficiary, with the prior written consent of all existing Beneficiaries) may increase its existing beneficial interest in the Receivables Trust by acquiring a portion or all of a Beneficiary's beneficial interest in the Receivables Trust from that Beneficiary.

Special rules apply to any Contribution (a "**VFN Contribution**") which is funded by a further drawing under any Related Debt that forms part of a VFN Series in accordance with the terms of the relevant Supplement. A "**VFN Series**" is a Series (such as Series VFN-P1 and Series VFN-P2) in which the Related Debt comprises one or more Loan Notes which may, in accordance with their terms, periodically have their Principal Amount Outstanding (as defined in the Security Trust Deed and Cash Management Agreement) increased or decreased at the option of the Loan Note Issuer.

The beneficial interest in the Receivables Trust created by each Contribution or disposal shall be evidenced in the Trust Register.

If a Contribution (other than a VFN Contribution) is to take place, a new Supplement to the Receivables Trust Deed and Servicing Agreement will govern the beneficial entitlement in the Receivables Trust (the "**Investor Interest**") that will be created by such Contribution and will set out the related set of financial calculations that will be required in relation to the relevant Series. The Investor Interest with respect to any Series (which will have notional Classes (and/or Sub-Classes) of Investor Interest within it) is called the "**Series Investor Interest**".

An Investor Beneficiary or Enhancement Provider may be a beneficiary in respect of more than one Series. If an Investor Beneficiary is to become a beneficiary in respect of more than one Series, it shall do so by, from time to time, making a further Contribution to the Receivables Trust and entering into a new Supplement, in respect of the new Series, which will have the effect of increasing its Investor Interest. Such increase shall be evidenced in the Trust Register and the aggregate amount of such Investor Beneficiary's increased interest in the Receivables Trust is referred to as the "**Aggregate Investor Interest**". On each Closing Date, it is anticipated that the Loan Note Issuer will become the Investor Beneficiary in respect of the new Series, in addition to the other Series in respect of which the Loan Note Issuer is, as at such Closing Date, already an Investor Beneficiary. As at the date of this Base Prospectus, the Loan Note Issuer is the Investor Beneficiary in respect of a number of outstanding Series, including the Originator VFN Series (see "*Series Currently in Issue*" for details).

The proceeds of any Contribution made by the Investor Beneficiary in respect of a Series shall be credited to the Receivables Trustee Investment Account and thereafter shall be applied for one or more of the following purposes:

- (a) redeeming any then outstanding Series (including any VFN Series, which may be redeemed in whole or in part), in which case the relevant proceeds shall be credited to the principal funding ledger of the existing Series (for the benefit of that Series) and thereafter applied to redeem the relevant Series;

- (b) increasing the amount of Cash Available for Investment, in which case the relevant proceeds may be used, amongst other things, to reduce the size of any Investor Interest (including the Originator VFN Excess Amount) and/or the Transferor Interest or to fund the purchase price for any Receivables acquired by the Receivables Trustee, in each case subject to the applicable principles and constraints specified in the Transaction Documents; and/or
- (c) any other purpose permitted by the Transaction Documents and specified in the relevant Final Terms or Drawdown Prospectus in respect of the relevant Series.

No Investor Beneficiary may transfer, assign, exchange, place in any custodial arrangement for security purposes or otherwise convey or dispose of its beneficial entitlement (including any Investor Interest comprised therein) in the Receivables Trust (each a "**Disposal**") or create or grant any encumbrance thereover (save as specified otherwise in any Supplement) unless (i) the person to whom the Disposal is made is already a Beneficiary immediately prior to the making of such Disposal or (ii) the Receivables Trustee shall have received prior written confirmation from the person to which such Disposal is to be made, or in whose favour an encumbrance is to be granted or created, that such person (A) is resident for United Kingdom tax purposes in the United Kingdom or (B) such Additional Beneficiary is a bank as defined for the purposes of Section 879 of the Income Tax Act 2007, and, in each case, such Additional Beneficiary will be within the charge to United Kingdom corporation tax as respects all amounts regarded as interest for United Kingdom Tax purposes received by it in respect of the relevant Investor Interest, **provided, however, that**, where such Disposal or creation or grant of an encumbrance by an Investor Beneficiary is for the purpose of any security assignment or security interest granted to a security trustee under a supplement to the Security Trust Deed and Cash Management Agreement, the provisions of (i) and (ii) above shall not apply and the relevant Investor Beneficiary shall continue to be considered the Beneficiary of the Receivables Trust regardless of such assignment or interest until an Enforcement Notice is served by the Security Trustee under the terms of the relevant supplement to the Security Trust Deed and Cash Management Agreement.

The Transferor Beneficiary may make a Disposal of or create or grant any encumbrance over, the whole or any part of the Transferor Interest, **provided, however, that**: (i) any such encumbrance is granted for the purpose of securing inter-company indebtedness arrangements entered into by the Transferor with any of its affiliates; or (ii) a Rating Confirmation is provided in respect of such Disposal or encumbrance.

The Transferor Beneficiary may also make a Disposal of the Transferor Interest pursuant to a transfer of the whole or substantially the whole of its properties and assets to any person, **provided, however, that** such person shall also expressly assume the duties and obligations of the Transferor and Transferor Beneficiary (as applicable) under the Relevant Documents and shall be the relevant person in respect of which the occurrence of any Pay Out Insolvency Event in respect of the "Transferor" shall be determined.

The Receivables Trustee will annotate the Trust Register in respect of any new Series only when the Receivables Trustee has first received:

- (i) a Supplement specifying the principal terms of the Series executed by the parties thereto (including the Transferor Beneficiary, all Investor Beneficiaries and the Receivables Trustee). Each Supplement shall specify the principal terms for the Series which it constitutes. The principal terms of a Series will be defined such that each Series has an accumulation period and/or amortisation period for the payment of principal which may have a different length and begin on a different date than such period for any other Series. One or more Series may be in their amortisation or accumulation periods when other Series are not. Moreover, each Series may have the benefit of Enhancement which is available only to such Series. The Receivables Trustee shall hold any such form of Enhancement only on behalf of the Series with respect to which it relates. For the purposes of calculation, certain Series may be subordinated to other Series and notional classes or sub-classes established for calculation purposes within a Series may have different priorities. Whether or not a Series, or any notional class or sub-classes within a Series, is subordinated will be set out in the related Supplement. There is no limit on the number of Contributions that may be made to the Receivables Trust or the number of Additional Beneficiaries that may be added;
- (ii) any funds or assets forming part of the applicable Enhancement, if any;
- (iii) the agreement, if any, pursuant to which the Enhancement Provider, if any, agrees to provide Enhancement;

- (iv) a solvency certificate from the Transferor;
- (v) written confirmation from each relevant Rating Agency that the Contribution will not result in such Rating Agency reducing or withdrawing its then current rating on any outstanding Rated Debt (which confirmation shall be deemed to have been given by any Rating Agency which provides a rating of any Rated Debt issued to fund the new Contribution); and
- (vi) written confirmation from each Additional Beneficiary and Enhancement Provider in respect of the new Series, if any, that either (A) such Additional Beneficiary or Enhancement Provider is resident in the United Kingdom for United Kingdom tax purposes or (B) such Additional Beneficiary or Enhancement Provider is a bank as defined for the purposes of Section 879 of the Income Tax Act 2007, and, in each case, such Additional Beneficiary or Enhancement Provider will be within the charge to United Kingdom corporation tax as respects all amounts regarded as interest for United Kingdom tax purposes received by it in respect of its Contribution or Enhancement (as appropriate).

The Receivables Trustee will be entitled to execute a Supplement if it obtains the consent of all the Beneficiaries to the Receivables Trust (such consent to be evidenced by each Beneficiary executing such Supplement).

A further drawing in respect of any Series that is a VFN Series in accordance with its terms will result in the making of a Contribution but shall not be subject to the requirements set out above in respect of new Series.

General Entitlement of Beneficiaries to Trust Property

By making Contributions to the Receivables Trust, the Transferor Beneficiary and each Investor Beneficiary will have an undivided interest in the Receivables Trust, as referred to above. However, in addition to Trust Property that is held by the Receivables Trustee on an undivided basis for all Beneficiaries, certain Trust Property (including amounts of cash) may be held in bank accounts or ledgers within bank accounts on a segregated basis for a particular Beneficiary only and may be held in respect of a particular Series only.

Broadly, Trust Property comprises:

- a pool of Eligible Receivables and Finance Charge Receivables together with Collections in respect thereof, any unutilised Cash Available for Investment and any amounts paid by a Beneficiary as a Contribution (the "**Undivided Bare Trust**" and Trust Property therein being "**Undivided Bare Trust Property**") held on an undivided basis for each Investor Beneficiary and the Transferor Beneficiary in accordance with their respective beneficial interests as determined by the Receivables Trust Deed and Servicing Agreement and each Supplement thereto;
- a pool of Ineligible Receivables and Ineligible Collections related to such Ineligible Receivables (the "**Ineligibles Bare Trust**" and Trust Property therein being "**Ineligibles Bare Trust Property**") held on a segregated basis for the sole benefit of the Transferor Beneficiary;
- property specifically allocated in accordance with the Receivables Trust Deed and Servicing Agreement and each Supplement thereto to be held on a segregated basis for each Investor Beneficiary or the Transferor Beneficiary (as the case may be) (the "**Segregated Bare Trust**" and Trust Property therein being "**Segregated Bare Trust Property**") held on a segregated basis for the sole benefit of the relevant Beneficiary in accordance with the Receivables Trust Deed and Servicing Agreement or the relevant Supplement;
- property which derives from Additional Funds (other than Additional Funds "Trustee Payments" and Additional Funds "Loss Make-Up") received by the Receivables Trustee as additional funds and paid by an Investor Beneficiary as further consideration for the grant of its Investor Interest pursuant to the terms of each relevant Supplement (the "**Deferred Payment Bare Trust**" and Trust Property therein being "**Deferred Payment Bare Trust Property**"), which will be held on a segregated basis for the sole purpose of paying Deferred Consideration to the Transferor in accordance with the terms of the Receivables Securitisation Deed and each relevant Supplement; and

- other property which is expressly segregated by the Receivables Trustee for the benefit of any other Beneficiary according to the terms of any Supplement (each an "**Other Trust**" and Trust Property therein being "**Other Trust Property**") held on a segregated basis for the relevant Beneficiary.

"**Additional Funds "Loss Make-Up"**" means all amounts of Additional Funds which are so characterised pursuant to any Supplement (including all amounts of Additional Funds which are characterised pursuant to any Supplement as "**Refunded Utilised Principal Collections**"), in each case as more particularly specified in the relevant Supplement.

"**Additional Funds "Trustee Payments"**" means all amounts of Additional Funds which are paid to the Receivables Trustee and which fall within any of the following categories (each as defined in the relevant Supplement): "Investor Aggregate Trustee Payment Amount", "Investor Servicing Fee Amount" and any other categories of a similar nature.

See "*Series Securitisation Cashflows*" for a description of the beneficial entitlement of the Loan Note Issuer as the Investor Beneficiary for a Series to Receivables and for a description of the manner in which calculations will be made and Collections will be distributed to the Loan Note Issuer in such capacity.

The Transferor in its capacity as such will have no beneficial entitlement under the Receivables Trust to Excess Spread but will be contractually entitled, in its capacity as Transferor, to receive payment of amounts from the Receivables Trustee equal to amounts of Excess Spread paid by the Investor Beneficiaries to the Receivables Trustee as additional consideration for the granting of their Investor Interests. The Transferor will receive such payments from the Receivables Trustee as "**Deferred Consideration**" under the terms of the Receivables Securitisation Deed.

The beneficial entitlement of the Transferor Beneficiary at any time is:

- (i) in respect of Undivided Bare Trust Property, excluding Finance Charge Collections, Acquired Interchange and income on Permitted Investments, that proportion which the Adjusted Transferor Interest bears to the sum of the Combined Aggregate Adjusted Investor Interest and the Adjusted Transferor Interest, except that, if at any time the Adjusted Transferor Interest is zero or would, when aggregated with the Originator VFN Excess Amount, if reduced further be below the Minimum Transferor Interest, and the Undivided Bare Trust Property at that time includes Principal Collections which would otherwise be distributed to the Transferor, such Principal Collections shall be identified as Unavailable Principal Collections and shall be retained by the Receivables Trustee until such time as either they can be utilised in accordance with the provisions of the Receivables Trust Deed and Servicing Agreement (or in accordance with the terms of any Supplement) or the Transferor Interest is greater than zero and can be reduced without, when aggregated with the Originator VFN Excess Amount, falling below the Minimum Transferor Interest;
- (ii) in respect of Undivided Bare Trust Property which consists of Finance Charge Collections, Acquired Interchange and income on Permitted Investments, the Floating Transferor Percentage for that Collection Period in which such Finance Charge Collections, Acquired Interchange and income on Permitted Investments arise;
- (iii) all Ineligibles Bare Trust Property comprised of the Ineligible Receivables and all Ineligible Collections related to such Ineligible Receivables; and
- (iv) in respect of Deferred Payment Bare Trust Property, any Trust Property held in the Deferred Payment Bare Trust.

"**Adjusted Transferor Interest**" means, in relation to the Transferor Beneficiary at any time, the sum of:

- (i) the amount of any cash contribution by the Transferor Beneficiary to the Receivables Trust (excluding, for the avoidance of doubt, any Transferor Servicing Fee Amount); and

- (ii) the aggregate of the Outstanding Face Amount (as at the time of assignment) of Receivables that are Principal Receivables assigned by the Transferor as Eligible Receivables to the Receivables Trustee as reduced by the aggregate of:
- (a) the total consideration received by the Transferor in cash for the Eligible Receivables (excluding any amount received as Deferred Consideration);
 - (b) Principal Collections distributed to the Transferor Beneficiary and other principal amounts distributed to the Transferor Beneficiary from the Receivables Trustee Investment Account, in each case in respect of Eligible Receivables;
 - (c) the proportionate share of Eligible Receivables that are Defaulted Receivables allocated to the Transferor Beneficiary pursuant to the terms of the Receivables Trust Deed and Servicing Agreement and any Supplement; and
 - (d) reductions of the Transferor Interest to satisfy the payment obligations of the Transferor Beneficiary (in its capacity as Transferor), being payment obligations which arise from Ineligible Receivables or in respect of a Credit Adjustment or Reduction,

and as increased by the aggregate of any Dilution Refunds paid into the Receivables Trustee Collection Account, **provided that**, for the avoidance of doubt, in calculating the amount of the Adjusted Transferor Interest, the amount of any given payment shall not be deducted more than once.

"**Aggregate Adjusted Investor Interest**" means, at any time, in respect of an Investor Beneficiary, the sum of the Adjusted Investor Interests of all Outstanding Series in respect of such Investor Beneficiary and "**Combined Aggregate Adjusted Investor Interest**" means, at any time, the sum of the Aggregate Adjusted Investor Interests for all Investor Beneficiaries. For the definition of Adjusted Investor Interest with respect to any Series, see "*Series Securitisation Cashflows*".

"**Floating Transferor Percentage**" means, in respect of any Collection Period and in respect of the Transferor, the percentage resulting from the calculation of (1) 100 per cent. *minus* (2) the aggregate of the Floating Investor Percentages of each Investor Beneficiary.

The Transferor is not beneficially entitled to investment earnings on Permitted Investments made using monies deposited in the Trust Accounts (and ledgers therein) held on segregated trust on a segregated basis for a particular Investor Beneficiary only. However, the Transferor will have the right to payments of Deferred Consideration from the Receivables Trustee. The payments of Deferred Consideration will include, *inter alia*, amounts equal to monies distributed by the Receivables Trustee to the Investor Beneficiaries as earnings on Permitted Investments, made using monies deposited in the Trust Accounts, unless the relevant Supplement for a particular Series states otherwise.

"**Outstanding Series**" means, with respect to any date of determination, a Series with an Investor Interest of greater than zero.

"**Permitted Investments**" means any one or more of the following:

- (a) demand or time deposits made with, or certificates of deposit and other short-term unsecured debt obligations issued by, a financial institution, **provided that**, in each case, at the time the deposit is made or the certificate or obligation is acquired, the then current rating from each Rating Agency which then rates any outstanding Rated Debt of the unsecured and unguaranteed debt obligations of that institution (or, where the investment in question is guaranteed, of the guaranteeing institution) is (i) at least A-1 short-term or (where no short-term rating is available) at least A+ long-term from S&P, at least P-1 short-term or (where no short-term rating is available) at least A1 long-term from Moody's, at least F1 short-term or (where no short-term rating is available) at least A long-term from Fitch, at least A or R-1 (middle) by DBRS, or (ii) consistent with such other rating as is consistent with the then prevailing published rating criteria of the relevant Rating Agency; or
- (b) short-term unsecured debt obligations (including commercial paper) issued by a body corporate, **provided that**, in each case, at the time the obligation is acquired, the then current rating from each Rating Agency which then rates any outstanding Rated Debt of the unsecured and

unguaranteed debt obligations of that body corporate (or, where the debt obligations in question are guaranteed, of the guaranteeing institution) is (i) at least A-1 short-term or (where no short-term rating is available) at least A+ long-term from S&P, at least P-1 short-term or (where no short-term rating is available) at least A1 long-term from Moody's, at least F1 short-term or (where no short-term rating is available) at least A long-term from Fitch, at least A or R-1 (middle) by DBRS, or (ii) consistent with such other rating as is consistent with the then prevailing published rating criteria of the relevant Rating Agency,

provided that no withholding or deduction for or on account of Tax will be made on any payments of interest or principal in respect of any such investment (except that, where any withholding or deduction on interest results in a net amount of interest being paid which the Servicer considers is a reasonable return for the amount of principal invested, such an investment would not result in a breach of this proviso), and **provided further that** no such instrument will be a volatile instrument (as specified in the Rating Agencies' published criteria) and/or an instrument issued by a mutual fund or similar investment vehicle, and **provided further that** each such instrument shall mature, or be capable of realisation, at the latest on the Business Day preceding the following Transfer Date so that such funds will be available for withdrawal on or prior to the following Transfer Date.

"Transferor Interest" means, on any date of determination, the Adjusted Transferor Interest for the Transferor Beneficiary.

Without prejudice to the above, each Beneficiary will be entitled to all Trust Property from time to time which is expressly held on bare trust for the sole benefit of such Beneficiary.

Allocation and Application of Collections

Pursuant to an account bank agreement dated 18 December 2014 with, amongst others, the Receivables Trustee Account Bank (the "**Receivables Trustee Account Bank Agreement**"), the Receivables Trustee has opened and will maintain an account (the "**Receivables Trustee Collection Account**") at a Qualified Institution (currently Citibank, N.A., London Branch) in which there is established a Principal Collections Ledger and a Finance Charge Collections Ledger to which Principal Collections and Finance Charge Collections are credited respectively. The Receivables Trustee has also established a "**Receivables Trustee Consideration Ledger**" in the Receivables Trustee Collection Account to which are credited all amounts of Additional Funds (other than Additional Funds "Loss Make-Up" and Additional Funds "Trustee Payments") payable to the Receivables Trustee and any amounts due to be applied as Deferred Consideration.

Pursuant to the Receivables Trustee Account Bank Agreement, the Receivables Trustee has opened and will maintain an account (the "**Receivables Trustee Investment Account**") at a Qualified Institution (currently Citibank, N.A., London Branch).

The Receivables Trustee may also open additional trust accounts from time to time at a Qualified Institution for the benefit of specific Beneficiaries (each an "**Additional Trust Account**").

The Receivables Trustee Collection Account, the Receivables Trustee Investment Account and any Additional Trust Accounts are collectively referred to as the "**Trust Accounts**". The Receivables Trustee, as trustee of the Receivables Trust, possesses all legal right, title and interest in all funds on deposit from time to time in each Trust Account and in all proceeds thereof. The Trust Accounts are located in the United Kingdom.

The Receivables Trustee has directed the Transferor that (subject to the provisions of certain monthly cash settlement arrangements between the Transferor and the Receivables Trustee) Finance Charge Collections and Principal Collections held on trust in the Transferor Collection Account for the benefit of the Receivables Trustee are to be transferred to the Receivables Trustee Collection Account as soon as practicable following receipt by the Transferor. The Receivables Trustee must regard all monies in the Receivables Trustee Collection Account as Collections in respect of Receivables assigned to the Receivables Trust unless the Servicer has notified the Receivables Trustee that part or all of such monies have been incorrectly paid into such account ("**Incorrect Payments**"). Following any deduction of an amount of Incorrect Payments incorrectly allocated as Finance Charge Collections from Finance Charge Collections, such amount of Incorrect Payments incorrectly allocated as Finance Charge Collections, if any, shall be treated as having been repaid.

If from time to time any Dilution Refund is received by the Receivables Trustee, the size of the Undivided Bare Trust and the Transferor Interest in the Undivided Bare Trust shall be increased by such amount and such Dilution Refund shall be treated as a Principal Collection and distributed accordingly in accordance with the terms the Receivables Trust Deed and Servicing Agreement and the relevant Supplements.

The Outstanding Face Amount of all Eligible Receivables taken into account for the purposes of calculating the Eligible Receivables Balance will be reduced by the amount of any credit balances on Designated Accounts, but the Eligible Receivables Balance will be increased to the extent of any amounts held by the Originator in the Originator Ring-fenced Account in respect of such credit balances.

"Billed Finance Charge Receivables" means, in respect of a Collection Period, Finance Charge Receivables reported as being billed in respect of all Designated Accounts during such Collection Period, plus any Discount Option Receivables arising on any Designated Accounts during such Collection Period, less, in each case, any such Receivables arising on an Account which was already or, prior to the end of that Collection Period, became a Defaulted Account.

"Dilution Refunds" means all amounts received by the Transferor or the Servicer (including via a payment system or from a Retail Partner) in respect of a Dilution Loss.

"Finance Charge Collections", in respect of any Collection Period, means an amount equal to:

- (a) the lesser of (i) Billed Finance Charge Receivables for the immediately preceding Collection Period; and (ii) the amount of Collections received during the Collection Period (such that, on any Relevant Date during such Collection Period, the amount of Finance Charge Collections received during that Collection Period as at such date shall be equal to all Collections received during such Collection Period up to such date until an amount of Collections equal to the Billed Finance Charge Receivables has been received and, thereafter, all further Collections shall be Principal Collections); and
- (b) such other amount of Collections received in or in respect of such Collection Period as may be specified as being Finance Charge Collections in relation to a particular Series, including Transferor Advances made pursuant to the RTDSA Transferor Advance Addendum received in respect of the relevant Collection Period (even if they are received after the end of such Collection Period),

provided that the amount of Finance Charge Collections shall be reduced for the purposes of any calculation hereunder or in respect of any Supplement on any date of determination by the amount of any Incorrect Payments previously incorrectly allocated as Finance Charge Collections which are to be repaid on such date of determination.

"Ineligible Receivables Pool" means the Outstanding Face Amount of all Ineligible Receivables assigned or purported to be assigned to the Receivables Trustee (or other property which is deemed to represent such Receivables) which constitute part of the Trust Property subject to any reduction from time to time under the Receivables Trust Deed and Servicing Agreement.

"Principal Collections" means Collections in respect of Eligible Receivables other than Finance Charge Collections, but, for the avoidance of doubt, shall not include Collections in respect of Defaulted Receivables.

"Transferor Collection Account" means the account held for the purposes of receiving Collections in accordance with the terms of the Receivables Securitisation Deed.

"Transferor Ineligible Interest" means, on any date of determination, the aggregate amount of the Ineligible Receivables Pool.

If from time to time Collections paid into the Receivables Trustee Collection Account representing Collections in respect of Ineligible Receivables ("**Ineligible Collections**") have been initially considered to be Principal Collections in respect of Eligible Receivables ("**Allocated Ineligible Collections**") and incorrectly allocated in accordance with the terms of the Receivables Trust Deed and Servicing Agreement (and any Supplement thereto) then, upon prompt notification to the Receivables Trustee by the Servicer that Allocated Ineligible Collections have been so allocated as Principal Collections in respect of Eligible Receivables, the Receivables Trustee shall apply Trust Property in a manner consistent with the principles

set out in the Receivables Trust Deed and Servicing Agreement (as amended by any Supplement) to reapply such Allocated Ineligible Collections correctly and amend its records so that the Ineligible Receivables Pool is decreased by the amount of adjustments in respect of Incorrect Payments previously allocated as Collections and Allocated Ineligible Collections. The Transferor Ineligible Interest in the Ineligibles Bare Trust Property and the Transferor Interest in the Undivided Bare Trust Property shall each be adjusted by the amount of such adjustments with respect to Incorrect Payments, Ineligible Collections and Ineligible Receivables.

Principal Receivables which are Eligible Receivables and which become Receivables in a Defaulted Account are allocated between the Transferor Beneficiary and each Investor Beneficiary in respect of each Series in accordance with their respective Floating Percentages at that time. Credit Adjustments and Reductions in respect of Principal Receivables are allocated to the Transferor Beneficiary as a reduction of the Transferor Interest until such time as the Transferor Interest reaches zero (but only to the extent that the Transferor does not make payment in respect of such Credit Adjustments and Reductions) and thereafter reduces the Originator VFN Excess Amount (see "*The Receivables – Reductions in Receivables, Early Collections and Credit Adjustments*"). Principal Receivables which are Ineligible Receivables and which become Receivables in Defaulted Accounts reduce the Transferor Ineligible Interest until such time as the Transferor Ineligible Interest reaches zero.

"**Floating Percentage**" means a Floating Investor Percentage or the Floating Transferor Percentage.

Collections representing Trust Property are allocated as Principal Collections, Finance Charge Collections or Ineligible Collections. If a Discount Percentage is nominated by the Transferor (see "*The Receivables – Discount Option Receivables*"), the resulting Discount Option Receivables will be treated as Finance Charge Receivables, and the resulting increase in Billed Finance Charge Receivables will result in a corresponding amount of Collections which would otherwise be treated as Principal Collections being treated as Finance Charge Collections.

Unless specified otherwise in the related Supplement, each Series is or will be entitled to varying percentages of Principal Collections and Finance Charge Collections and will be allocated percentages of losses in respect of Default Amounts in Defaulted Accounts, in each case calculated in accordance with the Supplement applicable to such Series, on a *pari passu* basis with each other Series and the Transferor Beneficiary. Also, as noted above, if so specified in the related Supplement, each Series is or will be entitled to a portion of Acquired Interchange in respect of each Collection Period. To the extent that any Acquired Interchange is not allocated to all such Series, such Acquired Interchange will be allocated to the Transferor Beneficiary.

The Transferor is entitled to receive, as Deferred Consideration from the Receivables Trustee, amounts equal to those amounts of Finance Charge Collections and Acquired Interchange distributed with respect to any Series that are not utilised by the relevant Investor Beneficiary (whether or not such Investor Beneficiary is the Investor Beneficiary in relation to such Series) or any Enhancement Provider as specified pursuant to the related Supplement but which are paid to the Receivables Trustee by such Investor Beneficiary or Enhancement Provider as Additional Funds (other than Additional Funds "Trustee Payments" and Additional Funds "Loss Make-Up"). The entitlement of the Investor Beneficiary (in respect of its Investor Interest relating to a Series) to Principal Collections, Finance Charge Collections and Acquired Interchange is or will be specified in the related Supplement.

Certain obligations on the part of the Transferor to make a payment to the Receivables Trustee pursuant to the Receivables Securitisation Deed, in respect of Principal Receivables in respect of which a breach of warranty has occurred, may be fulfilled by a reduction of the Transferor Interest and, in addition, where appropriate, by an increase in the Transferor Ineligible Interest; **provided, however, that**, in the event and to the extent the Transferor Interest would be reduced below zero, the Transferor must make a corresponding payment to the Receivables Trustee in accordance with the provisions of the Receivables Trust Deed and Servicing Agreement and the Receivables Securitisation Deed.

The Servicing Fee is payable by the Receivables Trustee to the Servicer. The Receivables Trustee is entitled to be reimbursed for its payments to the Servicer from payments made by the Beneficiaries to the Receivables Trustee. Each Beneficiary may utilise Trust Property allocated to such Beneficiary to make such payment.

In accordance with the preceding summary of general principles, the Receivables Trustee makes the following daily (unless otherwise stated) transfers of monies from, or on a daily basis identifies and credits to separate ledgers in, the Receivables Trustee Collection Account as follows:

- (i) ***Incorrect Payments***: the amount of any Incorrect Payments notified to the Receivables Trustee not previously allocated as Collections representing Trust Property shall be transferred to an account in the name of the Transferor utilised to receive amounts owing to the Transferor from the Receivables Trustee (the "**Transferor Receipts Account**"), whereupon such monies cease to be Trust Property and are owned by the Transferor absolutely;
- (ii) ***Obligor Claims***: the amount of any Obligor Claims paid in cash by or on behalf of the Originator, as notified to the Receivables Trustee, shall be transferred to the Transferor Receipts Account, whereupon such monies shall cease to be Trust Property and shall be owned by the Transferor Beneficiary absolutely (and a corresponding adjustment shall be made to the Finance Charge Collections Ledger in the Receivables Trustee Collection Account until such time as no amounts are recorded on the Finance Charge Collections Ledger and thereafter a corresponding adjustment shall be made to the Principal Collections Ledger in the Receivables Trustee Collection Account, **provided that** no such adjustments shall be in an amount greater than the amount of any Obligor Claims and neither the Finance Charge Collections Ledger nor the Principal Collections Ledger shall have a balance of less than zero recorded);
- (iii) ***Ineligible Collections***: the amount of Ineligible Collections notified to the Receivables Trustee not previously allocated as Principal Collections shall be transferred to the Transferor Receipts Account, whereupon such monies shall cease to be Trust Property and shall be owned by the Transferor Beneficiary absolutely;
- (iv) ***Series Principal Collections***: the relevant amount of Principal Collections to be credited to the Principal Collections Ledger, as specified in or pursuant to the related Supplement for the applicable Series, shall be retained in the Receivables Trustee Collection Account (and a corresponding adjustment shall be made to the Principal Collections Ledger in the Receivables Trustee Collection Account);
- (v) ***Cash Available for Investment***: subject to any provisions of any Supplement which require any amounts to be retained in the Principal Collections Ledger (whether on account of Required Retained Principal Collections (as defined in the related Supplement for each Series) or otherwise), or, as the case may be, distributed from the Principal Collections Ledger (other than to the Receivables Trustee Investment Account), the amount of any Principal Collections remaining after the application of paragraphs (i) to (iv) above (which remaining amount shall constitute Cash Available for Investment) shall be credited to the Receivables Trustee Investment Account (and a corresponding adjustment shall be made to the Principal Collections Ledger in the Receivables Trustee Collection Account);
- (vi) ***Transferor Finance Charge Amount***: an amount equal to the product of (1) the Floating Transferor Percentage for the Collection Period in which such Finance Charge Collections arise, and (2) the aggregate amount of Finance Charge Collections in respect of the relevant Date of Processing (the "**Transferor Finance Charge Amount**") shall be credited to the Transferor Receipts Account or as the Transferor Beneficiary may direct (and a corresponding adjustment shall be made to the Finance Charge Collections Ledger in the Receivables Trustee Collection Account), whereupon such monies shall cease to be Trust Property and shall be owned by the Transferor Beneficiary absolutely;
- (vii) ***Transferor Acquired Interchange Amount***: on each Transfer Date, an amount equal to the product of (1) the Floating Transferor Percentage for the Collection Period preceding such Transfer Date, and (2) the aggregate amount of Acquired Interchange deposited by the Transferor in the Receivables Trustee Collection Account in respect of the relevant Collection Period (the "**Transferor Acquired Interchange Amount**") shall be credited to the Transferor Receipts Account or as the Transferor Beneficiary may direct (and a corresponding adjustment shall be made to the Finance Charge Collections Ledger in the Receivables Trustee Collection Account), whereupon such monies shall cease to be Trust Property and shall be owned by the Transferor Beneficiary absolutely;

(viii) **Investor Finance Charge Amount:** in respect of each Investor Beneficiary, an amount equal to the product of:

- (1) the sum of the Floating Investor Percentages in respect of all Outstanding Series for the relevant Investor Beneficiary for the Collection Period in which such Finance Charge Collections arise, and
- (2) the aggregate amount of Finance Charge Collections in respect of the relevant Date of Processing,

(the "**Investor Finance Charge Amount**") shall be transferred in accordance with the relevant Supplement in relation to the amounts thereof referable to the Series in respect of which the relevant Investor Beneficiary is the Investor Beneficiary (and a corresponding adjustment shall be made to the Finance Charge Collections Ledger in the Receivables Trustee Collection Account), whereupon such monies shall cease to be Undivided Bare Trust Property and shall be owned by the relevant Investor Beneficiary absolutely;

(ix) **Investor Acquired Interchange Amount:** on each Transfer Date, in respect of each Investor Beneficiary, an amount equal to the product of:

- (1) the sum of the Floating Investor Percentages in respect of all Outstanding Series for the relevant Investor Beneficiary for the Collection Period preceding the Transfer Date; and
- (2) the aggregate amount of Acquired Interchange deposited by the Transferor in the Receivables Trustee Collection Account in respect of the relevant Collection Period,

(the "**Investor Acquired Interchange Amount**"), shall be transferred in accordance with the relevant Supplement, in relation to the amounts thereof referable to the Series in respect of which that relevant Investor Beneficiary is the Investor Beneficiary (and a corresponding adjustment shall be made to the Finance Charge Collections Ledger in the Receivables Trustee Collection Account), whereupon such monies shall cease to be Undivided Bare Trust Property and shall be owned by the relevant Investor Beneficiary absolutely; and

(x) **Amounts remaining:** amounts remaining in the Receivables Trustee Collection Account after the application of monies referred to above and in any Supplement shall either (1) remain deposited in the Receivables Trustee Collection Account until such time as they are utilised on succeeding Business Days in accordance with the Receivables Trust Deed and Servicing Agreement and any Supplement, or (2) be invested in Permitted Investments.

Application of Cash Available for Investment, Initial Payments, Payment for Future Receivables

During each Revolving Period, Accumulation Period or Amortisation Period applicable to a Series as further specified in the related Supplement (see "*Series Securitisation Cashflows – Distributions of Principal Collections to the Loan Note Issuer*"), the Receivables Trustee will each day (subject to paragraph (a)(ii) below) utilise a portion of Principal Collections allocated to the Beneficiaries in respect of each Outstanding Series to fund the payment of purchase price for Receivables (such amounts being "**Cash Available for Investment**") (however no amounts of Investor Cash Available for Investment are used to pay for Receivables notified by the Transferor to be Ineligible Receivables). Such amounts shall be applied in the following order:

- (a) on each Assignment Date, either:
 - (i) the amount equal to the funds required to meet the obligation of the Receivables Trustee to pay an amount (the "**Initial Payment**") equal to (a) the outstanding face amount of the existing Receivables which are Principal Receivables and which are the subject of the assignment made on such Assignment Date (excluding any Receivables which have prior to the time of acceptance been identified by the Transferor or the Servicer as being Ineligible Receivables) plus (b) the balance, if any, standing to the credit of the Originator Ring-fenced Account in respect of the existing Accounts under which the Receivables which are the subject of that assignment arise; or

- (ii) if the Servicer is unable to determine the amount of the Initial Payment, the obligation to pay such amount shall be deferred to a day falling no later than the Transfer Date falling in the immediately succeeding Collection Period;
- (b) either:
 - (i) an amount required to meet the obligation of the Receivables Trustee to make payments in respect of, *inter alia*, future Receivables in accordance with the terms of the Receivables Securitisation Deed; or
 - (ii) if the Servicer is unable to determine the amount of purchase price to be paid for such future Receivables, the obligation to pay such amount shall be deferred to a day falling no later than the Transfer Date falling in the immediately succeeding Collection Period;
- (c) on behalf of the Investor Beneficiary of any Series in accordance with the related Supplement, the amount of Investor Cash Available for Investment that is required to be applied to fund the effective acquisition of all or part of the Transferor Interest in order to increase the proportion of the beneficial interest of such Investor Beneficiary for such Series in the Eligible Receivables Balance and decrease the Transferor Interest accordingly shall be transferred to the Transferor Receipts Account, whereupon such monies shall cease to be Trust Property and shall be owned by the Transferor Beneficiary absolutely; and
- (d) the amount of unutilised Transferor Cash Available for Investment shall be transferred to the Transferor Receipts Account, whereupon such monies shall cease to be Trust Property and shall be owned by the Transferor Beneficiary absolutely and the Transferor Interest shall accordingly be decreased by such amount,

provided that, to the extent that on any day (A) the Transferor Interest is zero or would, if reduced further, when aggregated with the Originator VFN Excess Amount, be below the Minimum Transferor Interest, and (B) a Principal Collection which would otherwise be paid to the Transferor pursuant to paragraph (c) or (d) above (an "**Unavailable Principal Collection**") is held in the Receivables Trustee Investment Account, such amount shall remain credited to the Receivables Trustee Investment Account until such time as either it can be utilised in accordance with paragraph (a) or (b) above (or in accordance with the terms of any Supplement) or the Transferor Interest is greater than zero and can be reduced without, when aggregated with the Originator VFN Excess Amount, falling below the Minimum Transferor Interest, and **provided that** any unused Cash Available for Investment in respect of any Collection Period shall be retained in the Receivables Trustee Investment Account and applied in accordance with the terms of the Receivables Trust Deed and Servicing Agreement and the relevant Supplements.

Payments for future Receivables and Acquired Interchange required to be made by the Receivables Trustee can either be made in cash, by deposit of the relevant payment into the Transferor Receipts Account or, to the extent such payment is not made by cash, an increase in the Transferor Interest.

The Transferor Interest is also decreased or increased by other adjustments thereto as referred to in "*Allocation and Application of Collections*" above.

The Investor Interest in respect of each Series and the beneficial interest in the Receivables Trust of each Additional Beneficiary is or will be increased or decreased in the manner specified in the related Supplement. See also "*Series Securitisation Cashflows*".

"Investor Cash Available for Investment" means, with respect to each Investor Beneficiary on any date of determination, the amount of the undivided share of Cash Available for Investment calculated as referable to such Investor Beneficiary (being all Cash Available for Investment which represents Principal Collections allocated to such Investor Beneficiary), as determined on such date in accordance with the terms of the Receivables Trust Deed and Servicing Agreement.

Application of Monies in the Receivables Trustee Consideration Ledger – Deferred Consideration payable by the Receivables Trustee to the Transferor

Under the terms of the Receivables Securitisation Deed, the Receivables Trustee has an obligation to make payments of Deferred Consideration to the Transferor in respect of any assignments of Eligible Receivables. These payments will be funded by amounts accumulating in the Receivables Trustee

Consideration Ledger. See further "*The Receivables – Assignment of Receivables to the Receivables Trustee*" and "*Series Securitisation Cashflows – Available Funds*".

Non-Petition Undertaking of Beneficiaries

It is a condition of the Receivables Trust (to which each Beneficiary must consent upon its execution of a Supplement) that each Beneficiary of the Receivables Trust (including the Transferor Beneficiary), the Transferor, the Servicer and (if appointed) any Successor Servicer undertakes or will undertake to the Receivables Trustee for itself and as trustee for each Beneficiary that such party will not take any steps for the purposes of recovering any of the amounts owing to it by the Receivables Trustee or enforcing any rights arising under or in connection with any of the Transaction Documents against the Receivables Trustee or other steps or legal proceedings seeking the winding up, administration, bankruptcy or liquidation of the Receivables Trustee or any successor trustee of the Receivables Trust or of any or all of the revenues and assets of any of them. This does not prevent any party from proving in any winding-up or other bankruptcy proceedings of the Receivables Trustee started by another person.

Limited Recourse

If the resources available to the Receivables Trustee at any time are insufficient to pay any liability in full, after payment of all other liabilities ranking in priority to it in accordance with the provisions of the Receivables Trust Deed and Servicing Agreement and any Supplement, any transaction party to which that liability is owed shall have no further claim against the Receivables Trustee at that time in respect of that unpaid amount and shall not then exercise any remedies against the Receivables Trustee in respect of that unpaid amount and the Receivables Trustee shall not have any further obligation with respect to that unpaid amount until and to the extent that it has sufficient resources to pay it.

Trust Pay Out Events

If any one of the following events (each a "**Trust Pay Out Event**") occurs:

- (a) the Originator or the Transferor consents to the appointment of, or takes any corporate action to appoint, a receiver, administrator, administrative receiver, liquidator, trustee in bankruptcy or similar officer of it or over all or substantially all of its revenues and assets;
- (b) proceedings are started against the Originator or the Transferor under any applicable liquidation, insolvency, composition or re-organisation or similar laws for its winding up, dissolution, administration or reorganisation (other than a solvent re-organisation) and the proceedings are not frivolous or vexatious or discharged within 60 days, or a receiver, administrator, administrative receiver, liquidator, trustee in bankruptcy or similar officer of it or relating to all or substantially all of its revenues and assets is legally and validly appointed and is not discharged within 30 days;
- (c) a duly authorised officer of either the Originator or the Transferor admits in writing that the Originator or the Transferor is unable to pay its debts when they fall due within the meaning of Section 123(1) of the Insolvency Act 1986 or either the Originator or the Transferor makes a general assignment or trust for the benefit of or a composition with its creditors or voluntarily suspends payment of its obligations;
- (d) the Transferor becomes unable to transfer Receivables on the Designated Accounts to the Receivables Trustee in the manner described in the Receivables Securitisation Deed;
- (e) either the Originator or the Transferor stops being either resident in the United Kingdom for United Kingdom tax purposes or liable for United Kingdom corporation tax; or
- (f) either:
 - (i) a change in law or its interpretation or administration results in the Receivables Trustee becoming liable to make any payment on account of tax (other than in respect of the Trustee Fee) which is more than trivial; or
 - (ii) any tax authority asserts a tax liability or takes other actions against the Originator or Transferor in relation to the transaction which would have an adverse effect on them which is more than trivial, if the Originator or Transferor obtains an opinion of counsel stating

that the tax liability would be due. This event will be treated as occurring when the Originator or Transferor gives written notice of it to the Receivables Trustee,

then a Series Pay Out Event will occur in respect of each Series and each Beneficiary within such Series and the Transferor Beneficiary without any notice or other action on the part of the Receivables Trustee or any Beneficiary immediately upon the occurrence of such event. A Trust Pay Out Event under paragraphs (a), (b) or (c) is a "**Pay Out Insolvency Event**" in respect of the Originator or the Transferor.

The Series Pay Out Events for a Series include the Trust Pay Out Events and those events referred to in "*Series Securitisation Cashflows – Series Pay Out Events*". In respect of any Series, "**Pay Out Event**" means a Trust Pay Out Event or a Series Pay Out Event. A Pay Out Event will cause the Investor Interest in relation to a particular Series to enter a Rapid Amortisation Period.

The Transferor must give immediate notice to the Receivables Trustee of a Pay Out Insolvency Event. Where a Pay Out Insolvency Event occurs, the Receivables Trustee shall not be permitted to receive further assignments of Receivables, save that Finance Charge Receivables accruing in respect of Receivables which have been assigned to the Receivables Trustee shall form part of the Trust Property and Collections, whenever received, relating thereto shall continue to be allocated and applied in accordance with the Receivables Trust Deed and Servicing Agreement and each related Supplement.

Termination of the Receivables Trust

Subject to obtaining the written consent of each existing Beneficiary of the Receivables Trust, on any day on which (i) the Aggregate Investor Interest in respect of each Investor Beneficiary is reduced to zero, (ii) there are no Finance Charge Collections or other Trust Property allocated to any Beneficiaries other than the Transferor Beneficiary and (iii) no Beneficiary is committed to make contributions to meet payments in respect of the assignment of Receivables to or for the Receivables Trustee, then the Transferor Beneficiary may, by written notice, direct the Receivables Trustee to dissolve the Receivables Trust. On dissolution of the Receivables Trust, the Receivables Trustee shall distribute the Trust Property to the Transferor Beneficiary or any other Beneficiary according to their respective beneficial entitlements at that time. Following such conveyance of the Trust Property to each Beneficiary, the Receivables Trust shall be dissolved.

The perpetuity period of the Receivables Trust shall be a period of 125 years from the date of execution of the Receivables Trust Deed and Servicing Agreement. Any property which remains on trust for the benefit of Beneficiaries at the end of the perpetuity period will vest in the then Beneficiaries in accordance with their respective beneficial entitlements to Trust Property at that date.

Beneficiaries Deed

Notwithstanding that the Receivables Trust Deed and Servicing Agreement contains references to the Beneficiaries giving their consent, vote, direction or agreement in relation to certain actions or provisions relating to the Receivables Trust, the Beneficiaries have contractually agreed between themselves, pursuant to the Beneficiaries Deed, that any such consent, vote, direction or agreement may only be given in accordance with the Beneficiaries Deed. The effect of the Beneficiaries Deed is that, where the terms of the Receivables Trust Deed and Servicing Agreement are such that the giving of a consent, vote, direction or agreement by some or all of the Beneficiaries is required, the Beneficiaries have agreed amongst themselves pursuant to the Beneficiaries Deed that either:

- (i) the Investor Beneficiaries will act in accordance with a written request from the Transferor Beneficiary (including, subject to certain conditions, in respect of requests relating to the amendment or modification of the Receivables Trust Deed and Servicing Agreement including any supplements or addendums thereto); or
- (ii) a specific criterion, test or standard, for example that the relevant action would not adversely affect the beneficial entitlement of any Investor Beneficiary with respect to any Series with outstanding Related Debt, will have to be met before the Investor Beneficiaries may be required to give such consent, vote, direction or agreement.

The Receivables Trustee is not a party to the Beneficiaries Deed and is not bound by its provisions.

Amendments to the Receivables Trust Deed and Servicing Agreement

The Receivables Trust Deed and Servicing Agreement and any Supplement may (i) be amended in writing from time to time by the Servicer, the Transferor Beneficiary and the Receivables Trustee, only with the prior written consent of each person who is a Beneficiary at the time of such amendment and/or (ii) be amended in writing from time to time by (insofar as any amendment relates only to the provisions of the Receivables Trust and not to the rights, obligations, protections or interests of the Servicer) the Receivables Trustee at the direction of the Transferor Beneficiary and with the prior written consent of each person who is a Beneficiary at the time of such amendment:

- (i) to provide for additional Enhancement or substitute Enhancement with respect to a Series (so long as the amount of such substitute Enhancement, unless otherwise provided in any related Supplement, is equal or greater to the original Enhancement for such Series);
- (ii) to change the definition of Eligible Account or Eligible Receivable or to provide for the addition to the Receivables Trust of a Participation; **provided that** any change to the definition of Eligible Account or Eligible Receivable shall have no effect in relation to any Receivables which have been acquired by the Receivables Trustee before such change takes effect and **provided that** the Servicer certifies in an officer's certificate that, in its opinion, formed on the basis of due consideration, such change or addition would not have a Material Adverse Effect on the interest of any Investor Beneficiary and a Rating Confirmation is provided; or
- (iii) for any purpose other than those specified in paragraphs (i) and (ii) above, **provided, however**, in each case, that (A) a Rating Confirmation is provided and (B) such amendment will not result in a material change in the permitted activities of the Receivables Trustee.

The Receivables Trust Deed and Servicing Agreement and any Supplement may also be amended in writing from time to time by the Servicer, the Transferor Beneficiary and the Receivables Trustee with the prior written consent of all of the Beneficiaries for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of the Receivables Trust Deed and Servicing Agreement or any Supplement or modifying in any manner the rights of any Investor Beneficiary of any Outstanding Series.

As a result of the provisions of the Beneficiaries Deed, if the Transferor Beneficiary requests an amendment to the Receivables Trust Deed and Servicing Agreement or any Supplement or addendum thereto, then, subject to a number of conditions set out in the Receivables Trust Deed and Servicing Agreement, the Investor Beneficiaries must consent to such amendment.

"Associated Debt" means any notes (including the Notes) issued by a Loan Note Holder to fund its subscription for a Loan Note, as more particularly specified in the relevant Supplement.

"Participations" means participations representing undivided interests in a pool of assets primarily consisting of receivables arising under credit card, store card, charge card or instalment credit accounts beneficially owned by the Transferor and collections thereon. The addition of Participations as Trust Property shall be effected by an amendment to the Receivables Trust Deed and Servicing Agreement.

"Related Debt" means, with respect to an Investor Interest in any Series, any Loan Note issued by the Investor Beneficiary holding such Investor Interest, or other debt described as such in the related Supplement in respect of such Series (if any), in each case as further specified in the related Supplement for such Series.

"Relevant Documents" means:

- (a) the Receivables Trust Deed and Servicing Agreement;
- (b) the Receivables Securitisation Deed;
- (c) the master framework agreement dated 18 December 2014, as supplemented, amended and/or restated from time to time, between, *inter alios*, the Receivables Trustee, NewDay Partnership Transferor plc, NewDay Cards Ltd, the Loan Note Issuer and the Security Trustee (the **"Master Framework Agreement"**);

- (d) each Offer;
- (e) each Supplement and each other document executed in connection with a Contribution (including any documents executed in connection with Related Debt);
- (f) any mandate and other agreement relating to a Trust Account or a bank account in respect of which the Receivables Trustee has a beneficial interest;
- (g) the Beneficiaries Deed;
- (h) the Back-Up Cash Management Agreement; and
- (i) any other document, other than a Credit Agreement or other arrangement with an Obligor or guarantor of any Obligor, contemplated by and executed in connection with any of the preceding documents.

Aggregate Trustee Payment Amount

As full compensation for any fees, costs and expenses incurred by the Receivables Trustee in connection with its duties and activities as Receivables Trustee (including amounts in respect of stamp duty, if applicable, but excluding amounts in respect of the Servicing Fee and any tax on profits), the Receivables Trustee is entitled to be reimbursed by the Beneficiaries for such amounts as provided in the Receivables Trust Deed and Servicing Agreement and any Supplement with respect to each Collection Period on the related Transfer Date (each such payment on the related Transfer Date being the "**Trustee Payment Amount**"). The aggregate reimbursement of such fees, costs and expenses payable on a Transfer Date together with any Trustee Fee payable on such date (as described below) is described as the "**Aggregate Trustee Payment Amount**".

In consideration of the undertaking and performance by the Receivables Trustee of its fiduciary duties under the Receivables Trust Deed and Servicing Agreement and any Supplement thereto, the Beneficiaries shall pay to the Receivables Trustee a Trustee Fee. "**Trustee Fee**" means a per annum fee calculated in accordance with each Supplement. The Trustee Fee payable in respect of each Series is payable in 12 equal instalments on each Transfer Date commencing with the first Transfer Date after the relevant Closing Date and shall be included in the Aggregate Trustee Payment Amount on each Transfer Date.

The share of the Aggregate Trustee Payment Amount allocable to and borne by the Loan Note Issuer (as an Investor Beneficiary) in respect of each Series is described in "*Series Securitisation Cashflows – Investor Aggregate Trustee Payment Amount*".

Transferor Advance Amounts

The Transferor entered into the RTDSA Transferor Advance Addendum on 5 October 2020 in order to enable the Transferor to provide support for the Securitised Portfolio in the future.

Pursuant to the RTDSA Transferor Advance Addendum, the Transferor may agree to provide cash advances in the form of the Pre-Funded Transferor Advance Amount (as defined below) which may subsequently be used to provide Transferor Advance Amounts (as defined below) in relation to specified Collection Periods. Each Transferor Advance Amount shall be treated, for the purposes of calculations under the Receivables Trust Deed and Servicing Agreement, as additional Finance Charge Collections for the relevant Collection Period.

The Transferor will be under no obligation to provide Pre-Funded Transferor Advance Amounts and may stop the provision of Pre-Funded Transferor Advance Amounts at any time.

Pre-Funded Transferor Advance Amount

The Transferor may transfer (or procure that a member of the Transferor's group transfers) specified sums to a sub-ledger established by the Transferor in the Transferor Collection Account for this purpose (the "**Transferor Advance Sub-Ledger**"), such that there is a pre-funded balance standing to the credit of the Transferor Advance Sub-Ledger (the "**Pre-Funded Transferor Advance Amount**"). The Pre-Funded Transferor Advance Amount may only be used to make Transferor Advance Amounts.

Transfers to the Transferor Advance Sub-Ledger shall be made from monies to which the Transferor (or a member of the Transferor's group) is beneficially entitled. The Pre-Funded Transferor Advance Amount is to be held on trust, pending application in accordance with the RTDSA Transferor Advance Addendum, for the Receivables Trustee.

Transferor Advance Amounts

On or about each Transfer Date falling after the date of the RTDSA Transferor Advance Addendum, the Transferor shall transfer, from the Transferor Advance Sub-Ledger to the Finance Charge Collections Ledger of the Receivables Trustee Collection Account, an amount equal to the greater of:

- (a) an amount (if any) determined by the Transferor up to the entire outstanding Pre-Funded Transferor Advance Amount; and
- (b) the lesser of (i) the entire outstanding Pre-Funded Transferor Advance Amount and (ii) such amount (if any) as is required to ensure that, in respect of each Series, Portfolio Yield minus the Expense Rate (each in respect of the prior Collection Period) is at least zero,

(each, a "**Transferor Advance Amount**").

The Transferor shall notify the Receivables Trustee and the Investor Beneficiary of (i) the Transferor Advance Amount and (ii) the remaining Pre-Funded Transferor Advance Amount, in each case, in the relevant investor report provided pursuant to the provisions of the Receivables Trust Deed and Servicing Agreement and each Supplement.

SERVICING OF RECEIVABLES

General

NewDay Cards Ltd has been appointed by the Receivables Trustee as initial Servicer under the terms of the Receivables Trust Deed and Servicing Agreement. NewDay Cards Ltd has appointed Santander UK to perform certain cash management and settlement services in respect of the Securitised Portfolio and has appointed Fiserv to perform certain technical and operational services in respect of the Securitised Portfolio. The Servicer may also, in the ordinary course of business, delegate any or all of its duties as Servicer under the Receivables Trust Deed and Servicing Agreement to any other person who agrees to conduct such duties where applicable in accordance with the Credit Guidelines, **provided that**, if such delegation is to a party other than the Originator or any affiliate thereof, the Servicer shall notify each Rating Agency of such delegation. Regardless of any such delegation, NewDay Cards Ltd will remain fully liable for all obligations of the Servicer under the Receivables Trust Deed and Servicing Agreement.

To aid the administration and settlement of certain cash payments relating to the Securitised Portfolio, the Servicer, the Receivables Trustee, the Loan Note Issuer and the Transferor have entered into the Master Cash Settlement Agreement, the terms of which allow certain payments to and from the Transferor to be set off against each other and permit the Transferor to retain Collections which would otherwise be paid back to it by the Receivables Trustee (either as payments due to it or as refundable advance principal payments).

The Servicer (which term, for the purposes of the description of its servicing functions and obligations in this Base Prospectus and unless the context requires otherwise, includes any delegate appointed by it in relation to such servicing functions and obligations) services and administers the Receivables and collects payments due in respect of the Receivables in accordance with its customary and usual servicing procedures for servicing receivables comparable to the Receivables and in accordance with the Credit Guidelines.

Without limiting the generality of the foregoing, the Servicer's duties include:

- advising the Receivables Trustee to direct the Transferor in making withdrawals from the Transferor Collection Account, as described in this Base Prospectus;
- advising the Receivables Trustee to make withdrawals and payments from the Trust Accounts, as described in this Base Prospectus, and providing other advice as described in this Base Prospectus;
- executing and delivering instruments of satisfaction or cancellation, or of partial or full release or discharge, with respect to the Receivables and commencing enforcement proceedings with respect to delinquent Receivables; and
- making any filings, reports, notices, applications, registrations with, and seeking consents or authorisations from, any relevant securities or other authority as may be necessary or advisable to comply with any securities or reporting requirements (whether in relation to the Beneficiaries or the Receivables Trust).

NewDay Cards Ltd as Servicer will indemnify the Receivables Trustee, its agents and the Receivables Trust from and against all reasonable loss, liability, expense, damage or injury suffered or sustained by reason of any fraud, wilful misconduct or grossly negligent acts or omissions of the Servicer with respect to the activities of the Receivables Trustee or the Receivables Trust. However, the Servicer will not:

- indemnify the Receivables Trust, the Receivables Trustee and its agents or any Investor Beneficiary if such acts or omissions or alleged acts or omissions constitute or are caused by fraud, wilful misconduct, bad faith or negligence by the Receivables Trustee or its agents;
- indemnify the Receivables Trust, the Receivables Trustee and its agents or any Investor Beneficiary for any liabilities, costs or expenses of the Receivables Trust incurred with respect to any action taken by the Receivables Trustee at the request of any Investor Beneficiary (including in respect of any issuance of Related Debt and/or Associated Debt), otherwise than as a consequence of fraud, wilful misconduct, bad faith or gross negligence of the Servicer in the performance of its duties under the Receivables Trust Deed and Servicing Agreement;

- indemnify the Receivables Trust, the Receivables Trustee and its agents or any Investor Beneficiary for any losses, claims or damages incurred by any of them in respect of the Receivables Trust including, without limitation, losses incurred as a result of Receivables in Defaulted Accounts; or
- indemnify the Receivables Trust, the Receivables Trustee and its agents or any Investor Beneficiary for any liabilities, costs or expenses of any of them arising under any tax law (or any interest or penalties with respect thereto or arising from a failure to comply therewith).

Any such indemnification shall be payable by the Servicer itself and not be payable from the Trust Property of the Receivables Trust.

Other than as described above, the Servicer will not be under any liability to the Receivables Trust, the Receivables Trustee and its agents, any Beneficiary, or any other person under the Receivables Trust Deed and Servicing Agreement or any Supplement, except in the case of fraud, wilful default, bad faith or gross negligence of the Servicer in the performance of its duties or reckless disregard of its obligations and duties under the Receivables Trust Deed and Servicing Agreement or under any Supplement.

In the event that the Servicer is unable to carry out its obligations under the Receivables Trust Deed and Servicing Agreement due to the practical circumstances beyond its control specified in the Receivables Trust Deed and Servicing Agreement (e.g. electricity power cuts, computer failure, earthquakes, riots and war), it will incur no liability under the Receivables Trust Deed and Servicing Agreement in respect of any such failure to carry out its obligations unless the event arose as a result of the fraud, wilful default or gross negligence of the Servicer or its failure to take certain specified precautions. However, the Servicer shall take all reasonable steps available to it to procure that such events cease to exist and take all practical steps to minimise any loss resulting from any such event.

Any person into which, in accordance with the Receivables Trust Deed and Servicing Agreement, the Servicer may be merged or consolidated or any person resulting from any merger or consolidation to which the Servicer is a party, or any person succeeding to the business of the Servicer, upon execution of a supplemental agreement to the Receivables Trust Deed and Servicing Agreement and delivery of a legal opinion with respect to the compliance of the succession with the applicable provisions of the Receivables Trust Deed and Servicing Agreement, will be the successor to the Servicer under the Receivables Trust Deed and Servicing Agreement.

The Servicer will not resign from its obligations and duties as Servicer under the Receivables Trust Deed and Servicing Agreement, except upon determination that performance of its duties is no longer permissible under applicable law and there is no reasonable action which the Servicer could take to make the performance of its duties permissible by law. No such resignation will become effective until a Successor Servicer (see "*Termination of Appointment of Servicer*" below) has assumed the Servicer's responsibilities and obligations under the Receivables Trust Deed and Servicing Agreement.

Servicing Compensation

As full compensation for its servicing duties and activities and as reimbursement for any expense incurred by it in connection therewith, NewDay Cards Ltd as Servicer is entitled to receive a fee (the "**Servicing Fee**") from the Receivables Trustee (solely to the extent to which it is reimbursed or entitled to be reimbursed therefor by the Beneficiaries for that purpose as provided in the Receivables Trust Deed and Servicing Agreement and any Supplement thereto) with respect to each Collection Period. The Servicing Fee (which is inclusive of value added tax thereon, if any) is payable monthly on the Transfer Date relating to each Collection Period and will be the sum of:

- one twelfth of the product of (x) 6.0 per cent. (the "**Servicing Fee Percentage**"); and (y) the average of the daily aggregate outstanding amount of Receivables during the relevant Collection Period; and
- any amount agreed, on an arm's length basis, from time to time between a successor Servicer and the Receivables Trustee,

less, for so long as NewDay Cards Ltd is the Servicer, any net receipts of insurance commission income received by the Servicer in respect of Designated Accounts during such Collection Period.

An amount equal to the portion of the Servicing Fee payable by the Receivables Trustee to the Servicer in respect of which the Receivables Trustee is to be reimbursed from payments made by the Investor Beneficiaries in respect of a particular Series (with respect to each Collection Period) is called the "**Investor Servicing Fee Amount**" and will be determined in accordance with each relevant Supplement. See also "*Limits on Liability for Servicing Fees*" below. The Investor Beneficiaries will pay the Investor Servicing Fee Amount to the Receivables Trustee, in respect of each Series, by way of Additional Funds in consideration for the grant of the relevant Investor Interest. If provided in the relevant Supplement, all or part of the Investor Servicing Fee Amount may be met from amounts of Acquired Interchange allocated to an Investor Beneficiary.

An amount equal to the portion of the Servicing Fee (with respect to any Collection Period) in respect of which the Receivables Trustee is not reimbursed from payments made by the Investor Beneficiaries in respect of each Outstanding Series is called the "**Transferor Servicing Fee Amount**". The Transferor Servicing Fee Amount shall be paid to the Receivables Trustee by the Transferor Beneficiary using amounts from the Transferor Finance Charge Amount and the Transferor Acquired Interchange Amount or other Trust Property allocable to the Transferor Beneficiary (or from any other property of the Transferor Beneficiary which may be available for such purpose) on the related Transfer Date. In no event shall any Investor Beneficiary or any Enhancement Provider be liable to reimburse the Receivables Trustee for the share of the Servicing Fee (with respect to any Collection Period) in respect of which the Receivables Trustee was to be reimbursed from payments to be made by the Transferor Beneficiary. The Receivables Trustee is only liable to pay the Servicing Fee to the extent to which it is reimbursed by the Beneficiaries thereafter. The Beneficiaries may utilise Trust Property as provided in the Receivables Trust Deed and Servicing Agreement and Supplement for the purposes of making such reimbursement.

Series Investor Servicing Fee Amount

The Investor Servicing Fee Amount to be met by the Investor Beneficiary with respect to any Series with respect to any Transfer Date (the "**Series Investor Servicing Fee Amount**") is specified in the relevant Supplement and will be equal to the product of (A) the Floating Investor Percentage as of the first day of the Collection Period preceding such Transfer Date and (B) the Servicing Fee payable on such Transfer Date. The amount of the Series Investor Servicing Fee Amount is inclusive of value added tax thereon, if any. A portion of the Investor Acquired Interchange Amount referable to the Series on a Transfer Date equal to the product of (A) the Servicer Interchange Percentage, and (B) the Servicing Fee payable on such Transfer Date (the "**Servicer Interchange Amount**") shall be applied as Additional Funds and used to meet a portion of the Investor Servicing Fee Amount and, to the extent such funds available are less than the Servicer Interchange Amount, the Investor Servicing Fee Amount shall be reduced by the shortfall. For further detail, see "*Series Securitisation Cashflows*". See also "*Limits on Liability for Servicing Fees*" below.

"**Servicer Interchange Percentage**" means, in relation to any Series issued under the Programme, (a) with respect to any Transfer Date where NewDay Cards Ltd is the Servicer, (i) the percentage specified in the relevant Final Terms or Drawdown Prospectus (as applicable) as the "**Servicer Interchange Percentage**" or (ii) such other percentage as may otherwise be agreed between NewDay Cards Ltd and the Receivables Trustee and (b) with respect to any Transfer Date where NewDay Cards Ltd is not the Servicer, such percentage (if any) as may be agreed between the Receivables Trustee and the then Servicer.

Limits on Liability for Servicing Fees

Except as specifically described above, to the extent that the amounts payable by the Receivables Trustee to the Servicer in respect of Servicing Fees exceed amounts which are reimbursable as provided above, the Receivables Trustee shall be liable to pay such further Servicing Fees only if and to the extent that it is entitled to be reimbursed therefor by the Transferor Beneficiary or an Investor Beneficiary using cash flows from the Receivables Trust allocated to the Transferor Beneficiary or such Investor Beneficiary (as provided in the applicable Supplements). In no event shall either the Investor Beneficiary, the Receivables Trust or the Receivables Trustee be liable for any Servicing Fees in amounts exceeding those described above.

Servicing Fee Addendum to the RTDSA

The Transferor entered into an addendum to the Receivables Trust Deed and Servicing Agreement dated 5 October 2020, between, *inter alios*, the Receivables Trustee, the Transferor, the Transferor Beneficiary and

the Loan Note Issuer (as supplemented, amended and/or restated from time to time, the "**RTDSA Servicing Fee Addendum**").

The RTDSA Servicing Fee Addendum enables certain waivers to occur, so as to reduce or change the portion payable by the Beneficiaries in respect of the expenses of the Receivables Trust.

Servicer Fee Waiver

The RTDSA Servicing Fee Addendum gives the Servicer the option to waive a portion of its entitlement to receive the Servicing Fee from the Receivables Trustee (the "**Servicer Fee Waiver**"), **provided that** no such waiver shall result in the effective level of the Servicing Fee Percentage being lower than 2.0 per cent.

Adjusting the portion of the funding of the Servicing Fee between the Investor Beneficiaries and the Transferor Beneficiary

The RTDSA Servicing Fee Addendum allows the Transferor Beneficiary to make certain directions, the effect of which would be to reduce the portion of the Servicing Fee funded by the Investor Beneficiaries and to increase the portion of the Servicing Fee funded by the Transferor Beneficiary.

Pursuant to the RTDSA Servicing Fee Addendum, for such time as NewDay Cards Ltd is the Servicer, each Investor Beneficiary has the option (which it will exercise at the direction of the Transferor Beneficiary) to waive its entitlement to a portion of the Investor Servicing Fee Amount (the "**Investor Beneficiary Waivers**") by calculating the Investor Servicing Fee Amount as if the Servicing Fee Percentage were lower than the Servicing Fee Percentage in effect at that time (**provided that** the Servicing Fee Percentage used in such calculation is no lower than 2.0 per cent.) in relation to specified Collection Periods (the "**Adjusted Investor Servicing Fee Amount**"). As a result of any Investor Beneficiary Waivers, because the Adjusted Investor Servicing Fee Amount will be lower than the original Investor Servicing Fee Amount (and as the Transferor Servicing Fee Amount is equal to the portion of the Servicing Fee in respect of which the Receivables Trustee is not reimbursed from payments made by the Investor Beneficiaries), the Transferor Servicing Fee Amount will increase by the aggregate of the amounts, in respect of each Series, of the absolute difference between the original Investor Servicing Fee Amount and the Adjusted Investor Servicing Fee Amount. The RTDSA Servicing Fee Addendum includes a mechanism to ensure that, so long as the Transferor receives sufficient Deferred Consideration to cover the increase in the Transferor Servicing Fee Amount, the aggregate amount of the Servicing Fee funded by the Beneficiaries for the relevant Collection Period and payable by the Receivables Trustee to the Servicer will remain the same. The payment of any shortfalls of the Transferor Servicing Fee Amount in respect of a Collection Period shall (unless waived by the Receivables Trustee) be made from Deferred Consideration payable in respect of later Collection Periods.

Any Servicer Fee Waiver or Investor Beneficiary Waivers will, for each Series, reduce the Expense Rate (as defined in each Supplement) in respect of the relevant Collection Period.

The RTDSA Servicing Fee Addendum shall, if not terminated earlier at the option of the Servicer, terminate upon the removal of NewDay Cards Ltd as Servicer.

Termination of Appointment of Servicer

The appointment of NCL as Servicer under the Receivables Trust Deed and Servicing Agreement, and the appointment of any person as servicer of the Receivables in succession to NCL (a "**Successor Servicer**"), may only be terminated upon the occurrence of a Servicer Default (as defined below). Where a Servicer Default has occurred and is continuing, the Receivables Trustee may terminate all of the rights and obligations of the Servicer as Servicer under the Receivables Trust Deed and Servicing Agreement by serving a notice in writing to that effect (a "**Servicer Termination Notice**") on the Servicer. If the Receivables Trustee at any time becomes entitled to give a Servicer Termination Notice, it shall give such a notice if requested to do so by a majority of the Investor Beneficiaries (and shall not give the Servicer Termination Notice without the prior agreement of a majority of the Investor Beneficiaries). Pursuant to the Beneficiaries Deed, the Beneficiaries have agreed to request the service of such a notice in the circumstances described in this section below.

The Successor Servicer shall have no liability in respect of:

- any breach by any previous Servicer of the Receivables Trust Deed and Servicing Agreement or any other Relevant Document;
- any failure to comply with the terms of the Receivables Trust Deed and Servicing Agreement (having used its reasonable endeavours to comply) insofar as the same results from any breach referred to above or any necessary information, documents, deeds, computer tapes or other data not being made freely available to it in good order in good time for it to assume its obligations as Successor Servicer; or
- anything which the Receivables Trust Deed and Servicing Agreement anticipates will be done that cannot be done as a result of non-co-operation by the Receivables Trustee, **provided that** the Successor Servicer has notified the Transferor of such non co-operation.

The Successor Servicer may require a period of up to three months (the "**Transfer Period**") to put itself in a position to perform all the services required to be performed by it under the terms of the Receivables Trust Deed and Servicing Agreement (including the obtaining of all necessary licences, registrations and consents) and, whilst it will take every step reasonably open to it to minimise any delay, it shall not be liable for failure to perform fully in the manner contemplated by the Receivables Trust Deed and Servicing Agreement during the Transfer Period.

If the Servicer's appointment has been terminated as a result of a Servicer Default in circumstances where a Delegate Servicer has been appointed, the Transferor or the Receivables Trustee (as the case may be) may require the Delegate Servicer to continue performing its duties until a Successor Servicer has been appointed and the Receivables Trustee may utilise amounts that would otherwise be available to pay the Servicing Fee to pay the fees of the Delegate Servicer.

"**Delegate Servicer**" means any person who has agreed to perform any of the duties of the Servicer under the Receivables Trust Deed and Servicing Agreement following the delegation by the Servicer under the terms of the Receivables Trust Deed and Servicing Agreement.

"**Servicer Default**" means any one of the following events:

- (a) any failure by the Servicer to give advice or notice to the Receivables Trustee pursuant to an agreed schedule of collections and allocations or to advise the Receivables Trustee to make any required drawing, withdrawal, or payment pursuant to the Relevant Documents including under the documents governing any Enhancement on or before the date occurring five Business Days after the date such drawing, withdrawal or payment or such advice or notice is required to be made or given, as the case may be, under the terms of the Receivables Trust Deed and Servicing Agreement or any Relevant Document;
- (b) failure on the part of the Servicer duly to observe or perform in any respect any other covenants or agreements of the Servicer set forth in the Receivables Trust Deed and Servicing Agreement or any Relevant Document which has a Material Adverse Effect on the interests of the Investor Beneficiaries of any Outstanding Series and which continues unremedied for a period of 60 days after the date on which written notice of such failure, requiring the same to be remedied, shall have been given to the Servicer by the Receivables Trustee, or to the Servicer and the Receivables Trustee by a majority of the Beneficiaries, and continues to have a Material Adverse Effect on the interests of such Beneficiaries in respect of such Outstanding Series for such period;
- (c) any relevant representation, warranty or certification made by the Servicer in the Receivables Trust Deed and Servicing Agreement or in any certificate delivered pursuant thereto proves to have been incorrect when made, which has a Material Adverse Effect on the interests of the Beneficiaries in respect of any Outstanding Series and continues to be incorrect in any material respect for a period of 60 days after the date on which written notice of such failure, requiring the same to be remedied, shall have been given to the Servicer by the Receivables Trustee or to the Servicer and the Receivables Trustee by a majority of the Beneficiaries, and continues to have a Material Adverse Effect on the interests of such Beneficiaries in respect of any such Outstanding Series for such period;

- (d) an order of the court is made for the winding-up, dissolution, administration or reorganisation (except for a solvent re-organisation) of the Servicer and such order shall have remained in force undischarged or unstayed for a period of 60 days;
- (e) a receiver, administrator, administrative receiver, liquidator, trustee or similar officer is legally and validly appointed over the Servicer or relating to all of the Servicer's revenues and assets;
- (f) the Servicer shall consent to or take any corporate action relating to the appointment of a receiver, administrator, administrative receiver, liquidator, trustee or similar officer of it or relating to all or substantially all of its revenues and assets or an order of the court is made for its winding-up, dissolution, administration or re-organisation (except for a solvent re-organisation) and such order shall have remained in force undischarged or unstayed for a period of 60 days;
- (g) a duly authorised officer of the Servicer shall admit in writing that the Servicer is unable to pay its debts as they fall due within the meaning of Section 123(1) of the Insolvency Act 1986 or the Servicer makes a general assignment for the benefit of or a composition with its creditors or voluntarily suspends payment of its obligations with a view to the general readjustment or rescheduling of its indebtedness; or
- (h) delegation by the Servicer of its duties under the Receivables Trust Deed and Servicing Agreement except as permitted therein which has a Material Adverse Effect on the interests of the Beneficiary in respect of any Outstanding Series.

However, a delay or failure to perform (i) the matters referred to in paragraph (a) above for a period of five Business Days or (ii) the matters referred to in paragraph (b) or (c) above for a period of 60 days, will not be a Servicer Default if such delay or failure is caused by an event amounting to force majeure (as listed in the Receivables Trust Deed and Servicing Agreement) and that delay or failure could not have been prevented by the exercise of reasonable diligence by the Servicer.

Within two Business Days after the Servicer becomes aware of any Servicer Default, the Servicer must give prompt written notice thereof to the Receivables Trustee, each Beneficiary, each Rating Agency and any Enhancement Provider. The Receivables Trustee must give each Beneficiary notification of any termination of the Servicer or appointment of a Successor Servicer. The Receivables Trustee must notify each Rating Agency of any removal of the Servicer.

Under the terms of the Receivables Trust Deed and Servicing Agreement and the Beneficiaries Deed, the Beneficiaries in respect of any Outstanding Series adversely affected by any default by the Servicer or Transferor may, with the prior written consent of a majority of the Beneficiaries (it is agreed as a matter of contract that consent will be achieved in accordance with the Beneficiaries Deed, as to which see "*The Receivables Trust – Amendments to the Receivables Trust Deed and Servicing Agreement*" and "*The Receivables Trust – Beneficiaries Deed*" and the following paragraph), instruct the Receivables Trustee to waive in writing any default by the Servicer or Transferor in the performance of its obligations thereunder or in any other Relevant Document and its consequences. However, a default which results directly in a failure by the Receivables Trustee to make any required deposits or distributions of Finance Charge Collections or Principal Collections relating to the Series adversely affected will not be permitted to be waived in this manner. Upon any such waiver of a past default, such default shall be deemed not to have occurred. No such waiver shall extend to any subsequent or other default or impair any right consequent thereon except to the extent expressly so waived.

After receipt of a Servicer Termination Notice and the appointment of a Successor Servicer (as referred to below), the function of acting as Servicer of the Receivables under the Receivables Trust Deed and Servicing Agreement will pass from the Servicer to the Successor Servicer. The Receivables Trust Deed and Servicing Agreement sets out certain requirements in respect of such transfer of the servicing role including (without limitation) as to the transfer of authority over Collections, the transfer of electronic records and the disclosure of information.

Following its receipt of a Servicer Termination Notice, the Servicer will continue to act as Servicer until a date specified in the Servicer Termination Notice, or, if no such date is specified, the date specified by the Receivables Trustee or such other date agreed by the Receivables Trustee and the Servicer. The Receivables Trustee must appoint a Successor Servicer as promptly as possible after the giving of a Servicer Termination Notice which must, at the time of its appointment, be an Eligible Servicer.

"Eligible Servicer" means an entity which, at the time of its appointment as Servicer, (a) is providing servicing in relation to a portfolio of credit card, store card, charge card, instalment credit or other similar consumer credit accounts, (b) is legally qualified and has the capacity to provide servicing in relation to the Accounts and (c) is qualified (or licensed) to use the software that the Servicer is then currently using to service the Accounts or obtains the right to use, or has its own, software which is adequate to perform its duties under the Receivables Trust Deed and Servicing Agreement.

"Material Adverse Effect" means, as the context specifies, a material adverse effect on the interests of a transaction party, an Investor Beneficiary which has a beneficial interest in an Outstanding Series, or any Enhancement Provider, in each case as may be more particularly specified in any related Supplement.

SERIES SECURITISATION CASHFLOWS

General

The Loan Note Issuer is an Investor Beneficiary of the Receivables Trust. The Loan Note Issuer's beneficial entitlement under the terms of the Receivables Trust will be increased by making Contributions in respect of Series, as set out in the related Supplements, and will be decreased to the extent such Series are repaid. The parties to each Supplement will be the Receivables Trustee, NCL as the Servicer, NewDay Partnership Transferor plc (herein referred to as "**NPT**") as the Transferor and the Transferor Beneficiary, the Loan Note Issuer as an Investor Beneficiary in respect of the relevant Series Investor Interest (the "**Series Investor Beneficiary**") and each other Series in respect of which it acts as Investor Beneficiary, any other Investor Beneficiary which becomes a beneficiary of the Receivables Trust and any Enhancement Provider in respect of the relevant Series.

The proceeds from the issue of each Loan Note Series on each Closing Date will be used by the Loan Note Issuer on each Closing Date to increase its Aggregate Investor Interest in the Trust Property by making a Contribution to the Trust Property of the Receivables Trust. The increase in the beneficial entitlement of the Loan Note Issuer will be documented in the relevant Supplement and the additional portion of the sum of the Combined Aggregate Investor Interest will be the Series Investor Interest in respect of the relevant Series. Each Series will be given a name in the relevant Supplement. In the case of Series issued pursuant to this Base Prospectus, such names are expected to follow the convention for previously issued Series which include Notes, with the name of each Series being the year of its issue followed by a numerical suffix, with such number (starting with "1" for the first Series issued each year) indicating the order of issue relative to other Series issued that year. See "*The Receivables – Assignment of Receivables to the Receivables Trustee*" and "*The Receivables Trust – Contributions to Trust Property and Disposal of Beneficial Entitlement*".

Upon each Contribution to the Receivables Trust in respect of a Series, the Receivables Trustee will annotate the Trust Register to evidence such Contribution.

Each Series will, if specified in the relevant Supplement, be part of a group of Series. As of the date of this Base Prospectus, all outstanding Series (see "*Series Currently in Issue*" for further details) are part of "**Group One**" and it is anticipated that other Series will be subsequently specified in the relevant Supplement as being included in Group One.

The Originator VFN Series will provide credit enhancement to a Series by reference to the Series Originator VFN Subordination for that Series, see "*The Originator VFN and the Series Originator VFN Subordination*" below.

For the purpose of making calculations about the performance of the undivided beneficial interest of each series in the Receivables Trust, the Investor Interest will be referable to notional Classes and any Sub-Classes thereof, each of which will correspond to a Class or Sub-Class of the Loan Notes of the Related Loan Note Series issued by the Loan Note Issuer, which (in the case of Series issued pursuant to this Base Prospectus) will, in turn, correspond to a Class or Sub-Class of the relevant Note Series (unless a Loan Note of a particular Class or Sub-Class has been issued to another investor, in which case there will be no equivalent Class or Sub-Class in the relevant Note Series). Each Class or Sub-Class of each Series constitutes a separate Class or Sub-Class and, notwithstanding that Classes of different Series may have the same name, no Class or Sub-Class has access to funds referable to the Investor Interest, Related Debt or Associated Debt of a Class or Sub-Class of another Series.

Each Class of each Series will be given a name in the relevant Supplement. In the case of Series issued pursuant to this Base Prospectus, such names are expected to follow the convention for previously issued Series which include Notes, with the name of the most senior Class being "A", and with other Classes being named in alphabetical sequence according to their seniority (from "B", the next most-senior after "A", onwards). In the case of any Class which is divided into Sub-Classes, such Sub-Classes are expected to be given a number after the letter applicable to their Class, but such number will not (unless otherwise specified in the relevant Supplement) denote any seniority as between such Sub-Classes.

Terms which are defined, or concepts which are described, in this Base Prospectus by reference to a "Series", or a "Class" or a "Sub-Class" within a Series, are to be interpreted accordingly when applied to an individual Series, or a Class or Sub-Class within an individual Series.

"**Combined Aggregate Investor Interest**" means the sum of the Aggregate Investor Interests of all Investor Beneficiaries.

Additional Funds Payable by the Series Investor Beneficiary

In addition to the Contribution described above and made on the Closing Date in respect of the relevant Series, the Series Investor Beneficiary will be obliged each month to make a further contribution in respect of the relevant Series (as calculated by the Receivables Trustee on the advice of the Servicer in accordance with the relevant Supplement). This further payment will be paid by the Series Investor Beneficiary in respect of that Series to the Receivables Trustee by way of a further contribution in respect of its interest in the Receivables Trust in respect of that Series and is described in this Base Prospectus as "**Additional Funds**".

Additional Funds for each Series are made up of a number of different elements, with the different possible categories identified each time a payment is made being as follows:

1. "Investor Aggregate Trustee Payment Amount";
2. "Investor Servicing Fee Amount";
3. "Loss Make-Up (Default)";
4. "Loss Make-Up (Charge-off)";
5. "Refunded Utilised Principal Collections" (a sub-category of Loss Make-Up (Charge-off));
6. "Excess Spread";
7. "Accumulation Reserve Surplus Amount" and "Specified Class Accumulation Reserve Surplus Amounts"; and
8. "Investment Proceeds" (to the extent not included in Excess Spread).

To the extent an Investor Charge-off for a Series resulting from Reallocated Principal Collections is reinstated by way of any Loss Make-Up (Charge-off), such Loss Make-Up (Charge-off) will be treated as Refunded Utilised Principal Collections.

Each constituent element of any payment of Additional Funds for a Series issued under the Programme shall be paid, when due, by the Series Investor Beneficiary to the Receivables Trustee, in the following manner:

- (a) in respect of Loss Make-Up (Default) and Loss Make-Up (Charge-off), by depositing such amounts in the Receivables Trustee Investment Account;
- (b) in respect of Investor Aggregate Trustee Payment Amounts and Investor Servicing Fee Amounts, following the deposit of such amounts in the Loan Note Issuer Distribution Account, by transferring such amounts to the Receivables Trustee as it shall direct; and
- (c) in respect of Excess Spread, Investment Proceeds, Accumulation Reserve Surplus Amounts and Specified Class Accumulation Reserve Surplus Amounts, by depositing such amounts in the Receivables Trustee Collection Account, whereby such funds shall be credited to the Receivables Trustee Consideration Ledger and shall be used to make payments of Deferred Consideration.

Amounts of Loss Make-Up (Default) and Loss Make-Up (Charge-off) paid in accordance with paragraph (a) above shall be applied in the following manner:

- (a) *first*, subject to paragraph (b) below, such amount shall constitute Cash Available for Investment and be applied as set out in the section "*The Receivables Trust*" above;
- (b) *second*, to the extent that such amounts cannot be utilised as provided in paragraph (a) above because the Transferor Interest is zero, or the application of such amounts would cause the Transferor Interest together with the Originator VFN Excess Amount to fall below the Minimum Transferor Interest, amounts shall be allocated to the Originator VFN Excess Amount until such

time as the Originator VFN Excess Amount is zero, or the application of such funds would cause the Transferor Interest together with the Originator VFN Excess Amount to fall below the Minimum Transferor Interest, and the amount so allocated shall be treated as a Principal Collection and paid to the Originator VFN Investor Beneficiary and used to make a repayment of principal under the Originator VFN Loan Note; and

- (c) *third*, to the extent of any remaining Additional Funds designated as "Loss Make-Up (Default)" or "Loss Make-Up (Charge-off)", such amount of Additional Funds shall instead be credited to and retained in the Receivables Trustee Investment Account as Cash Available for Investment.

"Investment Proceeds" means a constituent element of any payment of Additional Funds paid by a Series Investor Beneficiary to the Receivables Trustee in respect of amounts equal to any payment it receives in respect of investment earnings (to the extent not included in Excess Spread) from Permitted Investments in the Receivables Trust.

"Loss Make-Up (Charge-off)" means a constituent element of any payment of Additional Funds paid by a Series Investor Beneficiary to the Receivables Trustee in accordance with the relevant Supplement (and with reference to the calculations described below), **provided, however**, for the avoidance of doubt such term shall not include any amount of Principal Loss Make-Up (Charge-off) distributed to the Series Investor Beneficiary.

"Loss Make-Up (Default)" means a constituent element of any payment of Additional Funds paid by a Series Investor Beneficiary to the Receivables Trustee in accordance with the relevant Supplement (and with reference to the calculations described below), **provided, however**, for the avoidance of doubt such term shall not include any amount of Principal Loss Make-Up (Default) distributed to the Series Investor Beneficiary.

Beneficial Entitlement of the Loan Note Issuer to Trust Property, Rights of the Series Investor Beneficiary in Respect of each Series

The part of the Loan Note Issuer's beneficial entitlement to different categories of Trust Property in the Receivables Trust referable to each Series, on each day up to and including the relevant Series Termination Date, shall be as set out below:

- (i) in respect of Undivided Bare Trust Property other than Principal Collections, Finance Charge Collections, Acquired Interchange and income on Permitted Investments, that proportion which the relevant Series Adjusted Investor Interest for that Series bears on any day to the sum of the Combined Aggregate Adjusted Investor Interest and the Adjusted Transferor Interest on that day;
- (ii) in respect of Undivided Bare Trust Property which consists of Principal Collections, Finance Charge Collections, Acquired Interchange and income on Permitted Investments, received during any Collection Period, the relevant Investor Percentage for that Series for that Collection Period; and
- (iii) in relation to Segregated Bare Trust Property, the Segregated Bare Trust Property held absolutely for the relevant Series Investor Beneficiary from time to time.

As noted above, the allocation of Principal Collections and Finance Charge Collections, among other things, received during a Collection Period and referable to each Series Investor Interest is determined on the basis of the Investor Percentage for that Series. For further explanation of the Floating Investor Percentage, as well as the Fixed Investor Percentage which governs the Loan Note Issuer's entitlement to Principal Collections in respect of a Series in the Controlled Accumulation Period, any Specified Class Controlled Accumulation Period, any Specified Class Rapid Amortisation Period and the Rapid Amortisation Period for that Series, see "*Calculation and Distribution of Finance Charge Collections and Acquired Interchange to the Loan Note Issuer*" and "*Calculation of Principal Collections to be Distributed to the Loan Note Issuer with respect to any Series*" below.

The beneficial entitlement of each Series Investor Beneficiary to Trust Property shall terminate on the day immediately following the relevant Series Termination Date.

The following definitions, in respect of the relevant Series (where relevant) are necessary to understand the calculations described above.

"Amortising Specified Class Adjusted Investor Interest" means, with respect to any date of determination and any Specified Class within a Series, an amount equal to the Amortising Specified Class Investor Interest minus the relevant Specified Class Principal Funding Ledger Balance (in an amount not to exceed the Amortising Specified Class Investor Interest) on such date of determination.

"Closing Date" means, with respect to any Series issued under the Programme, the date specified in the relevant Final Terms or Drawdown Prospectus, as applicable.

"Collection Period" means the period from and including the first day of a calendar month to and including the last day of the same calendar month, except that the first Collection Period with respect to any Series issued under the Programme, shall begin on and include the relevant Closing Date and shall end on and include the relevant First Collection Period End Date.

"Default Amount" means, with respect to any Defaulted Account, the amount of Principal Receivables (other than Ineligible Receivables) in such Defaulted Account on the day such Account became a Defaulted Account.

"Determination Date" means, unless otherwise specified in a Supplement, the fifth Business Day prior to each Distribution Date.

"First Collection Period End Date" means, in respect of each Series issued under the Programme, the date specified as the "First Collection Period End Date" in the relevant Final Terms or Drawdown Prospectus, as applicable.

"Investor Charge-off" means a Class A Investor Charge-off, a Class B Investor Charge-off, a Class C Investor Charge-off, a Class D Investor Charge-off, a Class E Investor Charge-off and a Class F Investor Charge-off or any of them. See *"Defaulted and Dilution Receivables; Investor Charge-offs; Allocation to the Relevant Series and the Originator VFN"* below.

"Investor Default Amount" means, with respect to any Series issued under the Programme, the relevant Series Investor Default Amount and, in respect of any other Series, the term defined in the relevant Supplement.

"Principal Loss Make-Up (Charge-off)" means, with respect to any Series issued under the Programme, the amount calculated pursuant to the relevant Supplement which will be considered to form part of Available Retained Principal Collections for the purposes of calculation and distributed to the relevant Series Investor Beneficiary from the relevant Series Finance Charge Collections Ledger on a Transfer Date during the Rapid Amortisation Period or any Specified Class Rapid Amortisation Period for that Series pursuant to the relevant Supplement in respect of Investor Charge-offs.

"Principal Loss Make-Up (Default)" means, with respect to any Series issued under the Programme, the amount calculated pursuant to the relevant Supplement which will be considered to form part of Available Retained Principal Collections for the purposes of calculation and distributed to the relevant Series Investor Beneficiary from the relevant Series Finance Charge Collections Ledger on a Transfer Date during the Rapid Amortisation Period or any Specified Class Rapid Amortisation Period for that Series pursuant to the relevant Supplement in respect of Investor Default Amounts.

"Refunded Utilised Principal Collections" means, with respect to any Series issued under the Programme, a constituent element of any payment of Additional Funds paid by the relevant Series Investor Beneficiary to the Receivables Trustee in accordance with the relevant Supplement (and with reference to the calculations described below).

"Series Adjusted Investor Interest" means, with respect to any date of determination and any Series issued under the Programme, an amount equal to the relevant Series Investor Interest minus the relevant Series Principal Funding Ledger Balance (in an amount not to exceed the relevant Series Investor Interest) on such date of determination.

"Series Initial Investor Interest" has the meaning given in the relevant Supplement for a Series.

"Series Investor Default Amount" means, for any Series issued under the Programme, with respect to any Receivable in a Defaulted Account on the Transfer Date following the Collection Period in which such

Account became a Defaulted Account, an amount equal to the product of (a) such Default Amounts; and (b) the Floating Investor Percentage for that Series for such Collection Period.

"**Series Investor Interest**" means, with respect to any Series issued under the Programme, on any date of determination, an amount equal to the relevant Series Initial Investor Interest as reduced by the aggregate of:

- (i) Principal Collections distributed to the Loan Note Issuer in respect of such Series (with the effect that the aggregate amount of the Loan Note Issuer's beneficial entitlement in the Undivided Bare Trust in respect of such Series is reduced) prior to such date; and
- (ii) Investor Charge-offs allocated to that Series as reduced by the aggregate of that part of the Additional Funds paid by the Loan Note Issuer and identified as "Loss Make-Up (Charge-off)" referable to such Series,

all calculated as at that date.

"**Series Principal Funding Ledger Balance**" means, with respect to any Series issued under the Programme, on any date of determination, the principal amount, if any, on deposit in the Receivables Trustee Investment Account and credited to the relevant Series Principal Funding Ledger on such date of determination.

"**Specified Class Principal Funding Ledger Balance**" means, with respect to any date of determination and any Specified Class within a Series, the principal amount, if any, on deposit in the Receivables Trustee Investment Account and credited to the relevant Series Principal Funding Ledger in respect of the Specified Class on such date of determination.

The maximum amount of Finance Charge Collections that can be distributed to the Loan Note Issuer with respect to any Series issued under the Programme during any Collection Period will be determined by reference to the Floating Investor Percentage for such Series.

The maximum amount of Principal Collections that can be distributed to the Loan Note Issuer with respect to any Series issued under the Programme during any Collection Period will be determined by reference to the Floating Investor Percentage for that Series during the Revolving Period and by reference to the Fixed Investor Percentage for that Series during the Controlled Accumulation Period, any Specified Class Controlled Accumulation Period, any Specified Class Rapid Amortisation Period and the Rapid Amortisation Period for that Series.

Beneficial Entitlement of the Loan Note Issuer to Collections

In respect of a Series issued under the Programme:

- (i) During the Revolving Period for that Series, the Receivables Trustee, acting on the advice of the Servicer, shall, prior to the close of business on each Relevant Date (including, for the avoidance of doubt, each Transfer Date) on which amounts are deposited in the Receivables Trustee Collection Account, effect the calculations and transfers detailed below:
 - (a) Distribute to the relevant Series Investor Beneficiary by crediting to the relevant Series Finance Charge Collections Ledger an amount equal to the sum of (1) the product of (A) the Floating Investor Percentage for that Series for the Collection Period in which such Finance Charge Collections arise and (B) the aggregate amount of Finance Charge Collections processed on the related Date of Processing, to be applied as Available Funds *plus*, where the Relevant Date is also a Transfer Date, (2) the product of (A) the Floating Investor Percentage for that Series for the Collection Period preceding that in which the relevant Transfer Date falls and (B) the aggregate amount of Acquired Interchange transferred to the Receivables Trustee Collection Account on such Transfer Date, to be applied as Available Funds. In relation to (1) above all such amounts credited to the Series Finance Charge Collections Ledger for that Series shall (if so advised by the Servicer) be invested by the Receivables Trustee in Permitted Investments.
 - (b) In respect of amounts standing to the credit of the undivided Principal Collections Ledger, an amount equal to the product of (A) the Floating Investor Percentage for that Series for

the Collection Period in which such Principal Collections arise and (B) the aggregate amount of Principal Collections in respect of the relevant Date of Processing shall be applied as follows:

- (1) *first*, an amount equal to the product of (A) the Required Retained Principal Collections Percentage for that Series for the Collection Period in which such Principal Collections arise, (B) the Floating Investor Percentage for that Series and (C) the aggregate amount of Principal Collections in respect of the relevant Date of Processing shall be retained in the undivided Principal Collections Ledger and shall (if so advised by the Servicer) be invested by the Receivables Trustee in Permitted Investments, so as to be available for application as Reallocated Principal Collections;
 - (2) *secondly*, up to an amount equal to the relevant Series' *pro rata* share of the Daily Principal Shortfall on the Relevant Date shall be retained in the undivided Principal Collections Ledger as Group One Retained Principal Collections representing such Series' *pro rata* share of the Daily Principal Shortfall to be utilised as Available Retained Principal Collections; and
 - (3) *thirdly*, any remaining amount shall be utilised as Cash Available for Investment.
- (c) On each Transfer Date, amounts deposited in the Receivables Trustee Collection Account and credited to and retained in the undivided Principal Collections Ledger during the related Collection Period shall be applied as follows:
- (1) an amount equal to the Required Retained Principal Collections (if any) not utilised as Reallocated Principal Collections or as part of the Controlled Deposit Amount or any Specified Class Controlled Deposit Amount, as applicable, or, if a Specified Class Rapid Amortisation Period in respect of a Specified Class is occurring, to repay the relevant Amortising Specified Class Investor Interest or as Shared Principal Collections, shall be utilised as Cash Available for Investment on such Transfer Dates; and
 - (2) an amount equal to amounts credited to the undivided Principal Collections Ledger as Group One Retained Principal Collections not utilised as Shared Principal Collections shall be utilised as Cash Available for Investment on such Transfer Date.
- (ii) During the Controlled Accumulation Period or any Specified Class Controlled Accumulation Period for that Series, the Receivables Trustee, acting on the advice of the Servicer, shall, prior to the close of business on each Relevant Date (including, for the avoidance of doubt, each Transfer Date) on which amounts are deposited in the Receivables Trustee Collection Account, effect the calculations and transfers detailed below:
- (a) Distribute to the relevant Series Investor Beneficiary by crediting to the relevant Series Finance Charge Collections Ledger an amount equal to the sum of (1) the product of (A) the Floating Investor Percentage for that Series for the Collection Period in which such Finance Charge Collections arise and (B) the aggregate amount of Finance Charge Collections processed on the relevant Date of Processing, to be applied as Available Funds *plus*, where the Relevant Date is also a Transfer Date, (2) the product of (A) the Floating Investor Percentage for that Series for the Collection Period preceding that in which the relevant Transfer Date falls and (B) the aggregate amount of Acquired Interchange transferred to the Receivables Trustee Collection Account on such Transfer Date, to be applied as Available Funds. In relation to (1) above all such amounts credited to the relevant Series Finance Charge Collections Ledger shall (if so advised by the Servicer) be invested by the Receivables Trustee in Permitted Investments.
 - (b) In respect of amounts standing to the credit of the undivided Principal Collections Ledger, an amount equal to the product of (A) the Fixed Investor Percentage for that Series and (B) the aggregate amount of Principal Collections in respect of the relevant Date of Processing, shall be applied as follows:

- (1) *first*, an amount equal to the product of (A) the Required Retained Principal Collections Percentage for that Series for the Collection Period in which such Principal Collections arise, (B) the Fixed Investor Percentage for that Series and (C) the aggregate amount of Principal Collections in respect of the relevant Date of Processing shall be retained in the undivided Principal Collections Ledger and shall (if so advised by the Servicer) be invested by the Receivables Trustee in Permitted Investments, so as to be available for application as Reallocated Principal Collections;
 - (2) *secondly*, up to an amount equal to such Series' *pro rata* share of the Daily Principal Shortfall on the Relevant Date shall be retained in the undivided Principal Collections Ledger as Group One Retained Principal Collections representing such Series' *pro rata* share of the Daily Principal Shortfall to be utilised as Available Retained Principal Collections; and
 - (3) *thirdly*, any remaining amount shall be transferred to the Receivables Trustee Investment Account and used as Cash Available for Investment.
- (c) On each Transfer Date, amounts deposited in the Receivables Trustee Collection Account and credited to and retained in the undivided Principal Collections Ledger during the related Collection Period shall be applied as follows:
- (1) an amount equal to Required Retained Principal Collections (if any) not utilised as Reallocated Principal Collections or as part of the Controlled Deposit Amount or any Specified Class Controlled Deposit Amount, as applicable, or, if a Specified Class Rapid Amortisation Period in respect of a Specified Class is occurring, to repay the relevant Amortising Specified Class Investor Interest or as Shared Principal Collections shall be utilised as Cash Available for Investment on such Transfer Date; and
 - (2) an amount equal to amounts credited to the undivided Principal Collections Ledger as Group One Retained Principal Collections not utilised as part of the Controlled Deposit Amount or any Specified Class Controlled Deposit Amount, as applicable, or (if any Specified Class Rapid Amortisation Period is occurring with respect to such Series) to repay any Amortising Specified Class Investor Interest or as Shared Principal Collections shall be utilised as Cash Available for Investment on such Transfer Date.
- (iii) During any Specified Class Rapid Amortisation Period or the Rapid Amortisation Period for that Series, the Receivables Trustee, acting on the advice of the Servicer, shall, prior to the close of business on each Relevant Date (including, for the avoidance of doubt, each Transfer Date) on which amounts are deposited in the Receivables Trustee Collection Account, effect the calculations and transfers detailed below:
- (a) Distribute to the relevant Series Investor Beneficiary by crediting to the relevant Series Finance Charge Collections Ledger an amount equal to the sum of (1) the product of (A) the Floating Investor Percentage for that Series for the Collection Period in which such Finance Charge Collections arise and (B) the aggregate amount of Finance Charge Collections processed on the relevant Date of Processing, to be applied as Available Funds *plus*, where the Relevant Date is also a Transfer Date, (2) the product of (A) the Floating Investor Percentage for that Series for the Collection Period preceding that in which the relevant Transfer Date falls and (B) the aggregate amount of Acquired Interchange transferred to the Receivables Trustee Collection Account on such Transfer Date, to be applied as Available Funds. In relation to (1) above all such amounts credited to the relevant Series Finance Charge Collections Ledger shall (if advised by the Servicer) be invested by the Receivables Trustee in Permitted Investments.
 - (b) In respect of amounts standing to the credit of the undivided Principal Collections Ledger, an amount equal to the product of (A) the Fixed Investor Percentage for that Series for the Collection Period in which such Principal Collections arise and (B) the aggregate amount

of Principal Collections in respect of the relevant Date of Processing shall be applied as follows:

- (1) *first*, an amount equal to the product of (A) the Required Retained Principal Collections Percentage for that Series for the Collection Period in which such Principal Collections arise, (B) the Fixed Investor Percentage for that Series and (C) the aggregate amount of Principal Collections in respect of the relevant Date of Processing shall be retained in the undivided Principal Collections Ledger and shall (if so advised by the Servicer) be invested by the Receivables Trustee in Permitted Investments, so as to be available for application as Reallocated Principal Collections; and
- (2) *secondly*, up to an amount equal to such Series' *pro rata* share of the Daily Principal Shortfall on the Relevant Date shall be retained in the undivided Principal Collections Ledger as Group One Retained Principal Collections representing such Series' *pro rata* share of the Daily Principal Shortfall to be utilised as Available Retained Principal Collections,

provided, however, that the amount retained in the undivided Principal Collections Ledger in respect of such Series pursuant to paragraphs (1) and (2) above for any Collection Period shall not exceed the sum of (1) during any Specified Class Rapid Amortisation Period, the relevant Amortising Specified Class Investor Interest or, during the Rapid Amortisation Period, the relevant Series Investor Interest as of the close of business on the last day of the prior Collection Period taking into account any adjustments to be made on the related Transfer Date and any distributions to be made on the related Transfer Date and (2) any Reallocated Principal Collections relating to the Collection Period in which such amount is retained (the "**Required Amount**").

Amounts that are credited by the Receivables Trustee to the Series Finance Charge Collections Ledger in respect of a Series issued under the Programme will be transferred on a Transfer Date to the Loan Note Issuer Distribution Account for credit to the relevant Series Ledger (see "*Additional Funds Payable by the Series Investor Beneficiary*" above and "*Calculation and Distribution of Finance Charge Collections and Acquired Interchange to the Loan Note Issuer*" below).

On or before each Transfer Date, the Receivables Trustee, acting on the advice of the Servicer, will deliver to the Loan Note Issuer information regarding calculations with respect to the Receivables Trust, including calculations and information regarding distributions of Trust Property and the movement of monies between the Undivided Bare Trust, the Segregated Bare Trust, the Deferred Payment Bare Trust and any Other Trusts and to the Loan Note Issuer for the prior Collection Period with respect to such Transfer Date.

"**Daily Principal Shortfall**" means, on any date of determination, the excess of:

- (i) the Group One Monthly Principal Payment for the Collection Period relating to such date; **over**
- (ii) the amount of Group One Retained Principal Collections which are retained or to be retained in the undivided Principal Collections Ledger in respect of Principal Collections processed to date for such Collection Period,

provided, however, that a reference to a "Series' *pro rata* share of the Daily Principal Shortfall" shall be an amount calculated as equal to the product of:

- (i) a fraction, the numerator of which is the amount of Principal Collections calculated for the relevant Series Investor Interest and the denominator of which is the amount of Principal Collections calculated for the aggregate investor interests of all Outstanding Series in Group One (including the relevant Series Investor Interest) less the amount of Principal Collections calculated for the Originator VFN Excess Amount, in each case on such date of determination; and
- (ii) the Daily Principal Shortfall.

"Group One Monthly Principal Payment" means, with respect to any Collection Period, for all Outstanding Series in Group One which are in an Amortisation Period or an Accumulation Period, the sum of:

- (i) the aggregate of the deposit amounts and amortisation amounts (if any) for the related Transfer Date for each Series in Group One in an Accumulation Period or Amortisation Period, other than a Rapid Amortisation Period (as such term is defined in the related Supplement for such Series);
- (ii) the Investor Interest as of the end of the prior Collection Period for each Series in Group One in its Rapid Amortisation Period (as such term is defined in the related supplements for such Series); and
- (iii) such other amounts as may be specified for this purpose in the related Supplements for all Series in Group One.

Floating Allocations for each Class of a Series Investor Interest

In order to understand how the floating allocations (for the purposes of calculation) are calculated for each Class of the Series Investor Interest of each Series issued under the Programme, the following definitions, in respect of that Series, are also necessary:

"Class Adjusted Investor Interest" means, with respect to any Class or Sub-Class of the relevant Series Investor Interest and any date of determination, an amount equal to the relevant Class Investor Interest minus that portion of the relevant Series Principal Funding Ledger Balance which is referable to that Class Investor Interest (in an amount not to exceed the Class Investor Interest) on such date of determination;

"Class Floating Allocation" means, with respect to any Class or Sub-Class of the relevant Series Investor Interest and any Collection Period, the percentage equivalent of a fraction, the numerator of which is the relevant Class Adjusted Investor Interest as of the close of business on the last day of the preceding Collection Period and the denominator of which is equal to the relevant Series Adjusted Investor Interest as of the close of business on such day, **provided, however, that**, with respect to the first Collection Period, the Class Floating Allocation means, with respect to any Class or Sub-Class of the relevant Series Investor Interest, the percentage equivalent of a fraction, the numerator of which is the relevant Class Initial Investor Interest and the denominator of which is the relevant Series Initial Investor Interest;

"Class Initial Investor Interest" means, in respect of each Class or Sub-Class of the relevant Series Investor Interest, the amount in Sterling set out in the relevant Final Terms or Drawdown Prospectus as the Class Initial Investor Interest in respect of that Class or Sub-Class; and

"Class Investor Interest" means, in respect of each Class or Sub-Class of the relevant Series Investor Interest and on any date of determination, an amount equal to:

- (i) the relevant Class Initial Investor Interest; *minus*
- (ii) the aggregate amount of principal payments made to the relevant Series Investor Beneficiary which, for the purposes of calculation, are treated as referable to the relevant Class Investor Interest from Trust Property (with the effect that the amount of principal beneficial entitlement of the relevant Series Investor Beneficiary in the Receivables Trust for the purposes of calculation treated as referable to the relevant Class Investor Interest is reduced) prior to such date; *minus*
- (iii) the excess, if any, of the aggregate amount of the relevant Class Investor Charge-offs over the amount of such Class Investor Charge-offs reinstated prior to such date of determination,

provided, however, that a Class Investor Interest may not be reduced below zero.

Calculation and Distribution of Finance Charge Collections and Acquired Interchange to the Loan Note Issuer

With respect to any Series issued under the Programme, on each day on which Finance Charge Collections or Acquired Interchange are transferred to the Receivables Trustee Collection Account during the Revolving Period, the Controlled Accumulation Period, any Specified Class Controlled Accumulation Period, any Specified Class Rapid Amortisation Period and the Rapid Amortisation Period, the Receivables

Trustee will credit an amount to the applicable Series Finance Charge Collections Ledger in the Receivables Trustee Collection Account. The amount to be credited will be determined by applying the Floating Investor Percentage (as described below) for that Series to such amounts of Finance Charge Collections or Acquired Interchange. The amount credited to the relevant Series Finance Charge Collections Ledger will be transferred following the end of each Collection Period on the related Transfer Date to the Loan Note Issuer Distribution Account for credit to the corresponding Series Ledger. From that account amounts will be applied to meet the obligations of the Loan Note Issuer in respect of that Series for the relevant Collection Period or will be paid back to the Receivables Trustee as Additional Funds for the grant of the Loan Note Issuer's beneficial interest in the Receivables Trust (see "*Additional Funds Payable by the Series Investor Beneficiary*" above). See also "*The Loan Note Series – Cashflows of the Loan Note Issuer*" and "*Principal Funding*" below.

On each Relevant Date and in respect of each Series issued under the Programme, the Floating Investor Percentage for that Series will be applied by the Receivables Trustee to determine the beneficial entitlement of the Loan Note Issuer (as the relevant Series Beneficiary) to distributions of Finance Charge Collections and Acquired Interchange in respect of the relevant Series. The Receivables Trustee will make such determination by making the following calculation:

$$A \times B$$

where:

- A = the Floating Investor Percentage for that Series on such Relevant Date, and
- B = the total amount of Finance Charge Collections processed on, or, as applicable, the total amount of Acquired Interchange paid in, on the related Date of Processing.

The definition of "**Floating Investor Percentage**" for a specific Series issued under the Programme means, with respect to any Collection Period, the percentage equivalent (which percentage shall never exceed 100 per cent.) of a fraction:

- (a) the numerator of which is the relevant Series Adjusted Investor Interest at the close of business on the last day of the prior Collection Period (or, with respect to the first Collection Period, the relevant Series Initial Investor Interest); and
- (b) the denominator of which is the greater of:
 - (i) an amount equal to the Eligible Receivables Balance as at the close of business on the last day of the prior Collection Period (or, with respect to the first Collection Period, on the relevant Closing Date for such Series); and
 - (ii) either:
 - (A) other than in respect of calculations with regard to Principal Collections, the sum of (1) the relevant Series Adjusted Investor Interest as of the close of business on the last day of the preceding Collection Period (or, with respect to the first Collection Period for that Series, the relevant Series Initial Investor Interest) and (2) the sum of the numerators used to calculate the Investor Percentages for distributions with respect to Finance Charge Collections and Acquired Interchange and allocation of Default Amounts, at any time, for all Outstanding Series (excluding that Series) with respect to the Collection Period for which the Floating Investor Percentage is being determined; or
 - (B) in respect of calculations with regard to Principal Collections, the sum of (1) the relevant Series Adjusted Investor Interest as of the close of business on the last day of the preceding Collection Period (or, with respect to the first Collection Period for that Series, the relevant Series Initial Investor Interest) and (2) the sum of the numerators used to calculate the Investor Percentages for distributions with respect to Principal Collections for all Outstanding Series (excluding that Series)

with respect to the Collection Period for which the Floating Investor Percentage is being determined,

provided that, with respect to any Collection Period in which a Subsequent Assignment Date in respect of Accounts with a balance of existing Receivables or a Re-designation Date in respect of Third Party Re-designated Accounts, as the case may be, occurs, the amount in paragraph (b)(i) above shall be:

- for the period from (and including) the first day of the Collection Period to (but excluding) the Subsequent Assignment Date or the Re-designation Date, as the case may be, an amount equal to the Eligible Receivables Balance as at the close of business on the last day of the prior Collection Period (or, with respect to the first Collection Period for that Series, on the relevant Closing Date); and
- for the period from (and including) the Subsequent Assignment Date or the Re-designation Date, as the case may be, to (and including) the last day of the Collection Period, an amount equal to the Eligible Receivables Balance at the beginning of the day on the related Subsequent Assignment Date or Re-designation Date, as the case may be, as adjusted for the Outstanding Face Amount of Eligible Receivables at the beginning of such day added to or, as the case may be, removed from the Undivided Bare Trust on such Subsequent Assignment Date or Re-designation Date, as the case may be,

and **provided, further, however, that**, with respect to any Collection Period in which a Relevant Event occurs, the amounts used for the calculation in paragraph (b)(ii) above shall be:

- for the period from (and including) the first day of the Collection Period to (but excluding) the date of the Relevant Event, the sum of the numerators used to calculate the investor percentages for distributions with respect to Finance Charge Collections and Acquired Interchange and allocations of Default Amounts for all Outstanding Series (including that Series) for the relevant Collection Period; and
- for the period from (and including) the date of the Relevant Event to (and including) the last day of the Collection Period, the sum of the numerators used to calculate the investor percentages for distributions with respect to Finance Charge Collections and Acquired Interchange and allocations of Default Amounts for all Outstanding Series (including that Series) on the date of the Relevant Event, adjusted to take into account the Relevant Event in question.

"Relevant Event" means, with respect to any Series, any event which increases or decreases the amount of an Investor Interest (as defined in the Master Framework Agreement) for any Outstanding Series (including that Series) other than by reason of allocating or reinstating the Investor Charge-offs for that Series (as defined in the Supplement for that Series) which occurs prior to the end of that Series' Revolving Period (as defined in the Supplement for that Series).

Class Investor Interest

As noted under "*Beneficial Entitlement of the Loan Note Issuer to Collections*" above, calculations and information will be delivered by the Receivables Trustee to the Loan Note Issuer. These calculations and information will relate to, among other things, the amounts of Finance Charge Collections and Acquired Interchange distributed to the Loan Note Issuer which will ultimately be used for payments. In order to determine how payments will be made by the Loan Note Issuer with respect to the Loan Note of a particular Class or Sub-Class, it is necessary to understand the following definitions and cash flows in respect of such Class or Sub-Class in such Series.

In respect of each Transfer Date and each Series, a portion of Finance Charge Collections and Acquired Interchange that are distributable to the Loan Note Issuer from amounts standing to the credit of the relevant Series Finance Charge Collections Ledger in the Receivables Trustee Collection Account will be calculated and notionally allocated to each Class Investor Interest within the relevant Series Finance Charge Collections Ledger. This aggregate amount, defined as the "**Class Monthly Required Expense Amount**" for that Class or Sub-Class, will form part of the calculation of the Class Required Amount for that Class or Sub-Class and is the aggregate of:

- (i) in respect of the Most Senior Class (or, if the Most Senior Class is divided into Sub-Classes, the Sub-Classes of the Most Senior Class) only:
 - (a) if the Most Senior Class is not divided into Sub-Classes, an amount equal to the Investor Aggregate Trustee Payment Amount plus any Investor Aggregate Trustee Payment Amounts remaining unpaid in respect of any previous Transfer Date; or
 - (b) if the Most Senior Class is divided into Sub-Classes, in respect of each Sub-Class of the Most Senior Class, an amount equal to the relevant Sub-Class Investor Aggregate Trustee Payment Amount plus any relevant Sub-Class Investor Aggregate Trustee Payment Amounts remaining unpaid in respect of any previous Transfer Date; *plus*
- (ii) in respect of the Most Senior Class (or, if the Most Senior Class is divided into Sub-Classes, the Sub-Classes of the Most Senior Class) only:
 - (a) if the Most Senior Class is not divided into Sub-Classes, the aggregate of the Loan Note Issuer Costs Amount and the Issuer Costs Amount plus any Loan Note Issuer Costs Amount and/or any Issuer Costs Amount remaining unpaid in respect of any previous Transfer Date; or
 - (b) if the Most Senior Class is divided into Sub-Classes, in respect of each Sub-Class of the Most Senior Class, the aggregate of the relevant Sub-Class Loan Note Issuer Costs Amount and the relevant Sub-Class Issuer Costs Amount plus any relevant Sub-Class Loan Note Issuer Costs Amount and/or any relevant Sub-Class Issuer Costs Amount remaining unpaid in respect of any previous Transfer Date; *plus*
- (iii) an amount which, in respect of the Calculation Period ending on (but excluding) the Distribution Date immediately following such Transfer Date, is equal to the product of (A) the relevant Class Day Count Fraction, (B) the relevant Class LN Rate for such Calculation Period, and (C) the relevant Class Debt Amount as of the first day of such Calculation Period taking into account any reductions on such date (the "**Class Monthly Finance Amount**" for that Class or Sub-Class); *plus*
- (iv) an amount equal to any unpaid relevant Class Deficiency Amounts; *plus*
- (v) an amount equal to the product of (A)(1) the relevant Class Day Count Fraction, multiplied by (2) the relevant Class LN Rate for such Calculation Period, plus 1 per cent. per annum, and (B) the unpaid relevant Class Deficiency Amounts (if any) on the related Transfer Date for the immediately preceding Distribution Date (the "**Class Additional Finance Amount**" for that Class or Sub-Class);

"**Calculation Period**" means, with respect to any Distribution Date, the period from and including the Distribution Date immediately preceding such Distribution Date (or, in the case of the first Distribution Date for any Series, from and including the Closing Date for that Series) to but excluding such Distribution Date;

"**Class Associated Debt**" means, in respect of each Class or Sub-Class within a Series issued under the Programme, the corresponding Class or Sub-Class of Notes within the relevant Note Series;

"**Class Day Count Fraction**" has the meaning, in respect of each Class or Sub-Class within a Series issued under the Programme, set out in the Final Terms or Drawdown Prospectus, as applicable for the relevant Note Series;

"**Class Debt Amount**" means, with respect to any date of determination and any Class or Sub-Class within a Series issued under the Programme, an amount equal to the Class Initial Debt Amount in respect of the relevant Class or Sub-Class *minus* the aggregate amount of principal payments and amounts to be treated as principal payments made to the Issuer (as holder of the Loan Note of that Class or Sub-Class) which are treated by the Loan Note Issuer as principal payments referable to that Loan Note from Trust Property, **provided, however, that**, upon and after the relevant Series Termination Date, the Class Debt Amount shall be an amount equal to zero;

"**Class Deficiency Amount**" means, in respect of any Transfer Date and any Class or Sub-Class within a Series issued under the Programme, an amount equal to the excess, if any, of the relevant Class Monthly Required Expense Amount as of the prior Transfer Date (disregarding for this purpose, in respect of the

Most Senior Class or any Sub-Class of the Most Senior Class, as applicable, the Investor Aggregate Trustee Payment Amount, the Loan Note Issuer Costs Amount, the Issuer Costs Amount, the Sub-Class Investor Aggregate Trustee Payment Amount, the Sub-Class Loan Note Issuer Costs Amount and the Sub-Class Issuer Costs Amount referable to the relevant Class or Sub-Class) over the amounts actually deposited on such prior Transfer Date as the Class Monthly Distribution Amount in respect of the relevant Class or Sub-Class into the Loan Note Issuer Distribution Account for the payment of such amount out of Available Funds on the relevant Transfer Date;

"Class Initial Debt Amount" has the meaning, in respect of each Class or Sub-Class within a Series issued under the Programme, set out in the Final Terms or Drawdown Prospectus, as applicable for the relevant Note Series;

"Class LN Rate" has the meaning, in respect of each Class or Sub-Class within a Series issued under the Programme, set out in the Final Terms or Drawdown Prospectus, as applicable for the related Note Series;

"Distribution Date" means, in respect of each Series issued under the Programme, the date specified as the "First Distribution Date" in the Final Terms or Drawdown Prospectus, as applicable, for the related Note Series and the 15th day of each calendar month thereafter, or, if any such 15th day is not a Business Day, the next succeeding Business Day;

"Issuer Costs Amount" means, in respect of each Series issued under the Programme, the amounts (other than amounts payable to the Noteholders under the relevant Notes or to a Swap Counterparty under any relevant Swap Agreement and other than the Issuer Junior Costs Amount in respect of such Series) evidenced by an original invoice or certified to the Receivables Trustee by the Servicer as being required to pay the legal fees and other fees, costs, charges, expenses, losses, damages, claims and liabilities of the Issuer accrued due and payable on any Transfer Date (including the legal fees and other fees, costs, charges, expenses, losses, damages, claims and liabilities of the Note Trustee and any receiver appointed pursuant to the Note Trust Deed for the Notes and the Issuer Account Bank, the Swap Collateral Account Bank, the Paying Agents, the Agent Bank, the Issuer Corporate Services Provider, the Holdings Corporate Services Provider, the Registrar, the U.S. Registrar and the Transfer Agent pursuant to the Transaction Documents) referable to the relevant Series;

"Issuer Junior Costs Amount" means, in respect of each Series issued under the Programme, (a) amounts in respect of any Swap Excluded Termination Payments (other than any Swap Excluded Payable Amount) in respect of such Series; and (b) the amounts evidenced by an original invoice or certified to the Receivables Trustee by the Servicer as being required to pay any fees, costs, charges, expenses, losses, damages, claims and liabilities of the Issuer accrued due and payable on any Transfer Date which are specified in any document pursuant to which the relevant liability is incurred as being payable as part of the Issuer Junior Costs Amount in respect of such Series;

"Issuer Profit Amount" means, with respect to each Series issued under the Programme, an amount to be retained by the Issuer as profit in respect of such Series, which amount shall be specified in the Final Terms or Drawdown Prospectus, as applicable, in respect of such Series;

"Loan Note Issuer Costs Amount" means, in respect of each Series issued under the Programme, the amounts (other than amounts payable to the holders of any Related Debt thereunder or to any counterparty under any Qualifying Swap Agreement or any Enhancement Provider in respect of such Enhancement) evidenced by an original invoice or certified to the Receivables Trustee by the Servicer as being required to pay the legal fees and other fees, costs, charges, expenses, losses, damages, claims and liabilities of the Loan Note Issuer accrued due and payable on any Transfer Date (including the legal fees and other fees, costs, charges, expenses, losses, damages, claims and liabilities of the Security Trustee and any Receiver appointed pursuant to the Security Trust Deed and Cash Management Agreement and the Receivables Trustee Account Bank, the Loan Note Issuer Account Bank, the Loan Note Issuer Corporate Services Provider, the Calculation Agent, the Cash Manager and the Back-Up Cash Manager pursuant to the Transaction Documents) referable to the relevant Series;

"Loan Note Issuer Profit Amount" means, with respect to each Series issued under the Programme, an amount to be retained by the Loan Note Issuer as profit in respect of such Series, which amount shall be specified in the Final Terms or Drawdown Prospectus, as applicable, in respect of such Series;

"**Most Senior Class**" means, in respect of each Series issued under the Programme, the Class A Investor Interest (or any Sub-Class of it) while it remains outstanding and thereafter the Class B Investor Interest (or any Sub-Class of it) while it remains outstanding and thereafter the Class C Investor Interest (or any Sub-Class of it) while it remains outstanding and thereafter the Class D Investor Interest (or any Sub-Class of it) while it remains outstanding and thereafter the Class E Investor Interest (or any Sub-Class of it) while it remains outstanding and thereafter the Class F Investor Interest (or any Sub-Class of it);

"**Receiver**" means a person, or persons, appointed in writing by the Security Trustee who is to be a receiver, a receiver and manager or an administrative receiver (and who shall not be the Security Trustee or an affiliate of the Security Trustee);

"**Series Associated Debt**" means, with respect to a Series issued under the Programme, the Class Associated Debt in respect of each Class or Sub-Class within that Series;

"**Series Debt Amount**" means, with respect to a Series issued under the Programme, on any date, the aggregate of the Class Debt Amounts in respect of each Class or Sub-Class within that Series;

"**Series Monthly Required Expense Amount**" means, with respect to a Series issued under the Programme, the aggregate of the Class Monthly Required Expense Amounts in respect of each Class or Sub-Class within that Series;

"**Sub-Class Investor Aggregate Trustee Payment Amount**" means, in respect of each Transfer Date and each Sub-Class (if any) of the Most Senior Class of a Series issued under the Programme, the relevant Sub-Class Percentage of the Investor Aggregate Trustee Payment Amount;

"**Sub-Class Issuer Costs Amount**" means, in respect of each Transfer Date and each Sub-Class (if any) of the Most Senior Class of a Series issued under the Programme, the relevant Sub-Class Percentage of the Issuer Costs Amount;

"**Sub-Class Loan Note Issuer Costs Amount**" means, in respect of each Transfer Date and each Sub-Class (if any) of the Most Senior Class of a Series issued under the Programme, the relevant Sub-Class Percentage of the Loan Note Issuer Costs Amount; and

"**Sub-Class Percentage**" means, with respect to any Collection Period and a Sub-Class of any Class of a Series issued under the Programme, the percentage equivalent of a fraction, the numerator of which is the Class Adjusted Investor Interest for that Sub-Class as of the close of business on the last day of the preceding Collection Period and the denominator of which is the sum of the Class Adjusted Investor Interests for each Sub-Class within the Class of which the relevant Sub-Class forms part as of the close of business on such day, **provided, however, that**, with respect to the first Collection Period, the Sub-Class Percentage means the percentage equivalent of a fraction, the numerator of which is the Class Initial Investor Interest for that Sub-Class and the denominator of which is the sum of the Class Initial Investor Interests for each Sub-Class within the Class of which the relevant Sub-Class forms part.

Available Funds

"**Available Funds**" means, with respect to a Series issued under the Programme and any Collection Period, the sum of:

- (a) the Investor Percentage for that Series of Finance Charge Collections, as allocated to the relevant Series Investor Beneficiary by being credited to the relevant Series Finance Charge Collections Ledger, for such Collection Period;
- (b) the Investor Percentage for that Series of amounts of Acquired Interchange, as allocated to the relevant Series Investor Beneficiary by being credited to the relevant Series Finance Charge Collections Ledger, for such Collection Period (or to be credited to the relevant Series Finance Charge Collections Ledger on the related Transfer Date with respect to the preceding Collection Period) (excluding any such amount of Acquired Interchange which has been applied as Servicer Interchange Amounts);
- (c) with respect to any Collection Period prior to the payment in full of the relevant Series Investor Interest, the Principal Funding Investment Proceeds (up to a maximum amount equal to the aggregate of the Covered Amount) and the Specified Class Principal Funding Investment Proceeds

in respect of each Specified Class (up to a maximum amount equal to the aggregate of the relevant Class Covered Amount), if any, transferred from the relevant Series Principal Funding Ledger of the Receivables Trustee Investment Account to the Receivables Trustee Collection Account with respect to the related Transfer Date;

- (d) with respect to any Collection Period prior to the payment in full of the relevant Series Investor Interest, the Liquidity Reserve Ledger Surplus Release Amount for that Series transferred from the relevant Series Liquidity Reserve Ledger of the Receivables Trustee Investment Account to the Receivables Trustee Collection Account and, on the Liquidity Reserve Release Date, the amount withdrawn from the relevant Series Liquidity Reserve Ledger as the Liquidity Reserve Ledger Release Amount for that Series;
- (e) with respect to any Collection Period prior to the payment in full of the relevant Series Investor Interest, the Accumulation Reserve Investment Proceeds, the Specified Class Accumulation Reserve Investment Proceeds in respect of each Specified Class and the Liquidity Reserve Investment Proceeds transferred from the relevant Accumulation Reserve Ledger, each relevant Specified Class Accumulation Reserve Ledger and the relevant Series Liquidity Reserve Ledger of the Receivables Trustee Investment Account to the Receivables Trustee Collection Account, if any, with respect to the related Transfer Date; and
- (f) net amounts to be received by the Loan Note Issuer into the Loan Note Issuer Distribution Account pursuant to the terms of a Qualifying Swap Agreement and recorded on the relevant Series Ledger as amounts being referable to the relevant Series in relation to the following Distribution Date.

"Covered Amount" and "Class Covered Amount" are defined in "*Series Securitisation Cashflows – Covered Amounts*" below.

Application of Available Funds

On each Transfer Date, with respect to each Series issued under the Programme, the aggregate of the Available Funds described above standing to the credit of the relevant Series Finance Charge Collections Ledger and amounts, if any, of Group One Series Excess Finance Charges allocated to that Series will be transferred by the Receivables Trustee acting on the Loan Note Issuer's behalf and used to make the following payments with respect to the relevant Series in the following priority:

- (1) the Investor Aggregate Trustee Payment Amount for the relevant Series plus any unpaid Investor Aggregate Trustee Payment Amounts for the relevant Series from prior Transfer Dates shall be deposited in the Loan Note Issuer Distribution Account (and the Loan Note Issuer will then pay an amount equal to this amount to the Receivables Trustee as Additional Funds);
- (2) the Loan Note Issuer Costs Amount and Issuer Costs Amount for the relevant Series plus any Loan Note Issuer Costs Amounts or Issuer Costs Amounts for the relevant Series remaining unpaid in respect of any previous Transfer Date shall be deposited in the Loan Note Issuer Distribution Account;
- (3) an amount equal to the Loan Note Issuer Profit Amount and the Issuer Profit Amount for the relevant Series plus any Loan Note Issuer Profit Amount or Issuer Profit Amount for the relevant Series remaining unpaid in respect of any previous Transfer Date shall be deposited in the Loan Note Issuer Distribution Account;
- (4) the Investor Servicing Fee Amount referable to the relevant Series (exclusive of the Servicer Interchange Amount referable to such Series on such Transfer Date) and any due but unpaid Investor Servicing Fee Amounts (exclusive of the Servicer Interchange Amount referable to the relevant Series) from prior Transfer Dates shall be deposited in the Loan Note Issuer Distribution Account (and the Loan Note Issuer will then pay an amount equal to this amount to the Receivables Trustee as Additional Funds);
- (5) if the relevant Series is in a Qualifying Swap Group, an amount equal to any Qualifying Swap Amount referable to the relevant Series that is due and payable on or around such Transfer Date, excluding Qualifying Swap Partial Termination Payments, Qualifying Swap Subordinated Termination Payments and Qualifying Swap Permitted Tax Credit Payments, will be deposited in the Loan Note Issuer Distribution Account and recorded on the relevant Series Ledger;

- (6) *pro rata* and *pari passu*:
- (i) in respect of Class A of the relevant Series:
 - (A) if such Class is not divided into Sub-Classes, the sum of the Class Monthly Finance Amount, the Class Deficiency Amount and the Class Additional Finance Amount in respect of that Class will be deposited in the Loan Note Issuer Distribution Account (identified as being referable to the Loan Note of such Class of the relevant Series); or
 - (B) if such Class is divided into Sub-Classes, *pro rata* and *pari passu* in respect of each such Sub-Class, the sum of the Class Monthly Finance Amount, the Class Deficiency Amount and the Class Additional Finance Amount in respect of that Sub-Class will be deposited in the Loan Note Issuer Distribution Account (identified as being referable to the Loan Note of such Sub-Class of the relevant Series); and
 - (ii) if the relevant Series is in a Qualifying Swap Group, an amount equal to any Qualifying Swap Partial Termination Payments and Qualifying Swap Permitted Tax Credit Payments referable to the relevant Series that are due and payable on or around such Transfer Date to the relevant Qualifying Swap Provider pursuant to the applicable Qualifying Swap Agreement shall be deposited in the Loan Note Issuer Distribution Account and recorded on the relevant Series Ledger;
- (7) in respect of Class B of the relevant Series:
- (i) if such Class is not divided into Sub-Classes, the sum of the Class Monthly Finance Amount, the Class Deficiency Amount and the Class Additional Finance Amount in respect of that Class will be deposited in the Loan Note Issuer Distribution Account (identified as being referable to the Loan Note of such Class of the relevant Series); or
 - (ii) if such Class is divided into Sub-Classes, *pro rata* and *pari passu* in respect of each such Sub-Class, the sum of the Class Monthly Finance Amount, the Class Deficiency Amount and the Class Additional Finance Amount in respect of that Sub-Class will be deposited in the Loan Note Issuer Distribution Account (identified as being referable to the Loan Note of such Sub-Class of the relevant Series);
- (8) in respect of Class C of the relevant Series:
- (i) if such Class is not divided into Sub-Classes, the sum of the Class Monthly Finance Amount, the Class Deficiency Amount and the Class Additional Finance Amount in respect of that Class will be deposited in the Loan Note Issuer Distribution Account (identified as being referable to the Loan Note of such Class of the relevant Series); or
 - (ii) if such Class is divided into Sub-Classes, *pro rata* and *pari passu* in respect of each such Sub-Class, the sum of the Class Monthly Finance Amount, the Class Deficiency Amount and the Class Additional Finance Amount in respect of that Sub-Class will be deposited in the Loan Note Issuer Distribution Account (identified as being referable to the Loan Note of such Sub-Class of the relevant Series);
- (9) in respect of Class D of the relevant Series:
- (i) if such Class is not divided into Sub-Classes, the sum of the Class Monthly Finance Amount, the Class Deficiency Amount and the Class Additional Finance Amount in respect of that Class will be deposited in the Loan Note Issuer Distribution Account (identified as being referable to the Loan Note of such Class of the relevant Series); or
 - (ii) if such Class is divided into Sub-Classes, *pro rata* and *pari passu* in respect of each such Sub-Class, the sum of the Class Monthly Finance Amount, the Class Deficiency Amount and the Class Additional Finance Amount in respect of that Sub-Class will be deposited in the Loan Note Issuer Distribution Account (identified as being referable to the Loan Note of such Sub-Class of the relevant Series);

- (10) on any Transfer Date, prior to the Liquidity Reserve Release Date, on which the Available Liquidity Reserve Amount is less than the Required Liquidity Reserve Amount (if any), an amount up to the excess (if any) of the Required Liquidity Reserve Amount over the Available Liquidity Reserve Amount shall be allocated to the relevant Series Investor Beneficiary and deposited in the Receivables Trustee Investment Account to the credit of the relevant Series Liquidity Reserve Ledger;
- (11) in respect of Class A of the relevant Series:
- (i) if such Class is not divided into Sub-Classes, an amount equal to the Class Investor Default Amount in respect of that Class will be allocated to that Class and deposited in the Loan Note Issuer Distribution Account and the Loan Note Issuer will then pay an amount equal to this amount to the Receivables Trustee as Additional Funds and such amount shall be used to reinstate the relevant Class Investor Interest or (during any Specified Class Rapid Amortisation Period or the Rapid Amortisation Period) remain credited to the Finance Charge Collections Ledger as Principal Loss Make-Up (Default); and
 - (ii) if such Class is divided into Sub-Classes, *pro rata* and *pari passu* in respect of each such Sub-Class, an amount equal to the Class Investor Default Amount in respect of that Sub-Class will be allocated to that Sub-Class and deposited in the Loan Note Issuer Distribution Account and the Loan Note Issuer will then pay an amount equal to this amount to the Receivables Trustee as Additional Funds and such amounts shall be used to reinstate the relevant Class Investor Interest or (during any Specified Class Rapid Amortisation Period or the Rapid Amortisation Period) remain credited to the Finance Charge Collections Ledger as Principal Loss Make-Up (Default);
- (12) in respect of Class A of the relevant Series:
- (i) if such Class is not divided into Sub-Classes, an amount equal to the total amount of Class Investor Charge-offs in respect of that Class that have not been previously reinstated and for which a payment of Principal Loss Make-Up (Charge-off) has not been made will be deposited in the Loan Note Issuer Distribution Account and the Loan Note Issuer will then pay an amount equal to this amount to the Receivables Trustee as Additional Funds and such amount shall be used to reinstate the relevant Class Investor Interest or (during any Specified Class Rapid Amortisation Period or the Rapid Amortisation Period) remain credited to the Finance Charge Collections Ledger as Principal Loss Make-Up (Charge-off); and
 - (ii) if such Class is divided into Sub-Classes, *pro rata* and *pari passu* in respect of each such Sub-Class, an amount equal to the total amount of Class Investor Charge-offs in respect of that Sub-Class that have not been previously reinstated and for which a payment of Principal Loss Make-Up (Charge-off) has not been made will be deposited in the Loan Note Issuer Distribution Account and the Loan Note Issuer will then pay an amount equal to this amount to the Receivables Trustee as Additional Funds and such amount shall be used to reinstate the relevant Class Investor Interest or (during any Specified Class Rapid Amortisation Period or the Rapid Amortisation Period) remain credited to the Finance Charge Collections Ledger as Principal Loss Make-Up (Charge-off);
- (13) in respect of Class B of the relevant Series:
- (i) if such Class is not divided into Sub-Classes, an amount equal to the Class Investor Default Amount in respect of that Class will be allocated to that Class and deposited in the Loan Note Issuer Distribution Account and the Loan Note Issuer will then pay an amount equal to this amount to the Receivables Trustee as Additional Funds and such amount shall be used to reinstate the relevant Class Investor Interest or (during any Specified Class Rapid Amortisation Period or the Rapid Amortisation Period) remain credited to the Finance Charge Collections Ledger as Principal Loss Make-Up (Default); and
 - (ii) if such Class is divided into Sub-Classes, *pro rata* and *pari passu* in respect of each such Sub-Class, an amount equal to the Class Investor Default Amount in respect of that Sub-Class will be allocated to that Sub-Class and deposited in the Loan Note Issuer

Distribution Account and the Loan Note Issuer will then pay an amount equal to this amount to the Receivables Trustee as Additional Funds and such amounts shall be used to reinstate the relevant Class Investor Interest or (during any Specified Class Rapid Amortisation Period or the Rapid Amortisation Period) remain credited to the Finance Charge Collections Ledger as Principal Loss Make-Up (Default);

- (14) in respect of Class B of the relevant Series:
- (i) if such Class is not divided into Sub-Classes, an amount equal to the total amount of Class Investor Charge-offs in respect of that Class that have not been previously reinstated and for which a payment of Principal Loss Make-Up (Charge-off) has not been made will be deposited in the Loan Note Issuer Distribution Account and the Loan Note Issuer will then pay an amount equal to this amount to the Receivables Trustee as Additional Funds and such amount shall be used to reinstate the relevant Class Investor Interest or (during any Specified Class Rapid Amortisation Period or the Rapid Amortisation Period) remain credited to the Finance Charge Collections Ledger as Principal Loss Make-Up (Charge-off); and
 - (ii) if such Class is divided into Sub-Classes, *pro rata* and *pari passu* in respect of each such Sub-Class, an amount equal to the total amount of Class Investor Charge-offs in respect of that Sub-Class that have not been previously reinstated and for which a payment of Principal Loss Make-Up (Charge-off) has not been made will be deposited in the Loan Note Issuer Distribution Account and the Loan Note Issuer will then pay an amount equal to this amount to the Receivables Trustee as Additional Funds and such amount shall be used to reinstate the relevant Class Investor Interest or (during any Specified Class Rapid Amortisation Period or the Rapid Amortisation Period) remain credited to the Finance Charge Collections Ledger as Principal Loss Make-Up (Charge-off);
- (15) in respect of Class C of the relevant Series:
- (i) if such Class is not divided into Sub-Classes, an amount equal to the Class Investor Default Amount in respect of that Class will be allocated to that Class and deposited in the Loan Note Issuer Distribution Account and the Loan Note Issuer will then pay an amount equal to this amount to the Receivables Trustee as Additional Funds and such amount shall be used to reinstate the relevant Class Investor Interest or (during any Specified Class Rapid Amortisation Period or the Rapid Amortisation Period) remain credited to the Finance Charge Collections Ledger as Principal Loss Make-Up (Default); and
 - (ii) if such Class is divided into Sub-Classes, *pro rata* and *pari passu* in respect of each such Sub-Class, an amount equal to the Class Investor Default Amount in respect of that Sub-Class will be allocated to that Sub-Class and deposited in the Loan Note Issuer Distribution Account and the Loan Note Issuer will then pay an amount equal to this amount to the Receivables Trustee as Additional Funds and such amounts shall be used to reinstate the relevant Class Investor Interest or (during any Specified Class Rapid Amortisation Period or the Rapid Amortisation Period) remain credited to the Finance Charge Collections Ledger as Principal Loss Make-Up (Default);
- (16) in respect of Class C of the relevant Series:
- (i) if such Class is not divided into Sub-Classes, an amount equal to the total amount of Class Investor Charge-offs in respect of that Class that have not been previously reinstated and for which a payment of Principal Loss Make-Up (Charge-off) has not been made will be deposited in the Loan Note Issuer Distribution Account and the Loan Note Issuer will then pay an amount equal to this amount to the Receivables Trustee as Additional Funds and such amount shall be used to reinstate the relevant Class Investor Interest or (during any Specified Class Rapid Amortisation Period or the Rapid Amortisation Period) remain credited to the Finance Charge Collections Ledger as Principal Loss Make-Up (Charge-off); and
 - (ii) if such Class is divided into Sub-Classes, *pro rata* and *pari passu* in respect of each such Sub-Class, an amount equal to the total amount of Class Investor Charge-offs in respect

of that Sub-Class that have not been previously reinstated and for which a payment of Principal Loss Make-Up (Charge-off) has not been made will be deposited in the Loan Note Issuer Distribution Account and the Loan Note Issuer will then pay an amount equal to this amount to the Receivables Trustee as Additional Funds and such amount shall be used to reinstate the relevant Class Investor Interest or (during any Specified Class Rapid Amortisation Period or the Rapid Amortisation Period) remain credited to the Finance Charge Collections Ledger as Principal Loss Make-Up (Charge-off);

(17) in respect of Class D of the relevant Series:

- (i) if such Class is not divided into Sub-Classes, an amount equal to the Class Investor Default Amount in respect of that Class will be allocated to that Class and deposited in the Loan Note Issuer Distribution Account and the Loan Note Issuer will then pay an amount equal to this amount to the Receivables Trustee as Additional Funds and such amount shall be used to reinstate the relevant Class Investor Interest or (during any Specified Class Rapid Amortisation Period or the Rapid Amortisation Period) remain credited to the Finance Charge Collections Ledger as Principal Loss Make-Up (Default); and
- (ii) if such Class is divided into Sub-Classes, *pro rata* and *pari passu* in respect of each such Sub-Class, an amount equal to the Class Investor Default Amount in respect of that Sub-Class will be allocated to that Sub-Class and deposited in the Loan Note Issuer Distribution Account and the Loan Note Issuer will then pay an amount equal to this amount to the Receivables Trustee as Additional Funds and such amounts shall be used to reinstate the relevant Class Investor Interest or (during any Specified Class Rapid Amortisation Period or the Rapid Amortisation Period) remain credited to the Finance Charge Collections Ledger as Principal Loss Make-Up (Default);

(18) in respect of Class D of the relevant Series:

- (i) if such Class is not divided into Sub-Classes, an amount equal to the total amount of Class Investor Charge-offs in respect of that Class that have not been previously reinstated and for which a payment of Principal Loss Make-Up (Charge-off) has not been made will be deposited in the Loan Note Issuer Distribution Account and the Loan Note Issuer will then pay an amount equal to this amount to the Receivables Trustee as Additional Funds and such amount shall be used to reinstate the relevant Class Investor Interest or (during any Specified Class Rapid Amortisation Period or the Rapid Amortisation Period) remain credited to the Finance Charge Collections Ledger as Principal Loss Make-Up (Charge-off); and
- (ii) if such Class is divided into Sub-Classes, *pro rata* and *pari passu* in respect of each such Sub-Class, an amount equal to the total amount of Class Investor Charge-offs in respect of that Sub-Class that have not been previously reinstated and for which a payment of Principal Loss Make-Up (Charge-off) has not been made will be deposited in the Loan Note Issuer Distribution Account and the Loan Note Issuer will then pay an amount equal to this amount to the Receivables Trustee as Additional Funds and such amount shall be used to reinstate the relevant Class Investor Interest or (during any Specified Class Rapid Amortisation Period or the Rapid Amortisation Period) remain credited to the Finance Charge Collections Ledger as Principal Loss Make-Up (Charge-off);

(19) in respect of Class E of the relevant Series:

- (i) if such Class is not divided into Sub-Classes, the sum of the Class Monthly Finance Amount, the Class Deficiency Amount and the Class Additional Finance Amount in respect of that Class will be deposited in the Loan Note Issuer Distribution Account (identified as being referable to the Loan Note of such Class of the relevant Series); or
- (ii) if such Class is divided into Sub-Classes, *pro rata* and *pari passu* in respect of each such Sub-Class, the sum of the Class Monthly Finance Amount, the Class Deficiency Amount and the Class Additional Finance Amount in respect of that Sub-Class will be deposited in the Loan Note Issuer Distribution Account (identified as being referable to the Loan Note of such Sub-Class of the relevant Series);

- (20) in respect of Class E of the relevant Series:
- (i) if such Class is not divided into Sub-Classes, an amount equal to the Class Investor Default Amount in respect of that Class will be allocated to that Class and deposited in the Loan Note Issuer Distribution Account and the Loan Note Issuer will then pay an amount equal to this amount to the Receivables Trustee as Additional Funds and such amount shall be used to reinstate the relevant Class Investor Interest or (during any Specified Class Rapid Amortisation Period or the Rapid Amortisation Period) remain credited to the Finance Charge Collections Ledger as Principal Loss Make-Up (Default); and
 - (ii) if such Class is divided into Sub-Classes, *pro rata* and *pari passu* in respect of each such Sub-Class, an amount equal to the Class Investor Default Amount in respect of that Sub-Class will be allocated to that Sub-Class and deposited in the Loan Note Issuer Distribution Account and the Loan Note Issuer will then pay an amount equal to this amount to the Receivables Trustee as Additional Funds and such amounts shall be used to reinstate the relevant Class Investor Interest or (during any Specified Class Rapid Amortisation Period or the Rapid Amortisation Period) remain credited to the Finance Charge Collections Ledger as Principal Loss Make-Up (Default);
- (21) in respect of Class E of the relevant Series:
- (i) if such Class is not divided into Sub-Classes, an amount equal to the total amount of Class Investor Charge-offs in respect of that Class that have not been previously reinstated and for which a payment of Principal Loss Make-Up (Charge-off) has not been made will be deposited in the Loan Note Issuer Distribution Account and the Loan Note Issuer will then pay an amount equal to this amount to the Receivables Trustee as Additional Funds and such amount shall be used to reinstate the relevant Class Investor Interest or (during any Specified Class Rapid Amortisation Period or the Rapid Amortisation Period) remain credited to the Finance Charge Collections Ledger as Principal Loss Make-Up (Charge-off); and
 - (ii) if such Class is divided into Sub-Classes, *pro rata* and *pari passu* in respect of each such Sub-Class, an amount equal to the total amount of Class Investor Charge-offs in respect of that Sub-Class that have not been previously reinstated and for which a payment of Principal Loss Make-Up (Charge-off) has not been made will be deposited in the Loan Note Issuer Distribution Account and the Loan Note Issuer will then pay an amount equal to this amount to the Receivables Trustee as Additional Funds and such amount shall be used to reinstate the relevant Class Investor Interest or (during any Specified Class Rapid Amortisation Period or the Rapid Amortisation Period) remain credited to the Finance Charge Collections Ledger as Principal Loss Make-Up (Charge-off);
- (22) in respect of Class F of the relevant Series:
- (i) if such Class is not divided into Sub-Classes, the sum of the Class Monthly Finance Amount, the Class Deficiency Amount and the Class Additional Finance Amount in respect of that Class will be deposited in the Loan Note Issuer Distribution Account (identified as being referable to the Loan Note of such Class of the relevant Series); or
 - (ii) if such Class is divided into Sub-Classes, *pro rata* and *pari passu* in respect of each such Sub-Class, the sum of the Class Monthly Finance Amount, the Class Deficiency Amount and the Class Additional Finance Amount in respect of that Sub-Class will be deposited in the Loan Note Issuer Distribution Account (identified as being referable to the Loan Note of such Sub-Class of the relevant Series);
- (23) in respect of Class F of the relevant Series:
- (i) if such Class is not divided into Sub-Classes, an amount equal to the Class Investor Default Amount in respect of that Class will be allocated to that Class and deposited in the Loan Note Issuer Distribution Account and the Loan Note Issuer will then pay an amount equal to this amount to the Receivables Trustee as Additional Funds and such amount shall be used to reinstate the relevant Class Investor Interest or (during any Specified Class Rapid

- Amortisation Period or the Rapid Amortisation Period) remain credited to the Finance Charge Collections Ledger as Principal Loss Make-Up (Default); and
- (ii) if such Class is divided into Sub-Classes, *pro rata* and *pari passu* in respect of each such Sub-Class, an amount equal to the Class Investor Default Amount in respect of that Sub-Class will be allocated to that Sub-Class and deposited in the Loan Note Issuer Distribution Account and the Loan Note Issuer will then pay an amount equal to this amount to the Receivables Trustee as Additional Funds and such amounts shall be used to reinstate the relevant Class Investor Interest or (during any Specified Class Rapid Amortisation Period or the Rapid Amortisation Period) remain credited to the Finance Charge Collections Ledger as Principal Loss Make-Up (Default);
- (24) in respect of Class F of the relevant Series:
- (i) if such Class is not divided into Sub-Classes, an amount equal to the total amount of Class Investor Charge-offs in respect of that Class that have not been previously reinstated and for which a payment of Principal Loss Make-Up (Charge-off) has not been made will be deposited in the Loan Note Issuer Distribution Account and the Loan Note Issuer will then pay an amount equal to this amount to the Receivables Trustee as Additional Funds and such amount shall be used to reinstate the relevant Class Investor Interest or (during any Specified Class Rapid Amortisation Period or the Rapid Amortisation Period) remain credited to the Finance Charge Collections Ledger as Principal Loss Make-Up (Charge-off); and
- (ii) if such Class is divided into Sub-Classes, *pro rata* and *pari passu* in respect of each such Sub-Class, an amount equal to the total amount of Class Investor Charge-offs in respect of that Sub-Class that have not been previously reinstated and for which a payment of Principal Loss Make-Up (Charge-off) has not been made will be deposited in the Loan Note Issuer Distribution Account and the Loan Note Issuer will then pay an amount equal to this amount to the Receivables Trustee as Additional Funds and such amount shall be used to reinstate the relevant Class Investor Interest or (during any Specified Class Rapid Amortisation Period or the Rapid Amortisation Period) remain credited to the Finance Charge Collections Ledger as Principal Loss Make-Up (Charge-off);
- (25) an amount equal to the aggregate amount of Investor Charge-offs allocated to the Series Originator VFN Subordination for such Series which have not been previously reinstated shall be paid by transfer to the Loan Note Issuer Distribution Account (and the Loan Note Issuer will then pay an amount equal to this amount to the Receivables Trustee as Additional Funds identified as "Loss Make-Up (Charge-off) " to the Receivables Trustee Investment Account) and such amount shall be utilised to reinstate the relevant Series Originator VFN Subordination portion of the Originator VFN Series;
- (26) in accordance with the provisions of the relevant Supplement, (i) on each Transfer Date from and including the Accumulation Reserve Funding Date for that Series but prior to the date on which the Accumulation Reserve Ledger for that Series is closed, an amount equal to the amount (if any) that the Available Accumulation Reserve Amount is less than the Required Accumulation Reserve Amount shall be allocated to the relevant Series Investor Beneficiary and deposited in the Receivables Trustee Investment Account to the credit of the Accumulation Reserve Ledger for that Series, and (ii) on each Transfer Date from and including the Specified Class Accumulation Reserve Funding Date for any Specified Class in that Series but prior to the date on which the Specified Class Accumulation Reserve Ledger for that Specified Class is closed, an amount equal to the amount (if any) that the relevant Specified Class Available Accumulation Reserve Amount is less than the relevant Specified Class Required Accumulation Reserve Amount shall be credited to the Receivables Trustee Investment Account to the credit of the relevant Specified Class Accumulation Reserve Ledger for that Series;
- (27) an amount equal to the aggregate of the Group One Series Finance Charge Shortfall (as defined in the relevant Loan Note Supplements) for all Series in Group One or, if other Series in Group One have available funds remaining for such purpose after paying all relevant items required to be paid in priority and such amounts (each, the "**Group One Series Excess**" in respect of the relevant Series), when aggregated with the balance of Available Funds after making the payments pursuant

to paragraphs (1) to (26) above (the "**Group One Series Excess**" in respect of the relevant Series), exceed the aggregate Group One Series Finance Charge Shortfall, the product of (i) the aggregate of the Group One Series Finance Charge Shortfalls for all Series in Group One and (ii) a fraction, the numerator of which is the Group One Series Excess in respect of the relevant Series and the denominator of which is the aggregate of the Group One Series Excess for all Series in Group One (such amount being known as "**Excess Finance Charges**") shall be distributed to the Loan Note Issuer and shall belong to the Loan Note Issuer absolutely for the purpose of making up shortfalls of available funds for other Series in Group One;

- (28) if the relevant Series is in a Qualifying Swap Group, an amount equal to any Qualifying Swap Subordinated Termination Payments referable to the relevant Series that are due and payable on or around such Transfer Date to the relevant Qualifying Swap Provider pursuant to the applicable Qualifying Swap Agreement shall be deposited in the Loan Note Issuer Distribution Account and recorded on the relevant Series Ledger;
- (29) an amount equal to the aggregate of the Issuer Junior Costs Amount for the relevant Series for such Transfer Date and any Issuer Junior Costs Amount for the relevant Series remaining unpaid in respect of any previous Transfer Date shall be deposited in the Loan Note Issuer Distribution Account; and
- (30) the balance, if any, after giving effect to the payments made under paragraphs (1) through (29) above, will be deposited in the Loan Note Issuer Distribution Account and the Loan Note Issuer will then pay an equal to this amount to the Receivables Trustee as Additional Funds and such amount shall be used to pay Deferred Consideration in respect of the relevant Series.

If, in respect of the relevant Series, pursuant to any Swap Agreement, any amounts of collateral are posted by the Swap Counterparty to a collateral account or ledger held in the name of the Issuer, the amounts held therein shall be applied in accordance with the terms of such Swap Agreement, including for the purpose of making payments to the Swap Counterparty, and shall not be applied as Available Funds.

To the extent the relevant Series is in a Qualifying Swap Group and any amounts of collateral are posted by a Qualifying Swap Provider to a collateral account or ledger held in the name of the Loan Note Issuer, the amounts held therein shall be applied in accordance with the terms of the Qualifying Swap Transaction, including for the purpose of making payments to the Qualifying Swap Provider, and shall not be applied as Available Funds.

"**Adjusted Investor Interest**" means, in respect of each Series issued under the Programme, the relevant Series Adjusted Investor Interest.

"**Available Accumulation Reserve Amount**" means, with respect to any Transfer Date and any Series issued under the Programme, the amount recorded on the Accumulation Reserve Ledger for that Series on such date (before giving effect to any amount credited or to be credited to the Accumulation Reserve Ledger on such date).

"**Class Monthly Distribution Amount**" means, in respect of any Class or Sub-Class of a Series issued under the Programme and a Transfer Date, an amount equal to the sum of the Class Monthly Finance Amount, the Class Deficiency Amount and the Class Additional Finance Amount, in each case in respect of the relevant Class or Sub-Class.

"**Specified Class Available Accumulation Reserve Amount**" means, with respect to any Transfer Date and any Specified Class of a Series issued under the Programme, the amount recorded on the relevant Specified Class Accumulation Reserve Ledger on such date (before giving effect to any amount credited or to be credited to the Specified Class Accumulation Reserve Ledger on such date).

"**Swap Collateral Ledger**" means, in respect of each Swap Agreement, a ledger recording the collateral posted to the relevant Swap Collateral Accounts for the relevant Note Series by the relevant Swap Counterparty in relation to its obligations under that Swap Agreement.

"Swap Excluded Payable Amount" means, in respect of a Swap Agreement:

- (i) any amounts payable by the Issuer to the Swap Counterparty:
 - (a) that represent Return Amounts, Interest Amounts or Distributions due under (and as defined in) the Credit Support Annex under the relevant Swap Agreement;
 - (b) equal to any Swap Tax Credit;
 - (c) that are termination payments to the extent such payments can be satisfied from amounts standing to the credit of the relevant Swap Collateral Ledger provided by the Swap Counterparty;
 - (d) that are termination payments under the relevant Swap Agreement to the extent such payment can be satisfied from premiums or initial exchange amounts received from a replacement Swap Counterparty; or
 - (e) that are final exchange amounts to the extent that such final exchange amounts can be satisfied from any premiums or initial exchange amounts received from a replacement Swap Counterparty that provides a new swap agreement in relation to the Notes to which the relevant Swap Agreement relates in connection with a Class Reset in respect of those Notes;
- (ii) any amounts payable by the Issuer to a replacement Swap Counterparty that are premiums or initial exchange amounts to the extent that such premiums or initial exchange amounts can be satisfied from any termination payments or final exchange amounts received from the existing Swap Counterparty under the relevant Swap Agreement (to the extent such amounts are not required to fund payments in respect of the Notes to which the relevant Swap Agreement relates); and
- (iii) any payment by the Issuer by way of deferred subscription price for the Loan Notes in relation to the Notes to which the relevant Swap Agreement relates to the extent funded by any termination payments or final exchange amounts received from the Swap Counterparty under the relevant Swap Agreement (to the extent such amounts are not required to fund the cost of entering into a replacement swap agreement or payments in respect of the Notes to which the relevant Swap Agreement relates).

"Swap Excluded Receivable Amount" means, in respect of a Swap Agreement:

- (i) any amount of interest actually received in respect of the principal amount of the portion of the Credit Support Balance (as defined in the relevant Swap Agreement) comprised of cash (net of any deduction or withholding for or on account of any tax);
- (ii) all principal, interest and other payments and distributions of cash or other property actually received (net of any deduction or withholding for or on account of any tax) by the Issuer from time to time with respect to any Eligible Credit Support (as defined in the relevant Swap Agreement) comprised in the Credit Support Balance consisting of securities;
- (iii) any other amounts received by the Issuer pursuant to the Credit Support Annex under the relevant Swap Agreement;
- (iv) any Swap Tax Credit;
- (v) any early termination payment received by the Issuer from the Swap Counterparty under the relevant Swap Agreement which is required to be used to fund the entry into a new cross-currency swap or interest rate swap;
- (vi) any premium or initial exchange amount received by the Issuer from a replacement swap counterparty to the extent required to pay any termination payment to the existing Swap Counterparty under the relevant Swap Agreement; and/or

- (vii) any premium or initial exchange amount received by the Issuer from a replacement swap counterparty that provides a new swap agreement in relation to the Notes to which the relevant Swap Agreement relates in connection with a Class Reset in respect of those Notes.

"Swap Excluded Termination Payment" means, in relation to a Swap Agreement, the amount of any termination payment due and payable to the Swap Counterparty as a result of a Swap Counterparty Event of Default or a Swap Counterparty Downgrade Event.

"Swap Tax Credit" means, in relation to a Swap Agreement, where there has been a tax credit, allowance, set-off or repayment from the tax authorities of any jurisdiction relating to a deduction or withholding that gave rise to the payment by the relevant Swap Counterparty of an additional amount to ensure that the Issuer receives the full amount it would otherwise have received from the relevant Swap Counterparty under the relevant Swap Agreement, an amount equal to the net cash received by the Issuer in respect of such tax credit, allowance, set-off or repayment.

Shared Excess Finance Charges

Excess Finance Charges, which are, in the case of a Series issued under the Programme which is in Group One, the amount of Available Funds after the payments referred to in paragraphs (1) to (26) under "*Application of Available Funds*" above, shall be paid to the Loan Note Issuer Distribution Account and will be available on each Transfer Date for other series in Group One (including the Originator VFN Series) in accordance with the Loan Note Supplement in respect of such Series.

Excess finance charge collections generated by other Series in Group One ("**Group One Series Excess Finance Charges**") may be used, where available, in respect of any Series issued under the Programme which is in Group One, to meet any shortfalls in Available Funds for the relevant Series and other amounts credited to the relevant Series Finance Charge Collections Ledger may be used for payment of the amounts referred to in paragraphs (1) to (26) under "*Application of Available Funds*" above. Availability of Group One Series Excess Finance Charges will be determined by the amount of Finance Charge Collections and other amounts allocated to the Series in Group One other than the Series experiencing the shortfall and by the terms of the individual Loan Note Supplements in respect of such Series.

"Available Liquidity Reserve Amount" means, with respect to any Transfer Date and any Series issued under the Programme, the amount recorded on the relevant Series Liquidity Reserve Ledger on such date (before giving effect to any amount credited or to be credited pursuant to the priority of payments under the heading "*Application of Available Funds*" above to the relevant Series Liquidity Reserve Ledger on such date).

"Qualifying Swap Agreement" means an agreement that relates to a Qualifying Swap Transaction.

"Qualifying Swap Amount" means, in respect of any Qualifying Swap Transaction and each Series in the relevant Qualifying Swap Group on any Transfer Date, the product of (A) such amounts (if any and whether net or gross, as specified in the applicable Qualifying Swap Agreement) that are due and payable on or around such Transfer Date to the Qualifying Swap Provider pursuant to the related Qualifying Swap Agreement, and (B) a fraction, the numerator of which is the Floating Investor Percentage for that Series for the immediately preceding Collection Period and the denominator of which is the aggregate of the Floating Investor Percentages for all the Series in the relevant Qualifying Swap Group for the immediately preceding Collection Period.

"Qualifying Swap Collateral" means the collateral transferred to the Loan Note Issuer by a Qualifying Swap Provider in accordance with the terms of a Qualifying Swap Agreement.

"Qualifying Swap Group" means, collectively, in respect of any Qualifying Swap Transaction, one or more Series which are designated in the applicable Supplement and/or Loan Note Supplement (whether as originally executed or as subsequently supplemented or amended) as bearing the economic cost of, and taking the economic benefit of, such Qualifying Swap Transaction, **provided that** no Series may be designated as forming part of a Qualifying Swap Group after its relevant closing date unless a Rating Confirmation is obtained in respect of such designation.

"Qualifying Swap Partial Termination Payment" means, in respect of any Qualifying Swap Transaction and each Series in the relevant Qualifying Swap Group on any Transfer Date, the product of (A) any partial termination payments payable by the Loan Note Issuer to a Qualifying Swap Provider and arising as a result

of a reduction of the notional amount of such Qualifying Swap Transaction contemplated under a Qualifying Swap Agreement so as to ensure that its notional amount does not exceed a specified amount, and (B) a fraction, the numerator of which is the Floating Investor Percentage for that Series for the immediately preceding Collection Period and the denominator of which is the aggregate of the Floating Investor Percentages for all the Series in the relevant Qualifying Swap Group for the immediately preceding Collection Period.

"Qualifying Swap Permitted Tax Credit Payment" means, in respect of any Qualifying Swap Transaction and each Series in the relevant Qualifying Swap Group on any Transfer Date, the product of (A) any sum payable by the Loan Note Issuer to a Qualifying Swap Provider under the applicable Qualifying Swap Agreement in respect of any credit against, relief or remission for, or repayment of, any Tax relating to such Qualifying Swap Transaction, and (B) a fraction, the numerator of which is the Floating Investor Percentage for that Series for the immediately preceding Collection Period and the denominator of which is the aggregate of the Floating Investor Percentages for all the Series in the relevant Qualifying Swap Group for the immediately preceding Collection Period.

"Qualifying Swap Provider" means a counterparty to a Qualifying Swap Agreement.

"Qualifying Swap Subordinated Termination Payment" means, in respect of any Qualifying Swap Transaction and each Series in the relevant Qualifying Swap Group on any Transfer Date, the product of (A) any termination payment payable by the Loan Note Issuer to a Qualifying Swap Provider and arising following the termination of a Qualifying Swap Agreement, where the relevant Qualifying Swap Provider is the Defaulting Party (as defined in the applicable Qualifying Swap Agreement) and (B) a fraction, the numerator of which is the Floating Investor Percentage for that Series for the immediately preceding Collection Period and the denominator of which is the aggregate of the Floating Investor Percentages for all the Series in the relevant Qualifying Swap Group for the immediately preceding Collection Period.

"Qualifying Swap Transaction" means an arm's length swap, cap, collar or other derivative agreement entered into by the Loan Note Issuer for the purpose of hedging interest rate risk where a Rating Confirmation has been provided in relation to such arrangement.

Whether or not a Series issued under the Programme will be in a Qualifying Swap Group on its Closing Date will be specified in the Final Terms or Drawdown Prospectus, as applicable, for that Series. Any Series issued under the Programme may be subsequently designated by the Servicer as forming part of a Qualifying Swap Group provided the relevant conditions are met.

Monthly Finance Payments

The Class Monthly Distribution Amount in respect of a particular Class or Sub-Class of any Series issued under the Programme will be used by the Loan Note Issuer to pay interest due on the Loan Note of such Class or Sub-Class. Interest payments to be made by the Loan Note Issuer in respect of the Loan Note of such Class or Sub-Class will be paid to the Issuer as the holder of that Loan Note. The Issuer will (after application in accordance with any Swap Agreement related to such Class or Sub-Class) use these amounts to pay the interest amounts in respect of the Class of Notes which relate to the aforementioned Loan Note on each Interest Payment Date and/or certain amounts due under any Swap Agreement which relates to such Class or Sub-Class.

To the extent necessary, the Receivables Trustee is authorised to make the above payments on the Loan Note Issuer's behalf.

See further "*The Loan Note Series*" and "*Terms and Conditions of the Notes*".

Distributions of Principal Collections to the Loan Note Issuer

The amount of Principal Collections transferred on a daily basis (see "*The Receivables Trust - Allocation and Application of Collections*") during any Collection Period to the Principal Collections Ledger of the Receivables Trustee Collection Account will only be distributed to the Loan Note Issuer as the Series Investor Beneficiary (to the extent of its beneficial interest) in respect of any Series issued under the Programme after making the calculations described below. These calculations and the amounts actually transferred differ depending upon whether such Series is in the Revolving Period, the Controlled Accumulation Period, a Specified Class Controlled Accumulation Period, a Specified Class Rapid Amortisation Period or the Rapid Amortisation Period in respect of such Series.

Revolving Period

The "**Revolving Period**" means, with respect to any Series issued under the Programme, the period from and including the relevant Closing Date to, but not including, the earlier of:

- (i) the day that the Controlled Accumulation Period, any Specified Class Controlled Accumulation Period and/or any Specified Class Rapid Amortisation Period (as applicable) commences; and
- (ii) the Pay Out Commencement Date,

provided that, if the Controlled Accumulation Period or any Specified Class Controlled Accumulation Period ends or is suspended or any related Specified Class Rapid Amortisation Period ends, the Revolving Period will, unless another such Accumulation Period or Amortisation Period has commenced, restart.

During the Revolving Period for a Series issued under the Programme, Principal Collections credited daily to the Principal Collections Ledger in the Receivables Trustee Collection Account will not be distributed to the Loan Note Issuer as the relevant Series Investor Beneficiary but a specified percentage of Principal Collections will be retained for calculation purposes in the Principal Collections Ledger and held on an undivided basis (the Group One Retained Principal Collections and the Required Retained Principal Collections, each as defined below), as provided for below. Amounts of Principal Collections that are retained in this way as Group One Retained Principal Collections will be used by the Receivables Trustee as Shared Principal Collections (see "*Shared Principal Collections*" below) and, to the extent not used as Shared Principal Collections, will be transferred to the Receivables Trustee Investment Account to be used as Cash Available for Investment as previously described in "*The Receivables Trust – Application of Cash Available for Investment, Initial Payments, Payment for Future Receivables*".

Amounts of Principal Collections that are retained as Required Retained Principal Collections in respect of a Series may be deposited in the Receivables Trustee Investment Account or the Loan Note Issuer Distribution Account, as applicable, on a Transfer Date to meet certain payments or distributions to the Loan Note Issuer in respect of that Series which the Receivables Trustee is not able to satisfy from Finance Charge Collections and Acquired Interchange distributed as described above under "*Calculation and Distribution of Finance Charge Collections and Acquired Interchange to the Loan Note Issuer*". For calculation purposes, these amounts of utilised Required Retained Principal Collections are divided into amounts, for each Class or Sub-Class of the relevant Series that is junior to the Most Senior Class of that Series, of Reallocated Class Principal Collections. See "*Defaulted and Dilution Receivables; Investor Charge-offs; Allocation to the Relevant Series and the Originator VFN*" below for further information on Reallocated Class Principal Collections.

"**Group One Retained Principal Collections**" means those Principal Collections retained in the undivided Principal Collections Ledger each Collection Period calculated by reference to all Outstanding Series in Group One that can be utilised, if needed, as Shared Principal Collections to make distributions to Outstanding Series in Group One on a Transfer Date and which are not Required Retained Principal Collections (as defined in the relevant Supplement) for any Series.

"**Pay Out Commencement Date**" means, with respect to any Series issued under the Programme, the Business Day following the date on which a Trust Pay Out Event is deemed to occur pursuant to the Receivables Trust Deed and Servicing Agreement or a Series Pay Out Event is deemed to occur pursuant to the Supplement for such Series.

"**Required Retained Principal Collections**" means those Principal Collections credited to the undivided Principal Collections Ledger on each Relevant Date, as calculated by reference to the Required Retained Principal Collections Percentage, that can be utilised, if needed, as Reallocated Principal Collections.

"**Required Retained Principal Collections Percentage**" means, in respect of each Collection Period for a Series issued under the Programme:

- (a) if there is no Series Required Amount for that Series for such Collection Period, zero per cent.; or
- (b) if there is a Series Required Amount for that Series for such Collection Period, 100 per cent. until such time as the Required Retained Principal Collections for the relevant Collection Period equals the Series Required Amount for that Series for such Collection Period, having taken into account any Originator VFN Required Retained Principal Collections (as defined in the Originator VFN

Supplement) to be made available to that Series, following which the Required Retained Principal Collections Percentage shall be zero per cent.

Controlled Accumulation Period and Specified Class Controlled Accumulation Period

Controlled Accumulation Period

Unless a Pay Out Event occurs (see "*The Receivables Trust – Trust Pay Out Events*" and "*Series Pay Out Events*" below), the "**Controlled Accumulation Period**" for any Series issued under the Programme (other than in respect of any Specified Class in such Series) is scheduled to begin on the Series Scheduled Accumulation Commencement Date specified for such Series. Subject to certain conditions, the commencement of the Controlled Accumulation Period may be delayed until no later than the start of the Collection Period immediately prior to the Collection Period in which the Series Scheduled Redemption Date falls (if the principal payment rate is high enough to support a shorter period, as set out below) and there will be no Controlled Accumulation Period unless the Servicer elects that the Controlled Accumulation Period should occur. The Controlled Accumulation Period for a Series will end on the earliest of:

- (i) the commencement of the Rapid Amortisation Period for that Series; and
- (ii) the Series Scheduled Redemption Date.

The Controlled Accumulation Period for a Series may run concurrently with a Specified Class Controlled Accumulation Period and/or a Specified Class Rapid Amortisation Period.

During the Controlled Accumulation Period for a Series, a portion of Principal Collections credited each Business Day during such period to the Receivables Trustee Collection Account which are allocable to the relevant Series Investor Beneficiary, less any Required Retained Principal Collections, will (to the extent not allocated to a Class Investor Interest for a Specified Class) be accumulated by the Receivables Trustee during each Collection Period in the undivided Principal Collections Ledger (as allocable to the relevant Series Investor Beneficiary) as Group One Retained Principal Collections. Any amount of Principal Collections allocable to the relevant Series Investor Beneficiary on any Business Day in excess of the Group One Retained Principal Collections and Required Retained Principal Collections will be transferred to the Receivables Trustee Investment Account to be used as Cash Available for Investment. The amount accumulated on each day during any Collection Period as Group One Retained Principal Collections will, together with non-utilised Required Retained Principal Collections on a Transfer Date, form part of Available Retained Principal Collections (as defined below). The amount of Available Retained Principal Collections allocable to the Classes or Sub-Classes of that Series which are not Specified Classes will be utilised first to cover the Controlled Deposit Amount (as defined below) for that Series for that Collection Period, which amount will be transferred by the Receivables Trustee (on each related Transfer Date) to the Receivables Trustee Investment Account (for credit to the relevant Series Principal Funding Ledger therein) on the related Transfer Date. See "*Principal Funding*" below.

Such amounts will then be transferred to the Loan Note Issuer Distribution Account on the Transfer Date immediately preceding the Series Scheduled Redemption Date. To the extent that the amount of Available Retained Principal Collections allocable to the Classes or Sub-Classes of that Series which are not Specified Classes is in excess of the Controlled Deposit Amount, the excess will be used by the Receivables Trustee, first, to cover any Specified Class Controlled Deposit Amount (as defined below) for that Collection Period and/or to fund the redemption of any Amortising Specified Class Investor Interest, second, as Shared Principal Collections (as described above in "*Revolving Period*") and, third, as Cash Available for Investment (as previously described in "*The Receivables Trust – Application of Cash Available for Investment, Initial Payments, Payment for Future Receivables*").

As in the Revolving Period for each Series, during each Collection Period during the Controlled Accumulation Period for a Series, a specified percentage of Principal Collections as calculated by reference to that Series (equal to the Required Retained Principal Collections Percentage of such Principal Collections) will be retained within the Receivables Trustee Collection Account of the Receivables Trust and may be deposited in the Receivables Trustee Investment Account or the Loan Note Issuer Distribution Account, as applicable, on a Transfer Date to meet certain payments or distributions to the Loan Note Issuer in respect of that Series which it is not able to satisfy from Finance Charge Collections and Acquired

Interchange distributed as described above under "*Calculation and Distribution of Finance Charge Collections and Acquired Interchange to the Loan Note Issuer*".

"Class Amortisation/Accumulation Period" means, in respect of each Class or Sub-Class of a Series issued under the Programme:

- (a) if such Class or Sub-Class is not a Specified Class, the Controlled Accumulation Period;
- (b) if such Class or Sub-Class is a Specified Class, a Specified Class Controlled Accumulation Period in respect of that Class or Sub-Class or a Specified Class Rapid Amortisation Period in respect of that Class or Sub-Class; and
- (c) the Rapid Amortisation Period.

"Class Fixed Percentage" means, in respect of each Class or Sub-Class of a Series issued under the Programme, with respect to any Collection Period following the end of the Revolving Period:

- (a) in the case of a Class which is not divided into Sub-Classes:
 - (i) if such Class is the Most Senior Amortising/Accumulating Class, 100 per cent.; or
 - (ii) otherwise, zero per cent; and
- (b) in the case of a Sub-Class:
 - (i) if such Sub-Class is (x) a Sub-Class of the Most Senior Amortising/Accumulating Class, and (y) itself in a Class Amortisation/Accumulation Period, the fraction expressed as a percentage (which percentage shall never exceed 100 per cent.):
 - (A) the numerator of which is the Class Investor Interest in respect of that Sub-Class as of the close of business on the last day of the Revolving Period; and
 - (B) the denominator of which is equal to the sum of the Class Investor Interests in respect of all the Sub-Classes in the relevant Class which are in a Class Amortisation/Accumulation Period as of the close of business on the last day of the Revolving Period; or
 - (ii) otherwise, zero per cent.

"Controlled Accumulation Period Factor" means, with respect to a Series issued under the Programme, for each Collection Period, a fraction, the numerator of which is equal to the sum of the initial investor interests (or, in the case of a VFN Series, the relevant investor interest) of all Outstanding Series and the denominator of which is equal to the sum (without duplication) of:

- (i) the relevant Series Initial Investor Interest, less each Specified Class Initial Investor Interest in respect of the relevant Series;
- (ii) if a Specified Class Controlled Accumulation Period or a Specified Class Rapid Amortisation Period is continuing in respect of a Specified Class of the relevant Series, the Class Investor Interest in respect of that Specified Class as at the end of the Revolving Period (whether permanently ended or most recently temporarily suspended);
- (iii) the initial investor interests (or, in the case of a VFN Series, the relevant investor interest) of all other Outstanding Series in Group One which are not notified by the Servicer as being predicted to be in their revolving periods as at the start of such Collection Period; and
- (iv) the initial investor interests (or, in the case of a VFN Series, the relevant investor interest) of all other Outstanding Series which are not in Group One and which are not allocating Shared Principal Collections.

"Controlled Accumulation Period Length" means, in respect of a Series issued under the Programme, the lowest number of months (not less than one) such that the sum of the Controlled Accumulation Period

Factors for each month during such period will be equal to or greater than the Required Accumulation Factor Number.

"Controlled Accumulation Shortfall" shall initially mean zero and shall thereafter mean, with respect to any Transfer Date during the Controlled Accumulation Period for a Series issued under the Programme, the excess, if any, of the Controlled Deposit Amount for the previous Transfer Date over the aggregate amount credited to the relevant Series Principal Funding Ledger (other than in respect of any Specified Classes) for the previous Collection Period.

"Controlled Deposit Amount" means, in respect of a Series issued under the Programme and for any Transfer Date during the Controlled Accumulation Period prior to the repayment in full of the relevant Series Investor Interest, the sum of:

- (i) the product of:
 - (a) the related Series Debt Amount (other than any Class Debt Amounts in respect of Specified Classes) immediately prior to the commencement of the Controlled Accumulation Period; and
 - (b) one-twelfth or, if the Controlled Accumulation Period Length for the Controlled Accumulation Period is determined to be less than 12 months, the Controlled Accumulation Period Factor for the Collection Period preceding such Transfer Date divided by the Required Accumulation Factor Number; and
- (ii) any Controlled Accumulation Shortfall for the relevant Transfer Date.

"Most Senior Amortising/Accumulating Class" means, in respect of a Series issued under the Programme:

- (i) the Class Investor Interest referable to Class A while it (or any Sub-Class of it) is in a Class Amortisation/Accumulation Period and remains outstanding; and thereafter
- (ii) the Class Investor Interest referable to Class B while it (or any Sub-Class of it) is in a Class Amortisation/Accumulation Period and remains outstanding; and thereafter
- (iii) the Class Investor Interest referable to Class C while it (or any Sub-Class of it) is in a Class Amortisation/Accumulation Period and remains outstanding; and thereafter
- (iv) the Class Investor Interest referable to Class D while it (or any Sub-Class of it) is in a Class Amortisation/Accumulation Period and remains outstanding; and thereafter
- (v) the Class Investor Interest referable to Class E while it (or any Sub-Class of it) is in a Class Amortisation/Accumulation Period and remains outstanding; and thereafter
- (vi) the Class Investor Interest referable to Class F while it (or any Sub-Class of it) is in a Class Amortisation/Accumulation Period.

"Required Accumulation Factor Number" shall, in respect of each Series issued under the Programme, be equal to one divided by the lowest monthly average principal payment rate (expressed as a decimal) on the Designated Accounts for the 12 months preceding the date of such calculation, rounded up to the nearest whole number.

In respect of each Series issued under the Programme and as noted above, the Controlled Accumulation Period is scheduled to commence on the Series Scheduled Accumulation Commencement Date.

"Series Scheduled Accumulation Commencement Date" means, in respect of each Series issued under the Programme, the date specified in the Drawdown Prospectus or Final Terms (as applicable) for the related Note Series (or any later date specified in a Series Extension Notice (as defined in "*Extension to Series Scheduled Redemption Date, Class Scheduled Redemption Date and/or Specified Class Scheduled Redemption Date*" below) delivered by the Servicer to the Receivables Trustee in accordance with the related Supplement for that Series, if applicable).

However:

- (i) if the Controlled Accumulation Period Length (determined as set out below) is less than 12 months, commencement of the Controlled Accumulation Period will be postponed to the first day of the Collection Period that is the number of months prior to the last day of the Collection Period falling immediately prior to the relevant Series Scheduled Redemption Date equal to the Controlled Accumulation Period Length and, as a result, the number of complete Collection Periods in such Controlled Accumulation Period will equal the Controlled Accumulation Period Length; and
- (ii) unless the Servicer so determines on or prior to the Accumulation Reserve Funding Date, there will be no Controlled Accumulation Period (unless the relevant Series Scheduled Redemption Date is extended, in which case, if the Servicer so elects at the time of such extension, there shall (notwithstanding the prior disapplication of the Controlled Accumulation Period) be a Controlled Accumulation Period in respect of the extended Series Scheduled Redemption Date).

In respect of each Series issued under the Programme, prior to the start of the Series Scheduled Accumulation Commencement Date specified in the Drawdown Prospectus or Final Terms (as applicable) for the related Note Series and prior to the start of each Collection Period thereafter until the Controlled Accumulation Period begins, the Servicer will determine the "**Controlled Accumulation Period Length**" which will equal the lowest number of months (not less than one) such that the sum of the Controlled Accumulation Period Factors for each month during such period will be equal to or greater than the Required Accumulation Factor Number.

A "**Determination Date**" means the fifth Business Day prior to each Distribution Date.

"**Replacement Series**" means any Series designated as such, all or part of any Contribution in respect of which will be used to repay in full the Investor Interest of an existing Series.

Specified Class Controlled Accumulation Period

Unless a Pay Out Event occurs (see "*The Receivables Trust – Trust Pay Out Events*" and "*Series Pay Out Events*" below), the "**Specified Class Controlled Accumulation Period**" in respect of the relevant Specified Class will be scheduled to begin on the Specified Class Scheduled Accumulation Commencement Date for that Specified Class. Subject to certain conditions, in respect of each Specified Class, the commencement of the Specified Class Controlled Accumulation Period may be delayed until no later than the start of the Collection Period immediately prior to the Collection Period in which the Specified Class Scheduled Redemption Date falls (if the principal payment rate is high enough to support a shorter period, as set out below) and there will be no Specified Class Controlled Accumulation Period unless the Servicer elects that the Specified Class Controlled Accumulation Period should occur. In respect of each Specified Class, the Specified Class Controlled Accumulation Period will end on the earliest of:

- (i) the commencement of the Rapid Amortisation Period for the relevant Series; and
- (ii) the Specified Class Scheduled Redemption Date.

In respect of each Series issued under the Programme, a Specified Class Controlled Accumulation Period may run concurrently with the Controlled Accumulation Period, a Specified Class Controlled Accumulation Period (in respect of any other Specified Class in the relevant Series) and/or a Specified Class Rapid Amortisation Period (in respect of the Specified Class in its Specified Class Controlled Accumulation Period or any other Specified Class in the relevant Series).

During a Specified Class Controlled Accumulation Period, in respect of a Specified Class in a Series issued under the Programme, a portion of Principal Collections credited each Business Day during such period to the Receivables Trustee Collection Account which are allocable to the relevant Series Investor Beneficiary, less any Required Retained Principal Collections, will be accumulated by the Receivables Trustee during each Collection Period in the undivided Principal Collections Ledger (as allocable to the relevant Series Investor Beneficiary) as Group One Retained Principal Collections. Any amount of Principal Collections allocable to the relevant Series Investor Beneficiary on any Business Day in excess of the Group One Retained Principal Collections and Required Retained Principal Collections will be transferred to the Receivables Trustee Investment Account to be used as Cash Available for Investment. The amount accumulated on each day during any Collection Period as Group One Retained Principal Collections will, together with non-utilised Required Retained Principal Collections on a Transfer Date, form part of

Available Retained Principal Collections (as defined below). The relevant Class Fixed Percentage of the amount of Available Retained Principal Collections will (subject to "*Concurrent Operation of a Specified Class Controlled Accumulation Period and a Specified Class Rapid Amortisation Period in Respect of the Same Specified Class*" below) be utilised first to cover the relevant Specified Class Controlled Deposit Amount (as defined below) for that Collection Period, which amount will be transferred by the Receivables Trustee (on each related Transfer Date) to the Receivables Trustee Investment Account (for credit to the relevant Series Principal Funding Ledger therein) on the related Transfer Date. See "*Principal Funding*" below.

Such amounts will then be transferred to the Loan Note Issuer Distribution Account on the Transfer Date immediately preceding the relevant Specified Class Scheduled Redemption Date. With respect to a Specified Class, to the extent that the relevant Class Fixed Percentage of Available Retained Principal Collections is in excess of the relevant Specified Class Controlled Deposit Amount, the excess will be used by the Receivables Trustee, first, to fund the redemption of any Amortising Specified Class Investor Interest in respect of that Specified Class, second, (i) to cover any Controlled Deposit Amount for that Collection Period and (ii) to cover any Specified Class Controlled Deposit Amount and/or to fund the redemption of any Amortising Specified Class Investor Interest in respect of any other Specified Class, third, as Shared Principal Collections (as described above in "*Revolving Period*") and, fourth, as Cash Available for Investment (as previously described in "*The Receivables Trust – Application of Cash Available for Investment, Initial Payments, Payment for Future Receivables*").

As in the Revolving Period for each Series issued under the Programme, during each Collection Period during a Specified Class Controlled Accumulation Period, a specified percentage of Principal Collections as calculated by reference to the related Series (equal to the Required Retained Principal Collections Percentage of such Principal Collections) will be retained within the Receivables Trustee Collection Account of the Receivables Trust and may be deposited in the Receivables Trustee Investment Account or the Loan Note Issuer Distribution Account, as applicable, on a Transfer Date to meet certain payments or distributions to the Loan Note Issuer in respect of that Series which it is not able to satisfy from Finance Charge Collections and Acquired Interchange distributed as described above under "*Calculation and Distribution of Finance Charge Collections and Acquired Interchange to the Loan Note Issuer*" above.

"Specified Class" means:

- (i) any Class or Sub-Class of a Series issued under the Programme which is designated as a "Specified Class" in the related Drawdown Prospectus or Final Terms (as applicable); and
- (ii) any Class or Sub-Class of a Series issued under the Programme which, as a result of the delivery of a Series Extension Notice (as defined in "*Extension to Series Scheduled Redemption Date, Class Scheduled Redemption Date and/or Specified Class Scheduled Redemption Date*" below) in respect of such Series, becomes a Specified Class.

"Specified Class Controlled Accumulation Period Factor" means with respect to a Specified Class, for each Collection Period, a fraction, the numerator of which is equal to the sum of the initial investor interests (or, in the case of a VFN Series, the relevant investor interest) of all the Outstanding Series and the denominator of which is equal to the sum (without duplication) of:

- (i) the relevant Class Investor Interest in respect of that Specified Class;
- (ii) if the Controlled Accumulation Period is continuing, the Series Initial Investor Interest, less the Class Investor Interest in respect of each Specified Class within the relevant Series;
- (iii) if a Specified Class Controlled Accumulation Period or a Specified Class Rapid Amortisation Period is continuing in respect of any other Specified Class of the relevant Series, the Class Investor Interest for that Specified Class as at the end of the Revolving Period (whether permanently ended or most recently temporarily suspended);
- (iv) the initial investor interests (or, in the case of a VFN Series, the relevant investor interest) of all Outstanding Series in Group One which are not notified by the Servicer as being predicted to be in their revolving periods as at the start of such Collection Period; and

- (v) the initial investor interests (or, in the case of a VFN Series, the relevant investor interest) of all other Outstanding Series which are not in Group One and which are not allocating Shared Principal Collections.

"Specified Class Controlled Accumulation Period Length" means, with respect to any Specified Class, the lowest number of months (not less than one) such that the sum of the Specified Class Controlled Accumulation Period Factors for that Specified Class for each month during such period will be equal to or greater than the Required Accumulation Factor Number.

"Specified Class Controlled Accumulation Shortfall", with respect to any Specified Class, shall initially mean zero and shall thereafter mean, with respect to any Transfer Date during the Specified Class Controlled Accumulation Period, the excess, if any, of the Specified Class Controlled Deposit Amount for the previous Transfer Date over the aggregate amount credited in respect of such Specified Class to the relevant Series Principal Funding Ledger for the previous Collection Period.

"Specified Class Controlled Deposit Amount" means, in respect of any Specified Class and for any Transfer Date during the Specified Class Controlled Accumulation Period for that Specified Class prior to the repayment in full of the relevant Class Investor Interest for that Specified Class, the sum of:

- (i) the product of:
- (a) the Class Debt Amount in respect of the relevant Specified Class immediately prior to the commencement of the Specified Class Controlled Accumulation Period for that Specified Class; and
 - (b) one-twelfth or, if the Specified Class Controlled Accumulation Period Length for the Specified Class Controlled Accumulation Period for that Specified Class is determined to be less than 12 months, the Specified Class Controlled Accumulation Period Factor for that Specified Class for the Collection Period preceding such Transfer Date divided by the Required Accumulation Factor Number; and
- (ii) any Specified Class Controlled Accumulation Shortfall for that Specified Class for the relevant Transfer Date.

"Specified Class Initial Investor Interest" means, in respect of a Specified Class, the Initial Investor Interest for that Specified Class.

In respect of each Specified Class within each Series issued under the Programme and as noted above, the Specified Class Controlled Accumulation Period is scheduled to commence on the relevant Specified Class Scheduled Accumulation Commencement Date.

"Specified Class Scheduled Accumulation Commencement Date" means, with respect to a Specified Class, the date specified in the Drawdown Prospectus or Final Terms (as applicable) for the related Note Series or, in the case of a Class or a Sub-Class that becomes a Specified Class as a result of the delivery of a Series Extension Notice (as defined in "*Extension to Series Scheduled Redemption Date, Class Scheduled Redemption Date and/or Specified Class Scheduled Redemption Date*" below) in respect of the relevant Series by the Servicer to the Receivables Trustee in accordance with the relevant Supplement for that Series, the date specified in such Series Extension Notice (or, in each case, any later date specified in a Class Reset Notice (as defined in "*Specified Class Scheduled Redemption Date*") delivered in respect of the relevant Specified Class by the Issuer (or the Cash Manager on its behalf) in accordance with the Note Trust Deed Supplement or a Class Extension Notice (as defined in "*Extension to Series Scheduled Redemption Date, Class Scheduled Redemption Date and/or Specified Class Scheduled Redemption Date*" below) delivered in respect of the relevant Specified Class by the Servicer to the Receivables Trustee in accordance with the relevant Supplement for that Series).

However:

- (i) if the Specified Class Controlled Accumulation Period Length (determined as set out below) is less than 12 months, the commencement of the Specified Class Controlled Accumulation Period will be postponed to the later of the first day of the Collection Period that is the number of months prior to the last day of the Collection Period falling immediately prior to the relevant Specified Class Scheduled Redemption Date equal to the Specified Class Controlled Accumulation Period Length

and, as a result, the number of complete Collection Periods in such Specified Class Controlled Accumulation Period will equal the Specified Class Controlled Accumulation Period Length; and

- (ii) unless the Servicer so determines on or prior to the Specified Class Accumulation Reserve Funding Date, there will be no Specified Class Controlled Accumulation Period (unless the Specified Class Scheduled Redemption Date for that specified Class is reset or extended, in which case, if the Servicer so elects at the time of such reset or extension, there shall (notwithstanding the prior disapplication of the Specified Class Controlled Accumulation Period) be a Specified Class Controlled Accumulation Period in respect of the reset or extended Specified Class Scheduled Redemption Date for that Specified Class).

Prior to the start of the Collection Period specified in the Drawdown Prospectus or Final Terms (as applicable) for the related Note Series (or such later date as may be specified in connection with a Class Reset (if applicable)) and prior to the start of each Collection Period thereafter until the Specified Class Controlled Accumulation Period begins, the Servicer will determine the "Specified Class Controlled Accumulation Period Length" which will equal the lowest number of months (not less than one) such that the sum of the Specified Class Controlled Accumulation Period Factors for each month during such period will be equal to or greater than the Required Accumulation Factor Number.

Series Scheduled Redemption Date and Specified Class Scheduled Redemption Date

Series Scheduled Redemption Date

In respect of each Series issued under the Programme, the Notes (other than any Notes of a Specified Class) will be redeemed on the Series Scheduled Redemption Date, to the extent that principal repayments (including, but not limited to, repayments as a result of the accumulation of Principal Collections during the Controlled Accumulation Period or the issue of a Replacement Series (as more particularly described in "*Controlled Accumulation Period and Specified Class Controlled Accumulation Period – Controlled Accumulation Period*" above)) are made under the Related Loan Note Series, as fully set out in Note Condition 9(a) (*Scheduled Redemption and Mandatory, Early Redemption*). If the relevant Series Investor Interest is not reduced to zero on the Series Scheduled Redemption Date, then a Pay Out Event will occur in respect of that Series and the Rapid Amortisation Period will commence for that Series (see "*Rapid Amortisation Period*" below).

The Series Scheduled Redemption Date in respect of any Series issued under the Programme (and the Class Scheduled Redemption Date in respect of any Class or Sub-Class of such Series which is not a Specified Class) may be postponed to a later Interest Payment Date falling within the relevant Series Extension Period (which will be specified in the relevant Final Terms or Drawdown Prospectus, as applicable) (see "*Extension to Series Scheduled Redemption Date, Class Scheduled Redemption Date and/or Specified Class Scheduled Redemption Date*" below).

"**Class Scheduled Redemption Date**" means, in respect of each Class or Sub-Class of each Series issued under the Programme:

- (a) if such Class or Sub-Class is a Specified Class, the Specified Class Scheduled Redemption Date for such Class or Sub-Class; or
- (b) if such Class or Sub-Class is not a Specified Class, the relevant Series Scheduled Redemption Date.

"**Series Extension Period**" means, in respect of each Series issued under the Programme, the period specified in the Drawdown Prospectus or Final Terms (as applicable) for the related Note Series.

"**Series Scheduled Redemption Date**" means, in respect of each Series issued under the Programme, the date specified in the Drawdown Prospectus or Final Terms (as applicable) for the related Note Series or, if a Series Extension Notice is delivered, any Interest Payment Date falling within the relevant Series Extension Period, as specified in such Series Extension Notice.

Specified Class Scheduled Redemption Date

Any Notes of a Specified Class within a Series issued under the Programme will be redeemed on the relevant Specified Class Scheduled Redemption Date, to the extent that principal repayments (including, but not limited to, repayments as a result of the accumulation of Principal Collections during the relevant

Specified Class Controlled Accumulation Period or the issue of a Replacement Series (as more particularly described in "*Specified Class Controlled Accumulation Period*" above)) are made under the relevant Loan Note of the Related Loan Note Series, as fully set out in Note Condition 9(a) (*Scheduled Redemption and Mandatory, Early Redemption*). If the Class Investor Interest in respect of any Specified Class is not reduced to zero on the Specified Class Scheduled Redemption Date, then a Specified Class Rapid Amortisation Period will commence in respect of that Specified Class (see "*Specified Class Rapid Amortisation Period*" below).

In respect of any Class or Sub-Class that becomes a Specified Class as a result of the delivery of a Series Extension Notice, the Specified Class Scheduled Redemption Date for such Class or Sub-Class will be the date specified as the new Series Scheduled Redemption Date in such Series Extension Notice (see "*Extension to Series Scheduled Redemption Date, Class Scheduled Redemption Date and/or Specified Class Scheduled Redemption Date*" below).

Extension of Specified Class

If so specified in respect of a Specified Class in the Drawdown Prospectus or Final Terms (as applicable) for the relevant Note Series, and in respect of any Class or Sub-Class that becomes a Specified Class as a result of delivery of a Series Extension Notice, the Specified Class Scheduled Redemption Date may be postponed to a later Interest Payment Date falling within the relevant Class Extension Period and no later than the relevant Series Scheduled Redemption Date for that Series.

See "*Extension to Series Scheduled Redemption Date, Class Scheduled Redemption Date and/or Specified Class Scheduled Redemption Date*".

Class Reset for a Specified Class

If so specified in the Drawdown Prospectus or Final Terms (as applicable) for the relevant Note Series, for so long as the Specified Class Scheduled Redemption Date for a Specified Class is earlier than the Series Scheduled Redemption Date for such Note Series, the Issuer (or the Cash Manager on its behalf) may, on or before the relevant Class Reset Notification Date for the Specified Class, deliver a reset notice to the holders of the Notes of the Specified Class setting out the details of a Class Reset (a "**Class Reset Notice**").

A "**Class Reset**" shall be applicable to a Specified Class (and, for the avoidance of doubt, there may be more than one Class Reset in respect of a Specified Class), and a Class Reset Notice shall set out:

- (i) the terms on which the Issuer will reset the Specified Class Scheduled Redemption Date and the Rate of Interest applicable to the Notes of that Specified Class and any consequential changes to the terms of the Notes of that Specified Class, the related Swap Agreement (if any), the other Issuer Documents and/or the Transaction Documents;
- (ii) any conditions to the effectiveness of the Class Reset, which may include a Class Reset becoming effective in relation to any other Specified Classes within the relevant Series; and
- (iii) the date on which the Class Reset shall, subject to the satisfaction of any applicable conditions, take effect (which shall be a date falling on or after the relevant Class Put Notification Date (as defined below) and on or before the then-current Specified Class Scheduled Redemption Date for the relevant Specified Class).

The Issuer (or the Cash Manager on its behalf) may revoke the first-delivered Class Reset Notice at any time prior to the then current Specified Class Scheduled Redemption Date for the relevant Specified Class, in which case such Class Reset Notice (and any Class Put Notices (as defined below) delivered in respect of it) shall be of no effect (and the Issuer (or the Cash Manager on its behalf) may, on the first such revocation only and no later than the Class Reset Notification Date, deliver one further Class Reset Notice for the relevant Specified Class).

If the Issuer (or the Cash Manager on its behalf) has delivered a Class Reset Notice (that has not been revoked), the Specified Class Scheduled Redemption Date for the relevant Specified Class will, with effect from the date specified in the Class Reset Notice, be reset to the date specified in the Class Reset Notice (such date to be an Interest Payment Date falling on or prior to the then current Series Scheduled Redemption Date for that Note Series), and the Rate of Interest applicable to the relevant Specified Class shall be reset to such rate as is specified in the Class Reset Notice (such rate to be a fixed or floating rate

that is, in the opinion of the Issuer (or the Cash Manager on its behalf), a market rate), **provided that** no such reset shall be effective unless the Issuer has obtained a Rating Confirmation from each Rating Agency in respect of such Class Reset. If, as a result of the Class Reset, any amendments are required to the terms of any Specified Class that require any amendment to the terms of any of the Issuer Documents or the Transaction Documents, the Class Reset shall only take effect if such amendments are made on or before the date on which such Class Reset is specified to take effect pursuant to the relevant Class Reset Notice. For the avoidance of doubt, any changes to the related Swap Agreement (if any) that the Issuer may propose in connection with a Class Reset can only be made if the relevant Swap Counterparty consents to such changes.

If the Issuer (or the Cash Manager on its behalf) has delivered a Class Reset Notice for a Specified Class (that has not been revoked) (such Specified Class, a "**Reset Class**"), each holder of the Notes of such Reset Class may: (i) deliver a Class Put Notice to the Issuer in respect of such Class Reset Notice (in the form, and in accordance with the process, specified in the Class Reset Notice); or (ii) deliver a notice to the Issuer (or otherwise enter into documentation) agreeing to waive its right to deliver a Class Put Notice in respect of such Class Reset Notice (a "**Class Put Waiver**"), in each case, on or before the relevant Class Put Notification Date. A Class Put Notice shall only be legally binding if delivered in the form, and in accordance with the process, specified in the relevant Class Reset Notice. The Issuer shall be entitled to rely on any Class Put Waiver in respect of Notes of the relevant Reset Class and any subsequent Class Put Notice delivered in respect of Notes of such Reset Class held by a Noteholder by: (a) such Noteholder; or (b) any person to which such Noteholder transfers all or part of its holding of the Notes of the relevant Reset Class after such Noteholder has delivered or otherwise entered into a Class Put Waiver shall not be legally binding.

If a Class Put Notice has been delivered by one or more holders of the Notes of the Specified Class on or before the relevant Class Put Notification Date and such notice has not been revoked prior to the relevant Class Scheduled Put Date, then (unless the Cash Manager has delivered a Class Put Funding Notice (as defined in Note Condition 9(f) (*Required Repurchase of Certain Note Classes*))), on the Transfer Date immediately prior to the relevant Class Scheduled Put Date, the Receivables Trustee shall, following the amortisation in full of any more senior Amortising Specified Class Investor Interest, utilise Undivided Bare Trust Property to make distributions to the relevant Series Investor Beneficiary sufficient to repay the Principal Amount Outstanding of the relevant Amortising Specified Class Investor Interest. The Loan Note Issuer shall utilise any such funds allocated to the Amortising Specified Class Investor Interest to make a repayment on the related Loan Note. Any principal amount received in respect of any Put Class Notes by the Issuer shall, on the Class Scheduled Put Date for the Specified Class, be allocated in accordance with Note Condition 9(f)(i) (*Required Repurchase of Certain Note Classes*) towards the repurchase of the relevant Put Class Notes as advised to the Issuer, the Principal Paying Agent and, if applicable, the U.S. Paying Agent by the Cash Manager after any application pursuant to the related Swap Agreement (if any).

If the Cash Manager has delivered a Class Put Funding Notice for a Specified Class in accordance with Note Condition 9(f)(ii) (*Required Repurchase of Certain Note Classes*), there shall be no amortisation of the Class Investor Interest in respect of such Specified Class and the Issuer shall instead apply any third party funds received by it in accordance with such Class Put Funding Notice in accordance with Note Condition 9(f)(i) (*Required Repurchase of Certain Note Classes*) towards the repurchase of the Put Class Notes on the Class Scheduled Put Date for such Specified Class as advised to the Issuer, the Principal Paying Agent and, if applicable, the U.S. Paying Agent by the Cash Manager after any application pursuant to the related Swap Agreement (if any).

If, in respect of any Specified Class, any Put Class Notes of that Specified Class are not repurchased on the relevant Class Scheduled Put Date, a Specified Class Rapid Amortisation Period shall commence (or continue) in respect of that Specified Class, and the rate of interest applicable to such Specified Class shall, until such Put Class Notes have been repurchased in full, be the greater of (i) that specified in the Class Reset Notice and (ii) the rate which would otherwise have been applicable to the Put Class Notes had such Class Reset not occurred (see Note Condition 8(o) (*General Provision: Reset*)).

The Servicer may (**provided that** it has not previously delivered a Class Extension Notice for that Specified Class), by written notice to the Receivables Trustee prior to the Interest Payment Date which was the relevant Specified Class Scheduled Redemption Date prior to the relevant Class Reset (a "**Class Put Deferral Notice**"), delay any Class Scheduled Put Date to a later Interest Payment Date falling within the relevant Class Extension Period specified in the relevant Final Terms or Drawdown Prospectus (as applicable), **provided that** the Class Scheduled Redemption Date and, if applicable, any Class Scheduled

Put Date, in each case, for each Class or Sub-Class in the relevant Note Series which both (a) ranks junior to such Specified Class and (b) if such Specified Class is specified in the relevant Final Terms or Drawdown Prospectus as belonging to a Maturity Stack, is in the same Maturity Stack as such Specified Class, is no earlier than the Class Scheduled Put Date for such Specified Class.

Any repurchase of any Notes of any Specified Class by the Issuer shall be at a price equal to their Principal Amount Outstanding together with accrued but unpaid interest thereon.

"Amortising Specified Class Investor Interest" means, in respect of any Specified Class:

- (i) if one or more holders of the Notes of such Specified Class has (in response to a Class Reset Notice) delivered a Class Put Notice on or prior to the relevant Class Put Notification Date and the Cash Manager has not delivered a Class Put Funding Notice in respect of the Put Class Notes pursuant to Note Condition 9(f) (*Required Repurchase of Certain Note Classes*), on and from the Class Scheduled Put Date, the relevant Put Class Investor Interest; and
- (ii) if the Class Investor Interest for that Specified Class is not reduced to zero on the then-current Specified Class Scheduled Redemption Date for that Specified Class, all of the Class Investor Interest for such Specified Class.

"Class Put Funding Notice" has the meaning given to such term in Note Condition 9(f) (*Required Repurchase of Certain Note Classes*).

"Class Put Funding Notification Date" means, in respect of any Specified Class, the first day of the relevant Specified Class Controlled Accumulation Period or, if there will not be a Specified Class Controlled Accumulation Period (as a result of the Servicer not electing that a Specified Class Controlled Accumulation Period should occur) in respect of the then current Specified Class Scheduled Redemption Date for that Specified Class, such Specified Class Scheduled Redemption Date for that Specified Class.

"Class Put Notice" means a valid notice given by a holder of Notes in a Specified Class to the Issuer in response to a Class Reset Notice in respect of that Specified Class (in the form, and in accordance with the process, specified in the Class Reset Notice) on or before the relevant Class Put Notification Date indicating that it requires the Issuer to repurchase its Notes of that Specified Class in accordance with Note Condition 9(f) (*Required Repurchase of Certain Note Classes*) and undertaking for the benefit of the Issuer to inform the Issuer of any subsequent transfer of such Notes and to require any transferee to grant a similar undertaking.

"Class Put Notification Date" means, in respect of a Class Reset in respect of a Specified Class, the date which is the earlier of (i) the date falling 20 Business Days after the date on which the Class Reset Notice is served and (ii) the date falling 10 Business Days prior to the relevant Class Put Funding Notification Date.

"Class Reset Notification Date" means, in respect of a Class Reset in respect of a Specified Class, the date falling 20 Business Days prior to the relevant Class Put Funding Notification Date.

"Class Scheduled Put Date" means, in respect of a Specified Class, if one or more holders of the Notes of the Specified Class has, in response to a Class Reset Notice, delivered a Class Put Notice on or prior to the relevant Class Put Notification Date, the Interest Payment Date which was the Specified Class Scheduled Redemption Date for that Specified Class prior to the relevant Class Reset, or, if a Class Put Deferral Notice is delivered in respect of such Class Scheduled Put Date, any Interest Payment Date falling within the relevant Class Extension Period as specified in such Class Put Deferral Notice.

"Put Class Investor Interest" means, in respect of a Series issued under the Programme and any Put Class Notes of a Specified Class with the same Class Scheduled Put Date, an amount of the relevant Class Investor Interest which is equal to the same proportion of the total Class Investor Interest as the Principal Amount Outstanding of such Put Class Notes represents of the Principal Amount Outstanding of that Specified Class of Notes.

"Put Class Notes" means, in respect of a Specified Class, if one or more holders of Notes of the Specified Class has, in response to a Class Reset Notice in respect of that Specified Class that has not been revoked, delivered a Class Put Notice on or prior to the relevant Class Put Notification Date that has not been revoked, all Notes of the Specified Class held by such Noteholders, unless and until such Notes have been

(a) repurchased by the Issuer using third party funds pursuant to Note Condition 9(f)(ii) (*Required Repurchase of Certain Note Classes*) or (b) purchased directly or indirectly by a third party (which may be a member of the NewDay Group or another Noteholder) which notifies the Issuer that it does not wish such Notes to be treated as "Put Class Notes".

"**Specified Class Scheduled Redemption Date**" means, in respect of a Specified Class:

- (a) the Interest Payment Date specified as such for that Specified Class in the Drawdown Prospectus or Final Terms (as applicable) for the related Note Series; or
- (b) in the case of a Class or a Sub-Class that becomes a Specified Class as a result of the delivery of a Series Extension Notice in respect of the relevant Series by the Servicer to the Receivables Trustee in accordance with the relevant Supplement for that Series, the date specified in such Series Extension Notice,

or, in each case, such other later Interest Payment Date falling on or before the then current Series Scheduled Redemption Date for the Series of which the Specified Class forms part as may be specified in a Class Reset Notice in respect of that Specified Class (that has not been revoked) or, if a Class Extension Notice in respect of that Specified Class is delivered, any Interest Payment Date falling within the relevant Class Extension Period, as specified in such Class Extension Notice.

Extension to Series Scheduled Redemption Date, Class Scheduled Redemption Date and/or Specified Class Scheduled Redemption Date

For any Note Series, the Series Scheduled Redemption Date for a Series issued under the Programme may, if a series extension notice is delivered in respect of such Series by the Servicer (a "**Series Extension Notice**"), be deferred to a later Interest Payment Date falling within the Series Extension Period (which will be specified in the relevant Final Terms or Drawdown Prospectus, as applicable), as specified in such Series Extension Notice. Such Series Extension Notice may provide that the Class Scheduled Redemption Date in respect of certain Classes or Sub-Classes in the relevant Series may be extended by different lengths of time (or not at all), **provided that**, in respect of each Class or Sub-Class in the relevant Series (a "**Relevant Class**"), following the delivery of the Series Extension Notice, the Class Scheduled Redemption Date and, if applicable, any Class Scheduled Put Date, in each case, for each Class or Sub-Class in that Note Series which both (a) ranks junior to such Relevant Class and (b) if such Relevant Class is specified in the relevant Final Terms or Drawdown Prospectus as belonging to a Maturity Stack, in the same Maturity Stack as such Relevant Class, is no earlier than the new Class Scheduled Redemption Date for the Relevant Class. Any Relevant Class that, following the delivery of a Series Extension Notice, has a Class Scheduled Redemption Date falling prior to the extended Series Scheduled Redemption Date shall, from the date of such Series Extension Notice, if not already a Specified Class, without any further formality become a Specified Class.

For each Class or Sub-Class that becomes a Specified Class following the delivery of a Series Extension Notice, all provisions of the Transaction Documents and the Issuer Documents in respect of Specified Classes shall apply to that Class or Sub-Class (**provided that**, for the avoidance of doubt, such Specified Class will not be subject to a Class Reset).

If so specified in the Drawdown Prospectus or Final Terms (as applicable) for the relevant Note Series and in respect of any Class or Sub-Class that becomes a Specified Class as a result of the delivery of a Series Extension Notice (**provided that** the Class Scheduled Redemption Date of such Specified Class was not extended pursuant to such Series Extension Notice), the Specified Class Scheduled Redemption Date for a Specified Class of a Series issued under the Programme may, if a class extension notice is delivered in respect of such Specified Class by the Servicer (a "**Class Extension Notice**"), be deferred to a later Interest Payment Date falling within the relevant Class Extension Period (which will be specified in the relevant Final Terms or Drawdown Prospectus, as applicable, or, in the case of any Class or Sub-Class that becomes a Specified Class as a result of the delivery of a Series Extension Notice, will be the period specified as the Series Extension Period in the relevant Final Terms or Drawdown Prospectus, as applicable) and no later than the Series Scheduled Redemption Date, as specified in such Class Extension Notice, **provided that**, following the delivery of the Class Extension Notice, the Class Scheduled Redemption Date and, if applicable, any Class Scheduled Put Date, in each case, for each Class or Sub-Class in that Note Series which both (a) ranks junior to such Specified Class and (b) if such Specified Class is specified in the relevant Final Terms or Drawdown Prospectus as belonging to a Maturity Stack, is in the same Maturity Stack as

such Specified Class, is no earlier than the new Specified Class Scheduled Redemption Date for such Specified Class.

"Class Extension Period" means, in respect of a Specified Class:

- (a) in respect of the Specified Class Scheduled Redemption Date for such Specified Class:
 - (i) the period specified in the relevant Final Terms or Drawdown Prospectus (as applicable), **provided that**, if a Class Reset has occurred in respect of such Specified Class, then such period shall instead commence on the reset Specified Class Scheduled Redemption Date in respect of that Specified Class and end on the date specified in the Class Reset Notice; or
 - (ii) if such Specified Class became a Specified Class as a result of the delivery of a Series Extension Notice, the period specified as the Series Extension Period in the relevant Final Terms or Drawdown Prospectus (as applicable); and
- (b) in respect of any Class Scheduled Put Date for such Specified Class, the period from such Class Scheduled Put Date immediately prior to the extension of such Class Scheduled Put Date to the latest Interest Payment Date to which the Specified Class Scheduled Redemption Date for such Specified Class could (prior to any Class Reset) have been extended by the delivery of a Class Extension Notice.

The Servicer may deliver:

- (i) a Series Extension Notice at least eight Business Days prior to the relevant Series Scheduled Redemption Date and on or prior to the Accumulation Reserve Funding Date (if any); or
- (ii) a Class Extension Notice at least eight Business Days prior to the Specified Class Scheduled Redemption Date for the relevant Specified Class and on or prior to the relevant Specified Class Accumulation Reserve Funding Date (if any).

The Series Extension Notice or Class Extension Notice, as applicable, must be delivered by the Servicer to the Receivables Trustee, the Loan Note Issuer, the Security Trustee, the Note Trustee, each Loan Note Holder, the relevant Noteholders, any Swap Counterparty in respect of any Class or Sub-Class of the relevant Note Series and (if any of the Notes in the relevant Note Series are rated) the Rating Agencies in accordance with the notice provisions of the Transaction Documents and the Note Conditions.

A Series Extension Notice must specify, in respect of the relevant Series, the new Series Scheduled Redemption Date and the new Series Scheduled Accumulation Commencement Date (if any) (to be delayed by the same amount of time as the Series Scheduled Redemption Date).

In addition, if a Series Extension Notice does not extend the Class Scheduled Redemption Date for any Class or Sub-Class (which, prior to the delivery of that Series Extension Notice, was not a Specified Class), or extends any such Class Scheduled Redemption Date by less than the Series Scheduled Redemption Date, then such Series Extension Notice must also specify, in respect of each such Class or Sub-Class (which, on and from the date of the Series Extension Notice, will become without any further formality a Specified Class): (a) its Specified Class Scheduled Redemption Date, (b) its Specified Class Scheduled Accumulation Commencement Date, (c) its Class Extension Period (if applicable) and (d) its Specified Class Required Accumulation Reserve Amount (which will be determined by reference to the percentages then specified in respect of the Series Required Accumulation Reserve Amount).

A Specified Class Extension Notice must specify, in respect of the relevant Specified Class, the new Specified Class Scheduled Redemption Date and the new Specified Class Scheduled Accumulation Commencement Date (if any) (to be delayed by the same amount of time as the Specified Class Scheduled Redemption Date).

A Series Extension Notice may only be delivered once in respect of each Series and a Class Extension Notice may only be delivered once in respect of each Specified Class within a Series.

Series Optional Amortisation

With respect to any Series issued under the Programme and in accordance with the relevant Supplement, the relevant Series Investor Beneficiary (acting on the instructions of the Transferor Beneficiary pursuant to the provisions of the Beneficiaries Deed) may, with at least five Business Days' notice, direct the Receivables Trustee in writing to effect an amortisation, using amounts standing to the credit of the relevant Series Principal Funding Ledger in the Receivables Trustee Investment Account, of the whole of one or more Extended Maturity Investor Interests on any Transfer Date within the relevant Series Extension Period and/or, in respect of Specified Classes within that Series, the relevant Class Extension Period, as applicable (each such amortisation being a "**Series Optional Amortisation**", each such date on which a Series Optional Amortisation occurs being a "**Series Optional Amortisation Date**" and each such amount being a "**Series Optional Amortisation Amount**").

A Series Optional Amortisation for a Series may occur only if, on or prior to the relevant Series Optional Amortisation Date, each Extended Maturity Investor Interest with a Specified Maturity Date falling on or prior to the Specified Maturity Date of each Extended Maturity Investor Interest subject to such Series Optional Amortisation has been or will be reduced to zero.

Any Series Optional Amortisation Amount in respect of the amortisation of an Extended Maturity Investor Interest shall be allocated to that Extended Maturity Investor Interest.

Such Series Optional Amortisation Amounts shall be credited to the relevant Series Ledger of the Loan Note Issuer Distribution Account, in order to make distributions to fund the redemption of the whole of (or the whole of the portion of) a Loan Note or Loan Notes of the Related Loan Note Series corresponding with the Extended Maturity Investor Interest. See "*The Loan Note Series – Series Optional Amortisation*".

Any Series Optional Amortisation Amount shall not exceed the lesser of (1) the relevant Series Investor Interest (or the relevant part thereof) and (2) the amount standing to the credit of the relevant Series Principal Funding Ledger of the Receivables Trustee Investment Account on the relevant Series Optional Amortisation Date.

"**Extended Maturity Investor Interest**" means, with respect to any Series issued under the Programme, each of:

- (a) if a Series Extension Notice has been delivered extending the Series Scheduled Redemption Date for that Series, the relevant Series Investor Interest;
- (b) if a Series Extension Notice has been delivered extending the Series Scheduled Redemption Date for that Series and, as a result of the delivery of that Series Extension Notice, any Class or Sub-Class becomes a Specified Class, each Class Investor Interest in respect of any such Specified Class;
- (c) if a Class Extension Notice or a Class Reset Notice has been delivered extending or resetting the Class Scheduled Redemption Date for a Specified Class within that Series, the relevant Class Investor Interest; and/or
- (d) if a Class Put Deferral Notice has been delivered deferring a Class Scheduled Put Date for a Specified Class within that Series, the corresponding Put Class Investor Interest.

"**Specified Maturity Date**" means, with respect to any Series issued under the Programme:

- (a) in respect of the relevant Series Investor Interest, the Series Scheduled Redemption Date for such Series;
- (b) in respect of the Class Investor Interest for any Specified Class within that Series, the relevant Class Scheduled Redemption Date; and/or
- (c) in respect of each Put Class Investor Interest for any Specified Class within that Series, the relevant Class Scheduled Put Date.

Partial Amortisation

If, on any Determination Date, a Partial Amortisation Event occurs (as defined below), the Servicer shall notify the Receivables Trustee (a "**Partial Amortisation Notice**") and will (on behalf of the Receivables Trustee) apply Cash Available for Investment equal to the Partial Amortisation Amount (if any) for each Outstanding Series in Group One on the Transfer Date following such Determination Date to make a repayment in respect of such Series in Group One (each such repayment being referred to as "**Partial Amortisation**") on such Transfer Date (a "**Partial Amortisation Date**").

The Servicer shall certify in any Partial Amortisation Notice or otherwise in advance of any Partial Amortisation Date that a Partial Amortisation Event has occurred and shall specify the Partial Amortisation Amount (if any) which it has determined for each Series in Group One.

Any Partial Amortisation Amount paid to a Series Investor Beneficiary shall be allocated between the various classes in that Series *pro rata*, unless the Servicer certifies that, in its opinion, a different allocation is necessary in order to (i) avoid a Pay Out Event or (ii) avoid any Rating Agency reducing or withdrawing its rating of any of the Series Associated Debt, in which case such Partial Amortisation Amount shall be allocated between the various classes of that Series as the Servicer shall determine is necessary to avoid the relevant event.

"**Partial Amortisation Amount**" means, in respect of any Partial Amortisation Event in respect of which a Partial Amortisation Notice is issued by the Servicer, the amount of the Cash Available for Investment standing to the credit of the Receivables Trustee Investment Account on the relevant Determination Date (excluding, for the avoidance of doubt, any amounts held in any liquidity reserve ledger or any other ledger which is not expressly stated to hold Cash Available for Investment) which the Servicer determines, in its opinion, on such Determination Date, will not be required for any other purpose on the following Transfer Date, together with, in respect of any Series that will be repaid in full as a result of the Partial Amortisation Event, amounts held in the liquidity reserve ledger, principal funding ledger or any other ledger in respect of such Series, as determined by the Servicer and notified to the Receivables Trustee, the Transferor and each Series Investor Beneficiary, which is to be allocated to a given Series in Group One, such allocation to be made by the Servicer on the basis of the principle that the Cash Available for Investment (together with any amounts released from any liquidity reserve ledger, principal funding ledger or any other ledger) is to be allocated between Series in the following order of priority:

- (a) *first*, an amount determined by the Servicer as required to be applied towards the accumulation of amounts for, or the amortisation of, each Series in Group One that is in an Accumulation Period or an Amortisation Period or, in the case of a VFN Series, that is required in accordance with its terms to be reduced (in each case *pro rata* with such Series' Adjusted Investor Interest);
- (b) *second*, an amount determined by the Servicer as required to be applied towards the amortisation of each Series to avoid (or increase the chance of avoiding) a Pay Out Event occurring;
- (c) *third*, an amount determined by the Servicer as required to be applied towards the amortisation of each Series in order to ensure that (or increase the chance that) each applicable Rating Agency will not reduce or withdraw its then current rating on any outstanding Rated Debt;
- (d) *fourth*, an amount determined by the Servicer to be applied in its sole discretion towards (i) the amortisation of the Investor Interest (as defined in the Master Framework Agreement) of any VFN Series (other than the Originator VFN Series) and/or (ii) the amortisation of the Originator VFN Excess Amount by an amount such that the Transferor Interest together with the Originator VFN Excess Amount does not fall below the Minimum Transferor Interest; and
- (e) *fifth*, an amount determined by the Servicer to be applied towards the amortisation of each Series (other than the Originator VFN Series) in Group One and their Available Series Originator VFN Subordination (as defined in the Originator VFN Supplement) in priority to each Series' proximity to its Scheduled Redemption Date (such that, for the avoidance of doubt, that Series which is nearest to its Scheduled Redemption Date shall be amortised in full prior to any amortisation of any other Series under this paragraph (e)).

"Partial Amortisation Event" means any of the following events:

- (a) where, on any Determination Date, there has been an increase of more than 15 percentage points in the value of the fraction (expressed as a percentage), the numerator of which is the balance of the Receivables Trustee Investment Account (excluding, for the avoidance of doubt, any amounts held in any liquidity reserve ledger or any other ledger which is not expressly stated to hold Cash Available for Investment) on the relevant Determination Date and the denominator of which is the Eligible Receivables Balance on the relevant Determination Date, since the immediately preceding Determination Date;
- (b) the balance of the Cash Available for Investment standing to the credit of the Receivables Trustee Investment Account (excluding, for the avoidance of doubt, any amounts held in any liquidity reserve ledger or any other ledger which is not expressly stated to hold Cash Available for Investment) on any Determination Date is greater than 10 per cent. of the Eligible Receivables Balance and has been greater than 10 per cent. of the Eligible Receivables Balance on the previous five Determination Dates; or
- (c) the average Portfolio Yield for three consecutive Collection Periods less the average Expense Rate for the same period in respect of any Series (as such terms are defined in the relevant Supplement) other than (x) the Originator VFN Series or (y) any Series for which an amount equal to the related Series Investor Interest has been credited to the relevant Series Principal Funding Ledger is less than 3 per cent. and either (i) such an event constitutes a "Partial Amortisation Event" under any other outstanding Series in Group One or (ii) the Servicer elects, by notice to the Receivables Trustee, to treat such event as a Partial Amortisation Event.

The circumstances where a Partial Amortisation Event may occur are varied. See the risk factor entitled *"Risk Factors – A Partial Amortisation Event May Result in an Early Redemption of the Notes"* for examples of scenarios which may cause a Partial Amortisation Event to occur.

Rapid Amortisation Period and Specified Class Rapid Amortisation Period

Rapid Amortisation Period

The **"Rapid Amortisation Period"** for a Series issued under the Programme will commence on the Business Day succeeding the day on which a Pay Out Event occurs in respect of that Series and will continue until the earlier of:

- (i) the relevant Series Termination Date; and
- (ii) the termination of the Receivables Trust.

During the Rapid Amortisation Period for any such Series, the amount of Principal Collections credited each Business Day to the Receivables Trustee Collection Account which are allocable to the relevant Series Investor Beneficiary will be accumulated on each day by the Receivables Trustee during each Collection Period in the undivided Principal Collections Ledger (as allocable to the relevant Series Investor Beneficiary). At the end of the Collection Period, the amounts so credited will be transferred by the Receivables Trustee (on the related Transfer Date) to the Loan Note Issuer Distribution Account until the relevant Series Termination Date (as defined below).

"Series Termination Date" means, in respect of any Series issued pursuant to the Programme, the earliest to occur of (a) the Distribution Date on which the relevant Series Investor Interest is reduced to zero and is not capable of reinstatement pursuant to the Receivables Trust Deed and Servicing Agreement as supplemented by the relevant Supplement, or (b) the date specified as the "Series Termination Long Stop Date" in the relevant Final Terms or Drawdown Prospectus, as applicable.

For each Series issued under the Programme, as in the Revolving Period, the Controlled Accumulation Period, any Specified Class Controlled Accumulation Period and any Specified Class Rapid Amortisation Period in respect of such Series, during each Collection Period during the Rapid Amortisation Period in respect of such Series, a specified percentage equal to the amount of Required Retained Principal Collections for that Series will be retained within the Receivables Trustee Collection Account of the Receivables Trust and may be deposited in the Loan Note Issuer Distribution Account on a Transfer Date to meet certain payments or distributions to the Loan Note Issuer in respect of the relevant Series which it

is not able to satisfy from Finance Charge Collections and Acquired Interchange distributed as described above under "*Calculation and Distribution of Finance Charge Collections and Acquired Interchange to the Loan Note Issuer*".

Specified Class Rapid Amortisation Period

A "**Specified Class Rapid Amortisation Period**" shall occur, in respect of a Specified Class of a Series issued under the Programme:

- (a) if one or more holders of Notes in that Specified Class has, in response to a Class Reset Notice in respect of that Specified Class (which has not been revoked), delivered a Class Put Notice on or prior to the relevant Class Put Notification Date (and the Cash Manager has not (i) delivered a Class Put Funding Notice for that Specified Class pursuant to Note Condition 9(f) (*Required Repurchase of Certain Note Classes*) or (ii) determined that it reasonably expects the Put Class Notes of that Specified Class to be refinanced or the Class Scheduled Put Date to be extended), and, in such circumstances, the Specified Class Rapid Amortisation Period for the relevant Specified Class shall run from (and including) the first day of the Collection Period immediately prior to the Collection Period in which the relevant Class Scheduled Put Date falls (or, if later, the Business Day after a Class Put Notice is first delivered) to (but excluding) the date on which the Amortising Specified Class Investor Interest (if any) is reduced to zero; or
- (b) if the Class Investor Interest for such Specified Class is not reduced to zero on the relevant Specified Class Scheduled Redemption Date, and, in such circumstances, the relevant Specified Class Rapid Amortisation Period shall run from (and including) the Business Day immediately following that Specified Class Scheduled Redemption Date to (but excluding) the date on which the Class Investor Interest for that Specified Class is reduced to zero,

provided that any Specified Class Rapid Amortisation Period shall end on the commencement of the Rapid Amortisation Period.

A Specified Class Rapid Amortisation Period in respect of any Specified Class of a Series issued under the Programme may run concurrently with the Controlled Accumulation Period, a Specified Class Rapid Amortisation Period (in respect of any other Specified Class in the same Series) and/or a Specified Class Controlled Accumulation Period (in respect of the Specified Class in its Specified Class Rapid Amortisation Period or any other Specified Class in the relevant Series).

On the Transfer Date immediately prior to each Distribution Date during any Specified Class Rapid Amortisation Period, the Receivables Trustee shall utilise Undivided Bare Trust Property (being the relevant Class Fixed Percentage of the amount of Available Retained Principal Collections) to make distributions to the relevant Series Investor Beneficiary sufficient to repay the Principal Amount Outstanding of the relevant Amortising Specified Class Investor Interest. The Loan Note Issuer shall utilise any such funds allocated to the Amortising Specified Class Investor Interest on each Transfer Date during such Specified Class Rapid Amortisation Period to make repayments on the related Loan Note. Any principal amount received in respect of any Specified Class by the Issuer during a Specified Class Rapid Amortisation Period in respect of the related Specified Class on any Interest Payment Date shall:

- (i) if such Specified Class Rapid Amortisation Period has occurred as a result of one or more holders of Notes in that Specified Class delivering a Class Put Notice on or prior to the relevant Class Put Notification Date, be applied in accordance with Note Condition 9(f)(i) (*Required Repurchase of Certain Note Classes*) towards the repurchase of the Put Class Notes in that Specified Class, as advised to the Issuer, the Principal Paying Agent and (if applicable) the U.S. Paying Agent by the Cash Manager after any application pursuant to the related Swap Agreement (if any); or
- (ii) if such Specified Class Rapid Amortisation Period has occurred as a result of the Class Investor Interest for that Specified Class not being reduced to zero on the relevant Specified Class Scheduled Redemption Date, be applied in accordance with Note Condition 9(a) (*Scheduled Redemption and Mandatory, Early Redemption*) in redeeming the Notes of the Specified Class.

Concurrent Operation of a Specified Class Controlled Accumulation Period and a Specified Class Rapid Amortisation Period in Respect of the Same Specified Class

If a Specified Class Controlled Accumulation Period is running concurrently with a Specified Class Rapid Amortisation Period for the same Specified Class, then the Class Fixed Percentage of the amount of Available Retained Principal Collections for that Specified Class will be allocated between:

- (i) funding the relevant Specified Class Controlled Deposit Amount; and
- (ii) funding the redemption of the relevant Amortising Specified Class Investor Interest,

pro rata to the amount of the Class Investor Interest for the Specified Class for which the Specified Class Controlled Deposit Amount is being accumulated and the amount of the relevant Amortising Specified Class Investor Interest, in each case as at the end of the Revolving Period. The maximum amount distributable from the Principal Collections Ledger in respect of the relevant Specified Class in such circumstances shall be the sum of the relevant Specified Class Controlled Deposit Amount and the relevant Amortising Specified Class Investor Interest, and:

- (i) any amount of Principal Collections allocated to the Class Investor Interest for the relevant Specified Class for which the relevant Specified Class Controlled Deposit Amount is being accumulated which is in excess of the relevant Specified Class Controlled Deposit Amount shall be reallocated, first, to fund the redemption of the relevant Amortising Specified Class Investor Interest and, thereafter, in accordance with the provisions above; and
- (ii) any amount of Principal Collections allocated to the relevant Amortising Specified Class Investor Interest in excess of the amount required to redeem the relevant Amortising Specified Class Investor Interest shall be reallocated, first, to fund the relevant Specified Class Controlled Deposit Amount and, thereafter, in accordance with the provisions above.

If a Specified Class Rapid Amortisation Period commences in circumstances where the Specified Class Controlled Accumulation Period is continuing, then only a proportion of any funds standing to the credit of the relevant Series Principal Funding Ledger in respect of the Specified Class and a proportion of any funds standing to the credit of the relevant Accumulation Reserve Ledger for such Specified Class will be applied for the benefit of the Amortising Specified Class Investor Interest on the following Transfer Date. Such proportion shall be equal to the proportion which the Amortising Specified Class Investor Interest represents of the total Class Investor Interest for the Specified Class.

Calculation of Principal Collections to be Distributed to the Loan Note Issuer with respect to any Series

During the Revolving Period for any Series issued under the Programme, the calculation of amounts available for distribution to the Loan Note Issuer in respect of Principal Collections will be determined on the basis of the Floating Investor Percentage for the relevant Series for the Collection Period in which such Principal Collections arise. During the Controlled Accumulation Period, any Specified Class Controlled Accumulation Period or any Specified Class Rapid Amortisation Period or the Rapid Amortisation Period, in each case, for any Series issued under the Programme, the calculation of amounts available for distribution to the Loan Note Issuer in respect of Principal Collections will be determined on the basis of the Fixed Investor Percentage for the relevant Series for the Collection Period in which such Principal Collections arise.

The "**Class Fixed Allocation**" for each Class or Sub-Class of a Series will each be calculated by the Receivables Trustee in the same way and will be equal to, for each Class or Sub-Class respectively, and with respect to any Collection Period following the end of the Revolving Period for that Series, the fraction expressed as a percentage (which percentage shall never exceed 100 per cent.):

- (i) the numerator of which is the Class Investor Interest in respect of the relevant Class or Sub-Class as of the close of business on the last day of the Revolving Period; and

- (ii) the denominator of which is equal to the relevant Series Investor Interest as of the close of business on the last day of the Revolving Period.

On each Transfer Date during the Revolving Period for any Series issued under the Programme, an amount equal to the Available Retained Principal Collections for such Series with respect to the related Collection Period will be distributed in the following priority:

- (i) a proportion of such Available Retained Principal Collections will be applied as Shared Principal Collections and allocated to Outstanding Series in Group One other than that Series (see "*Shared Principal Collections*" below); and
- (ii) the balance remaining will be transferred to the Receivables Trustee Investment Account as Cash Available for Investment.

"**Available Retained Principal Collections**" means, for the purposes of calculation in respect of a Transfer Date and the preceding Collection Period for a Series issued under the Programme:

- (i) the aggregate amount of Retained Principal Collections for such Collection Period; *minus*
- (ii) the amount of Reallocated Principal Collections (if any) with respect to such Collection Period which are to be used to fund the Series Required Amount for that Series and distributed to the relevant Series Investor Beneficiary; *plus*
- (iii) the amount of Shared Principal Collections with respect to Group One that are allocated to the relevant Series; *plus*
- (iv) with respect to any Transfer Date falling in any Specified Class Rapid Amortisation Period or the Rapid Amortisation Period, the amount of Principal Loss Make-Up (Charge-off) and Principal Loss Make-Up (Default) calculated pursuant to the relevant Supplement for that Series.

"**Fixed Investor Percentage**" means, with respect to any Collection Period and a Series issued under the Programme, the percentage equivalent (which percentage shall never exceed 100 per cent.) of a fraction:

- (i) the numerator of which is the Series Investor Interest for that Series at the close of business on the last day of the Revolving Period for that Series (whether permanently ended or most recently temporarily suspended); and
- (ii) the denominator of which is the greater of:
- (a) an amount equal to the Eligible Receivables Balance as at the close of business on the last day of the prior Collection Period; and
- (b) the sum of (A) the Series Investor Interest for that Series as of the close of business on the last day of the Revolving Period for that Series (whether permanently ended or most recently temporarily suspended) plus (B) the sum of the numerators used to calculate the Investor Percentages for distributions with respect to Principal Collections for all Outstanding Series (excluding that Series) for that Collection Period,

provided that, with respect to any Collection Period in which a Subsequent Assignment Date in respect of Accounts with a balance of existing Receivables or a Re-designation Date in respect of Third Party Re-designated Accounts, as the case may be, occurs, the amount used for the calculation in paragraph (ii)(a) above shall be:

- for the period from (and including) the first day of the Collection Period to (but excluding) the Subsequent Assignment Date or the Re-designation Date, as the case may be, an amount equal to the Eligible Receivables Balance as at the close of business on the last day of the prior Collection Period; and
- for the period from (and including) the Subsequent Assignment Date or the Re-designation Date, as the case may be, to (and including) the last day of the Collection Period, an amount equal to the Eligible Receivables Balance at the beginning of the day on the related Subsequent Assignment Date or Re-designation Date, as the case may be, as adjusted for

the Outstanding Face Amount of Eligible Receivables at the beginning of such day added to or, as the case may be, removed from the Undivided Bare Trust on such Subsequent Assignment Date or Re-designation Date, as the case may be,

and **provided further, however, that**, with respect to any Collection Period in which a Relevant Event occurs, the amount used for the calculation in paragraph (ii)(b) above shall be:

- for the period from (and including) the first day of the Collection Period to (but excluding) the date of the Relevant Event, the sum of the numerators used to calculate the Investor Percentages for distributions with respect to Principal Collections for all Outstanding Series (including such Series) for the relevant Collection Period; and
- for the period from (and including) the date of the Relevant Event to (and including) the last day of the Collection Period, the sum of the numerators used to calculate the Investor Percentages for distributions with respect to Principal Collections for all Outstanding Series (including such Series) on the date of the Relevant Event, adjusted to take into account the Relevant Event in question.

"Retained Principal Collections" means, with respect to any Collection Period, the aggregate amount retained in the undivided Principal Collections Ledger for such Collection Period as set out under *"Beneficial Entitlement of the Loan Note Issuer to Collections"* above.

"Series Required Amount" means, in respect of a Series issued under the Programme and as of each Transfer Date, the aggregate of the Class Required Amounts for such Series with respect to such Transfer Date.

In respect of each Series issued under the Programme and in respect of each Class and Sub-Class within that Series, on each Transfer Date during the Controlled Accumulation Period, or the Rapid Amortisation Period, or, if that Class or Sub-Class is a Specified Class, during any Specified Class Controlled Accumulation Period (if applicable) or Specified Class Rapid Amortisation Period (if applicable) (in each case, for such Specified Class), the Receivables Trustee will, to the extent there are funds available after distributing the Class Monthly Principal Amount in respect of each more senior Class or Sub-Class (with Sub-Classes of the same Class ranking *pari passu* and *pro rata*), withdraw the Class Monthly Principal Amount referable to that Class or Sub-Class from the undivided Principal Collections Ledger and (in the case of any Specified Class Rapid Amortisation Period in respect of that Class or Sub-Class or the Rapid Amortisation Period) from amounts of Principal Loss Make-Up (Default) and Principal Loss Make-Up (Charge-off) standing to the credit of the relevant Series Finance Charge Collections Ledger and:

- (i) in the case of a Transfer Date during the Controlled Accumulation Period or the Specified Class Controlled Accumulation Period in respect of that Class or Sub-Class, deposit such amounts in the Receivables Trustee Investment Account (for credit to the relevant Series Principal Funding Ledger and identified for that Class or Sub-Class); or
- (ii) in the case of a Transfer Date during any Specified Class Rapid Amortisation Period in respect of that Class or Sub-Class or the Rapid Amortisation Period, deposit such amounts in the Loan Note Issuer Distribution Account (identified for that Class or Sub-Class).

The **"Class Monthly Principal Amount"** means, in respect of any Class or Sub-Class, the calculated amount required to be transferred from the undivided Principal Collections Ledger together with, in the case of any Specified Class Rapid Amortisation Period in respect of that Class or Sub-Class or the Rapid Amortisation Period, the amount of Principal Loss Make-Up (Default) and Principal Loss Make-Up (Charge-off) required to be transferred from the relevant Series Finance Charge Collections Ledger to (in the case of a Specified Class Controlled Accumulation Period in respect of that Class or Sub-Class or, where that Class or Sub-Class is not a Specified Class, the Controlled Accumulation Period) the relevant Series Principal Funding Ledger in the Receivables Trustee Investment Account or (in the case of any Specified Class Rapid Amortisation Period in respect of that Class or Sub-Class or the Rapid Amortisation Period) the relevant Series Ledger (as defined in the relevant Loan Note Supplement) in the Loan Note Issuer Distribution Account, in each case notionally referable to the Class Investor Interest in respect of that Class or Sub-Class, on each Transfer Date commencing on the Transfer Date in the month following the month in which a Class Amortisation/Accumulation Period in respect of such Class or Sub-Class begins, which amount shall be equal to the lesser of:

- (i) an amount equal to the relevant Class Fixed Percentage of the aggregate of (A) the aggregate amount of Available Retained Principal Collections which are standing to the credit of the undivided Principal Collections Ledger and (B) in the case of any Specified Class Rapid Amortisation Period in respect of that Class or Sub-Class or the Rapid Amortisation Period, the aggregate of the amounts credited to the relevant Series Finance Charge Collections Ledger identified as Principal Loss Make-Up (Default) and Principal Loss Make-Up (Charge-off) on such Transfer Date; and
- (ii) subject (in the case of a Specified Class Controlled Accumulation Period in respect of that Class or Sub-Class) to the final paragraph below in this section, (a) the Class Adjusted Investor Interest in respect of that Class or Sub-Class (after taking into account any adjustments to be made on such Transfer Date but not taking into account any Class Investor Default Amount in respect of that Class or Sub-Class on such Transfer Date for which Principal Loss Make-Up (Default) is calculated) prior to any amount being credited to the relevant Series Principal Funding Ledger on such day plus (b) the amount credited to the Series Finance Charge Collections Ledger on such Transfer Date identified as Principal Loss Make-Up (Charge-off) calculated in respect of that Class or Sub-Class.

Notwithstanding the above:

- (a) during a Specified Class Controlled Accumulation Period in respect of any Specified Class, the amount distributable from the Principal Collections Ledger in respect of such Specified Class for each Transfer Date shall not exceed the applicable Specified Class Controlled Deposit Amount; and
- (b) during the Controlled Accumulation Period in respect of any Series, the aggregate amount distributable from the Principal Collections Ledger in respect of each Class of a Series (other than a Specified Class) for each Transfer Date shall not exceed the Controlled Deposit Amount and, in the event that the aggregate monthly principal amounts for each such Class exceed the Controlled Deposit Amount, the monthly principal amounts of each such Class will be reduced in reverse sequential order.

Distribution of Principal Collections

In respect of each Series issued under the Programme, on (1) each Transfer Date during any Specified Class Rapid Amortisation Period or the Rapid Amortisation Period for that Series or (2) the Series Scheduled Redemption Date or any Specified Class Scheduled Redemption Date, the Receivables Trustee, acting on the advice of the Servicer, will be authorised to distribute the following amounts in the following manner and priority:

- (i) from amounts, if any, credited to the relevant Series Principal Funding Ledger, an amount equal to:
 - (a) where Class A is not divided into Sub-Classes, the lesser of:
 - (1) the Class A Investor Interest; and
 - (2) the amount credited to the relevant Series Principal Funding Ledger identified for Class A; and
 - (b) where Class A is divided into Sub-Classes, in respect of each Sub-Class of Class A, the lesser of:
 - (1) the Class Investor Interest in respect of that Sub-Class; and
 - (2) the amount credited to the relevant Series Principal Funding Ledger identified for that Sub-Class,
 to the Loan Note Issuer Distribution Account (identified for Class A or any Sub-Class thereof, as applicable);

- (ii) from amounts, if any, credited to the relevant Series Principal Funding Ledger, an amount equal to:
 - (a) where Class B is not divided into Sub-Classes, the lesser of:
 - (1) the Class B Investor Interest; and
 - (2) the amount credited to the relevant Series Principal Funding Ledger identified for Class B; and
 - (b) where Class B is divided into Sub-Classes, in respect of each Sub-Class of Class B, the lesser of:
 - (1) the Class Investor Interest in respect of that Sub-Class; and
 - (2) the amount credited to the relevant Series Principal Funding Ledger identified for that Sub-Class,

to the Loan Note Issuer Distribution Account (identified for Class B or any Sub-Class thereof, as applicable);
- (iii) from amounts, if any, credited to the relevant Series Principal Funding Ledger, an amount equal to:
 - (a) where Class C is not divided into Sub-Classes, the lesser of:
 - (1) the Class C Investor Interest; and
 - (2) the amount credited to the relevant Series Principal Funding Ledger identified for Class C; and
 - (b) where Class C is divided into Sub-Classes, in respect of each Sub-Class of Class C, the lesser of:
 - (1) the Class Investor Interest in respect of that Sub-Class; and
 - (2) the amount credited to the relevant Series Principal Funding Ledger identified for that Sub-Class,

to the Loan Note Issuer Distribution Account (identified for Class C or any Sub-Class thereof, as applicable);
- (iv) from amounts, if any, credited to the relevant Series Principal Funding Ledger, an amount equal to:
 - (a) where Class D is not divided into Sub-Classes, the lesser off:
 - (1) the Class D Investor Interest; and
 - (2) the amount credited to the relevant Series Principal Funding Ledger identified for Class D; and
 - (b) where Class D is divided into Sub-Classes, in respect of each Sub-Class of Class D, the lesser of:
 - (1) the Class Investor Interest in respect of that Sub-Class; and
 - (2) the amount credited to the relevant Series Principal Funding Ledger identified for that Sub-Class,

to the Loan Note Issuer Distribution Account (identified for Class D or any Sub-Class thereof, as applicable);

- (v) from amounts, if any, credited to the relevant Series Principal Funding Ledger, an amount equal to:
 - (a) where Class E is not divided into Sub-Classes, the lesser of:
 - (1) the Class E Investor Interest; and
 - (2) the amount credited to the relevant Series Principal Funding Ledger identified for Class E; and
 - (b) where Class E is divided into Sub-Classes, in respect of each Sub-Class of Class E, the lesser off:
 - (1) the Class Investor Interest in respect of that Sub-Class; and
 - (2) the amount credited to the relevant Series Principal Funding Ledger identified for that Sub-Class,

to the Loan Note Issuer Distribution Account (identified for Class E or any Sub-Class thereof, as applicable); and
- (vi) from amounts, if any, credited to the relevant Series Principal Funding Ledger, an amount equal to:
 - (a) where Class F is not divided into Sub-Classes, the lesser of:
 - (1) the Class F Investor Interest; and
 - (2) the amount credited to the relevant Series Principal Funding Ledger identified for Class F; and
 - (b) where Class F is divided into Sub-Classes, in respect of each Sub-Class of Class F, the lesser of:
 - (1) the Class Investor Interest in respect of that Sub-Class; and
 - (2) the amount credited to the relevant Series Principal Funding Ledger identified for that Sub-Class,

to the Loan Note Issuer Distribution Account (identified for Class F or any Sub-Class thereof, as applicable).

On each Partial Amortisation Date, the Receivables Trustee shall withdraw from the Receivables Trustee Investment Account:

- (i) the Partial Amortisation Amount (if any) specified by the Servicer in the applicable Partial Amortisation Notice as being allocable to Class A (or any Sub-Class thereof) from the Receivables Trustee Investment Account and will deposit such amount in the Loan Note Issuer Distribution Account (identified for Class A or any Sub-Class thereof, as applicable);
- (ii) the Partial Amortisation Amount (if any) specified by the Servicer in the applicable Partial Amortisation Notice as being allocable to Class B (or any Sub-Class thereof) from the Receivables Trustee Investment Account and will deposit such amount in the Loan Note Issuer Distribution Account (identified for Class B or any Sub-Class thereof, as applicable);
- (iii) the Partial Amortisation Amount (if any) specified by the Servicer in the applicable Partial Amortisation Notice as being allocable to Class C (or any Sub-Class thereof) from the Receivables Trustee Investment Account and will deposit such amount in the Loan Note Issuer Distribution Account (identified for Class C or any Sub-Class thereof, as applicable);
- (iv) the Partial Amortisation Amount (if any) specified by the Servicer in the applicable Partial Amortisation Notice as being allocable to Class D (or any Sub-Class thereof) from the Receivables

Trustee Investment Account and will deposit such amount in the Loan Note Issuer Distribution Account (identified for Class D or any Sub-Class thereof, as applicable);

- (v) the Partial Amortisation Amount (if any) specified by the Servicer in the applicable Partial Amortisation Notice as being allocable to Class E (or any Sub-Class thereof) from the Receivables Trustee Investment Account and will deposit such amount in the Loan Note Issuer Distribution Account (identified for Class E or any Sub-Class thereof, as applicable); and
- (vi) the Partial Amortisation Amount (if any) specified by the Servicer in the applicable Partial Amortisation Notice as being allocable to Class F (or any Sub-Class thereof) from the Receivables Trustee Investment Account and will deposit such amount in the Loan Note Issuer Distribution Account (identified for Class F or any Sub-Class thereof, as applicable).

The Loan Note Issuer will use amounts credited to the Loan Note Issuer Distribution Account identified for a Class or Sub-Class of a Series to redeem the Loan Note of the same Class or Sub-Class of that Series.

Shared Principal Collections

Each Series in Group One will share Principal Collections with other Outstanding Series in Group One.

The amount of Principal Collections calculated with respect to any Series issued under the Programme which are not utilised as Cash Available for Investment and which are not distributed on the related Transfer Date to meet any Class Monthly Principal Amount for that Series, or utilised on the related Transfer Date as Reallocated Principal Collections, shall be available as Shared Principal Collections for other Outstanding Series in Group One (other than the Originator VFN Series) and shall be identified as such in the undivided Principal Collections Ledger.

Principal Collections calculated in respect of any other Series in Group One will be shared with the relevant Series on any Transfer Date in accordance with the terms of the relevant Series' Supplements. The amount of Shared Principal Collections to be distributed to the Series Investor Beneficiary in respect of each Series on any Transfer Date shall be an amount equal to the Series Principal Shortfall, if any, with respect to the relevant Series for such Transfer Date, **provided, however, that**, if the aggregate amount of Shared Principal Collections for all Outstanding Series in Group One for such Transfer Date is less than the Cumulative Series Principal Shortfall for such Transfer Date, then Shared Principal Collections to be distributed to the relevant Series on such Transfer Date shall equal the lesser of:

- (a) the aggregate of:
 - (i) the Series Additional Principal Collections; plus
 - (ii) the product of (1) Shared Principal Collections for all Outstanding Series in Group One for such Transfer Date less the Cumulative Series Additional Principal Collections and (2) a fraction, the numerator of which is the amount (if any) of the Remaining Series Principal Shortfall (as defined in the relevant Supplement) with respect to the relevant Series for such Transfer Date and the denominator of which is the amount of the Cumulative Remaining Series Principal Shortfall; and
- (b) the Series Principal Shortfall,

provided that, if any Shared Principal Collections are not allocated to a Series within Group One as a result of the amount which would otherwise be allocated pursuant to the relevant Supplement exceeding the Series Principal Shortfall for such Series (such amount being "**Excess Allocated Principal Collections**"), then the Series Investor Beneficiary shall be entitled to an amount of such Excess Allocated Principal Collections calculated in accordance with the foregoing provisions, as if such Excess Allocated Principal Collections were the amount of available Shared Principal Collections and the Series Principal Shortfall of the relevant Series and each other Outstanding Series in Group One were reduced by the amount of Shared Principal Collections allocated to them in accordance with such foregoing provisions and **provided that** such process shall be repeated, *mutatis mutandis*, until all Excess Allocated Principal Collections have been allocated to a Series.

"Cumulative Remaining Series Principal Shortfall" means, with respect to any Transfer Date, the aggregate of the Remaining Series Principal Shortfalls (as defined in the relevant Supplement) for each Series in Group One other than the Originator VFN Series.

"Cumulative Series Additional Principal Collections" means, with respect to any Transfer Date, the aggregate of the Series Additional Principal Collections (as defined in the relevant Supplement) for each Series in Group One other than the Originator VFN Series.

"Cumulative Series Principal Shortfall" means the sum of the Series Principal Shortfalls (as such term is defined in the related Supplement) for each Series in Group One.

"Series Additional Principal Collections" means, in respect of each Series, on any Transfer Date during the Controlled Accumulation Period, any Specified Class Controlled Accumulation Period, any Specified Class Rapid Amortisation Period or the Rapid Amortisation Period for that Series, an amount equal to the lesser of:

- (a) the product of (i) Principal Collections available to the Originator VFN Series on such Transfer Date; and (ii) a fraction, the numerator of which is the Available Series Originator VFN Subordination for that Series at the end of the Revolving Period for that Series (whether permanently ended or most recently temporarily suspended) and the denominator of which is the Originator VFN Investor Interest; and
- (b) the Series Principal Shortfall for such Transfer Date.

"Series Available Principal" means, in respect of any Series, the Retained Principal Collections for the related Collection Period plus, during any Specified Class Rapid Amortisation Period or the Rapid Amortisation Period for that Series, the aggregate amount of Principal Loss Make-Up (Default) and Principal Loss Make-Up (Charge-off) for that Series for the related Collection Period *minus* the Reallocated Principal Collections (if any) for such Collection Period.

"Shared Principal Collections" means, in respect of any Series as the context may require, either:

- (i) the amount of Principal Collections (which, for the purposes of this definition only shall include Principal Collections from previous Collection Periods that constitute Cash Available for Investment) allocated for the purposes of calculation to that Series which may be applied to any series principal shortfall (or equivalent) with respect to other Outstanding Series in Group One; or
- (ii) the amounts of Principal Collections (which, for the purposes of this definition only shall include Principal Collections from previous Collection Periods that constitute Cash Available for Investment) allocated for the purposes of calculation to other Outstanding Series in Group One which the applicable supplements for such Series specify are to be treated as "Shared Principal Collections" which may be applied and distributed to the Series Investor Beneficiary in respect of that Series to cover any Series Principal Shortfall with respect to that Series.

"Series Principal Shortfall" means, with respect to any Transfer Date and any Series, the excess, if any, of:

- (a)
 - (i) with respect to any Transfer Date during the Controlled Accumulation Period for that Series, the Controlled Deposit Amount for such Transfer Date;
 - (ii) with respect to any Transfer Date during a Specified Class Controlled Accumulation Period for that Series, the Specified Class Controlled Deposit Amount for the relevant Specified Class for such Transfer Date;
 - (iii) with respect to any Transfer Date during a Specified Class Rapid Amortisation Period for that Series, the relevant Amortising Specified Class Adjusted Investor Interest; and
 - (iv) with respect to the Rapid Amortisation Period for that Series, the relevant Series Adjusted Investor Interest,

over

- (b) the Series Available Principal.

The Originator VFN and the Series Originator VFN Subordination

The Originator VFN Series was constituted on 18 December 2014 by the Loan Note Issuer increasing its Aggregate Investor Interest in the Trust Property and thereafter having the ability to increase or decrease its Aggregate Investor Interest as provided for in a supplement to the Receivables Trust Deed and Servicing Agreement designated the "**Originator VFN Supplement**" and the associated portion of Investor Interest known as the "**Originator VFN Investor Interest**" with the associated Series being the "**Originator VFN Series**". See "*Series Currently in Issue – Originator VFN Series*".

The Originator VFN Series consists of the following parts: (i) a subordination amount for each other Series in Group One, as specified in the relevant Supplement (each being a "**Series Originator VFN Subordination**" and, together, the "**Originator VFN Subordination**" and, taking into account losses and other charge-offs notionally allocated thereto, the "**Available Series Originator VFN Subordination**" and "**Available Originator VFN Subordination**" respectively); and (ii) an amount equal to the Originator VFN Investor Interest less the Available Originator VFN Subordination (the "**Originator VFN Excess Amount**", such amount being available, as reduced by the amount of losses and charge-offs allocated thereto, among other things, to provide protection to the Investor Beneficiaries against Dilution Losses. The Transferor Interest, together with the Originator VFN Excess Amount, calculated as an average on an aggregate basis, is required to satisfy the Minimum Transferor Interest requirements as further set out in the section entitled "*Series Pay Out Events*" below).

Each Series will also be able to use a portion of the available funds of the Originator VFN Series to meet shortfalls in Available Funds for the relevant Series and other amounts credited to the relevant Series Finance Charge Collections Ledger for payment of the amounts required to be funded thereby pursuant to the relevant Supplement (being, in the case of each Series issued under the Programme, those referred to in paragraphs (1) to (29) under "*Application of Available Funds*" above).

Series Originator VFN Subordination; Defaults and Dilution Losses

On the Closing Date of each Series issued under the Programme, the Series Originator VFN Subordination notionally allocated in respect of the relevant Series shall be the Series Originator VFN Subordination in respect of that Series. In the event there would be a charge-off for any Class of the relevant Series following the calculations and applications in respect of the relevant Series on a Transfer Date, such charge-off (whether arising as a result of a Default, a Dilution Loss (as to which, see further below) or a reallocation of Principal Collections) will be reallocated to the Available Series Originator VFN Subordination for that Series to the extent greater than zero.

At any time, taking into account losses and other charge-offs notionally allocated to the Series Originator VFN Subordination for that Series, the notional amount thereof available to the relevant Series will be the "**Available Series Originator VFN Subordination**". The Series Originator VFN Subordination in respect of each Series may be increased by the Loan Note Issuer at any time by amounts resulting from further contributions in respect of the Originator VFN Series that are notionally allocated to the Series Originator VFN Subordination or by the holders of the Originator VFN Loan Note directing that the notional Originator VFN Excess Amount be reduced and the notional Series Originator VFN Subordination be increased. Any shortfall between the Series Originator VFN Subordination in respect of a Series and the Available Series Originator VFN Subordination in respect of that Series may be replenished through reinstatement of charge-offs allocated to the Originator VFN Investor Interest that are notionally allocated to the Series Originator VFN Subordination in respect of that Series.

100 per cent. of any Dilution Losses that arise in respect of Eligible Receivables will be applied first against the Transferor Interest until reduced to zero and thereafter against the Originator VFN Excess Amount until reduced to zero. Thereafter the portion of such Dilution Losses that are referable to the relevant Series in accordance with the relevant calculations are applied first against the Available Series Originator VFN Subordination for that Series until reduced to zero and thereafter against the Series Investor Interest, applied to the relevant Classes of the relevant Series in reverse order of priority.

Further details of the allocation, in respect of each Series issued under the Programme, of Default Amounts and Dilution Losses to the Transferor Interest, Originator VFN Excess Amount, Series Originator VFN Subordination and the Series Investor Interest are set out in the section entitled "*Defaulted and Dilution Receivables; Investor Charge-offs; Allocation to the Relevant Series and the Originator VFN*" below.

Originator VFN Liquidity Support; Finance Charge Collections

Each Series in Group One will also be able to use a portion of the available funds of the Originator VFN Series to meet shortfalls in Available Funds for the relevant Series and other amounts credited to the relevant Series Finance Charge Collections Ledger for payment of the amounts required to be funded thereby pursuant to the relevant Supplement (being, in the case of each Series issued under the Programme, those referred to in paragraphs (1) to (29) under "*Application of Available Funds*").

In calculating the amounts that are available to support each Series, the Servicer will make the following applications of funds available to the Originator VFN Series from Finance Charge Collections and Acquired Interchange allocated to the Originator VFN Series in accordance with its Floating Investor Percentage (collectively, the "**Originator VFN Available Funds**") in the following order of priority (the "**Originator VFN Available Funds Priority**") on each Transfer Date:

- (i) the investor aggregate trustee payment amount for the Originator VFN Series for such Transfer Date plus any such investor aggregate trustee payment amounts remaining unpaid from prior Transfer Dates shall be deposited in the Loan Note Issuer Distribution Account (the Loan Note Issuer will then pay an amount equal to this amount to the Receivables Trustee as Additional Funds for the purpose of satisfying investor aggregate trustee payment amounts);
- (ii) the Loan Note Issuer costs amount for the Originator VFN Series for such Transfer Date plus any such Loan Note Issuer costs amounts remaining unpaid in respect of prior Transfer Dates shall be deposited in the Loan Note Issuer Distribution Account;
- (iii) the Loan Note Issuer profit amount for the Originator VFN Series and any such Loan Note Issuer profit amounts remaining unpaid in respect of prior Transfer Dates shall be deposited in the Loan Note Issuer Distribution Account;
- (iv) the investor servicing fee amount for the Originator VFN Series (exclusive of the servicer interchange amount referable to the Originator VFN Series on such Transfer Date) and any investor servicing fee amounts for the Originator VFN Series (exclusive of the servicer interchange amount referable to the Originator VFN Series) remaining unpaid from prior Transfer Dates shall be deposited in the Loan Note Issuer Distribution Account (the Loan Note Issuer will then pay an amount equal to this amount to the Receivables Trustee as Additional Funds for the purpose of satisfying investor servicing fee amounts);
- (v) if the Originator VFN Series is in a Qualifying Swap Group, an amount equal to any Qualifying Swap Amount referable to the Originator VFN Series due and payable on or around such Transfer Date, including any Qualifying Swap Partial Termination Payments and Qualifying Swap Permitted Tax Credit Payments, but excluding any Qualifying Swap Subordinated Termination Payments, shall be deposited in the Loan Note Issuer Distribution Account and recorded on the Originator VFN Ledger (as defined in the Originator VFN Supplement);
- (vi) an amount equal to the product of: (1) a fraction the numerator of which is the Originator VFN Excess Amount and the denominator of which is the Originator VFN Investor Interest and (2) the amount of Originator VFN Available Funds available after the applications in paragraph (i) to (v) above shall be deposited in the Loan Note Issuer Distribution Account (the Loan Note Issuer will then pay an amount equal to this amount to the Receivables Trustee as Additional Funds (identified as "**Finance Charge Proceeds**"));
- (vii) an amount equal to the Aggregate Supported Group One Series Finance Charge Shortfalls shall be distributed to the Loan Note Issuer by being deposited in the Loan Note Issuer Distribution Account identified for each Series receiving a payment in respect of its Supported Group One Series Finance Charge Shortfall;
- (viii) an amount equal to the Aggregate Supported Series Loss Make-Up (Default), if any, shall be applied, during the revolving period and (subject to the below) any optional amortisation of the

Originator VFN Series, by transfer to the Loan Note Issuer Distribution Account (the Loan Note Issuer will then pay an amount equal to this amount to the Receivables Trustee as additional funds to reinstate a Series Originator VFN Subordination part of the Originator VFN Investor Interest (identified as "**Loss Make-Up (Default)**") to the Receivables Trustee Investment Account or, to the extent that the Series Originator VFN Subordination that would otherwise be reinstated is being amortised, shall remain credited to the Originator VFN Finance Charge Collections Ledger (identified as "**Principal Loss Make-Up (Default)**"));

- (ix) an amount equal to the Aggregate Supported Series Loss Make-Up (Charge-off), if any, shall be applied, during the revolving period and (subject to the below) any optional amortisation of the Originator VFN Series, by transfer to the Loan Note Issuer Distribution Account (the Loan Note Issuer will then pay an amount equal to this amount to the Receivables Trustee as Additional Funds to reinstate a Series Originator VFN Subordination part of the Originator VFN Investor Interest (identified as "**Loss Make-Up (Charge-off)**") to the Receivables Trustee Investment Account) or, to the extent that the Series Originator VFN Subordination that would otherwise be reinstated is being amortised, shall remain credited to the Originator VFN Finance Charge Collections Ledger (identified as "**Principal Loss Make-Up (Charge-off)**");
- (x) an amount equal to the aggregate of any remaining Group One Series Finance Charge Shortfall amounts (as defined in the relevant Loan Note Supplements) for all Series in Group One or, if other Series in Group One have available funds remaining for such purpose after paying all relevant items required to be paid in priority and such amounts (each, the "**Group One Series Excess**" in respect of the relevant Series), when aggregated with the balance of Available Funds after making the payments pursuant to paragraphs (i) to (ix) above (the "**Group One Series Excess**" in respect of the Originator VFN Series), exceed the aggregate Group One Series Finance Charge Shortfall, the product of (i) the aggregate of the Group One Series Finance Charge Shortfalls for all Series in Group One and (ii) a fraction, the numerator of which is the Group One Series Excess in respect of the Originator VFN Series and the denominator of which is the aggregate of the Group One Series Excess for all Series in Group One (such amount being known as "**Excess Finance Charges**") shall be distributed to the Loan Note Issuer and shall belong to the Loan Note Issuer absolutely for the purpose of making up shortfalls of available funds for other Series in Group One (as more particularly described in the Originator VFN Loan Note Supplement);
- (xi) an amount equal to the sum of the Originator VFN Subordination Monthly Finance Amount, the Originator VFN Subordination Deficiency Amount and the Originator VFN Subordination Additional Finance Amount (each as defined in the Originator VFN Supplement) – called the "**Originator VFN Subordination Monthly Distribution Amount**" – will be deposited in the Loan Note Issuer Distribution Account;
- (xii) if the Originator VFN Series is in a Qualifying Swap Group, an amount equal to the Qualifying Swap Subordinated Termination Payments referable to the Originator VFN Series due and payable on or around such Transfer Date shall be deposited in the Loan Note Issuer Distribution Account to the credit of the Originator VFN Ledger; and
- (xiii) the balance, if any, after giving effect to the payments made under paragraphs (i) through (xii) above shall be credited to the Loan Note Issuer Distribution Account and shall belong to the Loan Note Issuer absolutely (and the Loan Note Issuer will pay an equal amount to the Receivables Trustee as Additional Funds for the purposes of paying Deferred Consideration).

"**Aggregate Supported Group One Series Finance Charge Shortfall**" means the aggregate of the Supported Group One Series Finance Charge Shortfalls for each outstanding Series.

"**Aggregate Supported Series Loss Make-Up (Default)**" means the aggregate of the Supported Series Loss Make-Up (Default) for each outstanding Series.

"**Aggregate Supported Series Loss Make-Up (Charge-off)**" means the aggregate of the Supported Series Loss Make-Up (Charge-off) for each outstanding Series.

"**Available Originator VFN Subordination**" means the Originator VFN Subordination portion of the Originator VFN Investor Interest less the aggregate amount of Investor Charge-offs allocated thereto to the

extent not reinstated in accordance with the Supplement for each Series (including the Originator VFN Series).

"Available Series Originator VFN Subordination" means, on any date, the portion of the Available Originator VFN Subordination referable to a particular Series as set out in the relevant Supplement.

"Group One Series Amount" means, in respect of each Series in Group One, amounts identified as such in the relevant Loan Note Supplement (and, in respect of each Series issued under the Programme, means the amounts payable pursuant to paragraphs (1) to (27) of the priority of payment set out in the section entitled "*Application of Available Funds*" above).

"Group One Series Finance Charge Shortfall" means, in respect of each Series in Group One on a Transfer Date, an amount equal to the greater of (1) the Group One Series Amount for that Series less the aggregate of Available Funds and Reallocated Principal Collections (as such terms are defined in the relevant Supplement) in respect of such Transfer Date, and (2) zero.

"Originator VFN Default Amount" means, with respect to any Receivable in a Defaulted Account on the Transfer Date following the Collection Period in which such Account became a Defaulted Account, an amount equal to the product of:

- (a) such Default Amounts; and
- (b) the floating investor percentage of the Originator VFN Series for such Collection Period.

"Originator VFN Finance Charge Collections Ledger" means the sub-ledger in the Finance Charge Collections Ledger established in respect of the Receivables Trustee Collection Account for the benefit of the Originator VFN Series pursuant to the terms of the related Supplement and recording amounts allocated for the purposes of calculation to the Loan Note Issuer, in respect of the Originator VFN Series.

"Originator VFN LN Rate" means, for any Calculation Period, the Reference Rate (as such term is defined in, and calculated by the Calculation Agent in the manner set out in, the Originator VFN Supplement), plus 9 per cent. per annum, or such other rate as agreed between the Loan Note Issuer, the Receivables Trustee and the Transferor from time to time.

"Originator VFN Subordination Charge-off Amount" means Originator VFN Investor Charge-offs (as defined in the Originator VFN Supplement) allocated to the Originator VFN Subordination portion of the Originator VFN Investor Interest.

"Originator VFN Subordination Default Amount" means Originator VFN Default Amounts allocated to the Originator VFN Subordination portion of the Originator VFN Investor Interest.

"Originator VFN Subordination Monthly Finance Amount" means an amount which, in respect of any Calculation Period or the Distribution Date on which such Calculation Period ends or the immediately preceding Transfer Date, is equal to the product of (A) a fraction, the numerator of which is the actual number of days in such Calculation Period and the denominator of which is 365 (or 366 in the case of any Calculation Period ending in a leap year), (B) the Originator VFN LN Rate for such Calculation Period and (C) the average principal amount outstanding of the Originator VFN Subordination of the Originator VFN Investor Interest during such Calculation Period.

"Series Originator VFN Charge-off Amount" means, in respect of any Series in Group One with an Available Series Originator VFN Subordination of greater than zero on a Distribution Date, an amount equal to the product of (1) a fraction, the numerator of which is the Available Series Originator VFN Subordination for such Series and the denominator of which is the Available Originator VFN Subordination and (2) the Originator VFN Subordination Charge-off Amount.

"Series Originator VFN Default Amount" means, in respect of any Series in Group One with an Available Series Originator VFN Subordination of greater than zero on a Transfer Date, an amount equal to the product of (1) a fraction, the numerator of which is the Available Series Originator VFN Subordination for such Series and the denominator of which is the Available Originator VFN Subordination and (2) the Originator VFN Subordination Default Amount.

"Series Originator VFN Subordination Available Amount" means, in respect any Series in Group One with an Available Series Originator VFN Subordination of greater than zero on a Transfer Date, an amount equal to the product of (1) a fraction, the numerator of which is the Available Series Originator VFN Subordination for such Series and the denominator of which is the Available Originator VFN Subordination and (2) the amount of Available Funds available after the application in accordance with the terms of the Originator VFN Supplement.

"Supported Group One Series Finance Charge Shortfall" means, in respect of any Series in Group One with an Available Series Originator VFN Subordination of greater than zero on a Transfer Date, an amount equal to the lesser of (1) the Group One Series Finance Charge Shortfall for such Series and (2) the Series Originator VFN Subordination Available Amount for such Series.

"Supported Series Loss Make-Up (Charge-off)" means, in respect of any Series in Group One with an Available Series Originator VFN Subordination of greater than zero on a Transfer Date, an amount equal to the lesser of (1) the Series Originator VFN Charge-off Amount and (2) an amount equal to (a) the Series Originator VFN Subordination Available Amount less (b) the Supported Group One Series Finance Charge Shortfall and less (c) the Supported Series Loss Make-Up (Default).

"Supported Series Loss Make-Up (Default)" means, in respect of any Series in Group One with an Available Series Originator VFN Subordination of greater than zero on a Transfer Date, an amount equal to the lesser of (1) the Series Originator VFN Default Amount and (2) an amount equal to (a) the Series Originator VFN Subordination Available Amount less (b) the Supported Group One Series Finance Charge Shortfall.

Interest Amounts, Amortisation and Repayment of the Originator VFN

Interest Amounts

Interest shall be payable on the Originator VFN Series in an aggregate amount equal to:

- (i) *first*, the amount of Available Funds referable to the Originator VFN Excess Amount of the Originator VFN Series, after application towards more senior items in the waterfall, will be paid to the holder of the Originator VFN Loan Note in accordance with paragraph (vi) of the Originator VFN Available Funds Priority; and
- (ii) *second*, the Originator VFN Subordination Monthly Finance Amount, that accrues in respect of the Originator VFN Subordination, is payable at paragraph (xi) of the Originator VFN Available Funds Priority.

Rapid Amortisation

The Series Originator VFN Subordination in respect of each Series can only be amortised by reference to Principal Collections available to the Originator VFN Series following the relevant Series Termination Date. The Originator VFN Series cannot enter rapid amortisation until all other Series in Group One have been redeemed or have reached their termination dates.

Optional Amortisation

If (i) no Series in Group One is in an Amortisation Period or Accumulation Period, or (ii) in relation to a specific Series, the Originator VFN Subordination for that Series may be reduced in accordance with the terms of the relevant Series' Supplement, and only up to the amount of the Originator VFN Subordination for that Series, the Servicer may give notice to the Receivables Trustee (an "**Optional Amortisation Notice**") of an optional amortisation of the Originator VFN Investor Interest (such amortisation being referred to as an "**Optional Amortisation**") in accordance with the paragraphs below and in amount equal to the Optional Amortisation Amount, as defined below.

The Optional Amortisation Notice may specify an optional amortisation period for the Originator VFN Series (the "**Optional Amortisation Period**"), following which the Receivables Trustee shall utilise Undivided Bare Trust Property to make distributions on each Transfer Date during the Optional Amortisation Period to the Originator VFN Investor Beneficiary on the terms specified in the Originator VFN Supplement up to an amount specified in the Optional Amortisation Notice (the "**Optional Amortisation Amount**" in respect of such Optional Amortisation Period). To be valid, the Optional

Amortisation Notice shall state the date on which the Optional Amortisation Period shall commence (which shall be the first day of a Collection Period falling no earlier than the date of the delivery of the Optional Amortisation Notice) and the date (if any) on which the Optional Amortisation Period shall end (if the Optional Amortisation Amount has not been distributed to the Originator VFN Investor Beneficiary prior to such date). The Receivables Trustee shall utilise funds allocated to the Originator VFN Investor Interest on each Transfer Date during the Optional Amortisation Period on the terms set out in the Originator VFN Supplement.

The parties to the Originator VFN Supplement may agree to an Optional Amortisation on a date other than a Transfer Date, subject to all necessary amendments or modifications to the Transaction Documents being agreed by the parties thereto at such time, and **provided that** the Optional Amortisation Amount shall consist solely of Cash Available for Investment standing to the credit of the Receivables Trustee Investment Account on such date (excluding, for the avoidance of doubt, any amounts held in any liquidity reserve ledger or any other ledger in the Receivables Trustee Investment Account which is not expressly stated to hold Cash Available for Investment).

No later than two Business Days prior to any Transfer Date, the Servicer may deliver an Optional Amortisation Notice specifying an optional amortisation of the Originator VFN Investor Interest on the following Transfer Date (the "**Optional Amortisation Date**") in an amount (the "**Optional Amortisation Amount**" in respect of such Optional Amortisation Date) up to an amount equal to the amount of Cash Available for Investment standing to the credit of the Receivables Trustee Investment Account on such date to the extent available and not used for any other purpose on the Transfer Date. The Servicer will then apply the Cash Available for Investment for such purpose on the following Transfer Date.

The Optional Amortisation Amount in respect of either an Optional Amortisation Date or an Optional Amortisation Period shall not exceed:

- (i) the lesser of (1) the amount which would cause the sum of (a) the Transferor Interest and (b) the Originator VFN Excess Amount to be reduced to the Minimum Transferor Interest and (2) the maximum amount by which the Originator VFN Investor Interest can be reduced without causing the Transferor's undertaking in respect of its risk retention requirements under the UK Securitisation Regulation and the U.S. Credit Risk Retention Rules to be breached;
- (ii) the amount which would cause the Series Originator VFN Subordination for any Series (other than a VFN Series) to fall below the Series Originator VFN Subordination for such Series as at the Closing Date of such Series as such amount may be adjusted from time to time in accordance with the terms of the relevant Supplement; or
- (iii) the amount which would cause the Series Originator VFN Subordination for any VFN Series to fall below any minimum amount specified in the relevant Supplement.

"Originator VFN Investor Beneficiary" means the Loan Note Issuer, in its capacity as Investor Beneficiary in respect of the Originator VFN Series.

"Originator VFN Loan Note" means the asset backed floating rate variable funding Loan Note issued by the Loan Note Issuer to the Transferor pursuant to the Originator VFN Loan Note Supplement.

Defaulted and Dilution Receivables; Investor Charge-offs; Allocation to the Relevant Series and the Originator VFN

Dilution Losses

Dilution Losses, when allocated to a Beneficiary Interest, will (subject to such amounts being reinstated in accordance with the Receivables Trust Deed and Servicing Agreement and the relevant Supplement), reduce such Beneficiary Interest by an equivalent amount (**provided that** no Beneficiary Interest may be reduced below zero).

Dilution Losses in respect of a Collection Period are allocated to the Transferor Interest under the Receivables Trust Deed and Servicing Agreement until the Transferor Interest is zero, with the remainder, being the Investor Dilution Loss, allocated to the Combined Aggregate Investor Interest for all the Investor Beneficiaries. On each Transfer Date, any Investor Dilution Losses for the relevant Collection Period shall

be allocated to the Originator VFN Series and applied towards the Originator VFN Excess Amount of the Originator VFN Investor Interest.

To the extent the Investor Dilution Losses so allocated on a Transfer Date exceed the Originator VFN Excess Amount of the Originator VFN Investor Interest, in respect of each Series, an amount equal to the product of: (i) the remaining Investor Dilution Losses; and (ii) a fraction, the numerator of which is the Series Adjusted Investor Interest for that Series plus the Available Series Originator VFN Subordination for that Series and the denominator of which is the Combined Aggregate Adjusted Investor Interest for all Investor Beneficiaries (excluding, for the avoidance of doubt, the Originator VFN Excess Amount) will be applied towards, first, the Available Series Originator VFN Subordination for that Series, until it is reduced to zero, and, second, any remainder (such amount the "**Aggregate Investor Dilution Loss**") will be applied against the Series Investor Interest for that Series as follows:

- (i) *first*, (i) where Class F is not divided into Sub-Classes, to Class F up to the amount that would reduce the Class F Investor Interest to zero (taking into account any other Class F Investor Charge-offs on such Transfer Date) and (ii) where Class F is divided into Sub-Classes, *pro rata* and *pari passu* to each such Sub-Class up to the amount that would reduce the Class Investor Interest in respect of such Sub-Class to zero (taking into account any other Class Investor Charge-offs in respect of such Sub-Class on such Transfer Date) (each such amount a "**Class Investor Dilution Loss**" in respect of, as applicable, Class F or a Sub-Class thereof);
- (ii) *secondly*, (i) where Class E is not divided into Sub-Classes, to Class E up to the amount that would reduce the Class E Investor Interest to zero (taking into account any other Class E Investor Charge-offs on such Transfer Date) and (ii) where Class E is divided into Sub-Classes *pro rata* and *pari passu* to each such Sub-Class up to the amount that would reduce the Class Investor Interest in respect of such Sub-Class to zero (taking into account any other Class Investor Charge-offs in respect of such Sub-Class on such Transfer Date) (each such amount a "**Class Investor Dilution Loss**" in respect of, as applicable, Class E or a Sub-Class thereof);
- (iii) *thirdly*, (i) where Class D is not divided into Sub-Classes, to Class D up to the amount that would reduce the Class D Investor Interest to zero (taking into account any other Class D Investor Charge-offs on such Transfer Date) and (ii) where Class D is divided into Sub-Classes, *pro rata* and *pari passu* to each such Sub-Class up to the amount that would reduce the Class Investor Interest in respect of such Sub-Class to zero (taking into account any other Class Investor Charge-offs in respect of such Sub-Class on such Transfer Date) (each such amount a "**Class Investor Dilution Loss**" in respect of, as applicable, Class D or a Sub-Class thereof);
- (iv) *fourthly*, (i) where Class C is not divided into Sub-Classes, to Class C up to the amount that would reduce the Class C Investor Interest to zero (taking into account any other Class C Investor Charge-offs on such Transfer Date) and (ii) where Class C is divided into Sub-Classes, *pro rata* and *pari passu* to each such Sub-Class up to the amount that would reduce the Class Investor Interest in respect of such Sub-Class to zero (taking into account any other Class Investor Charge-offs in respect of such Sub-Class on such Transfer Date) (each such amount a "**Class Investor Dilution Loss**" in respect of, as applicable, Class C or a Sub-Class thereof);
- (v) *fifthly*, (i) where Class B is not divided into Sub-Classes, to Class B up to the amount that would reduce the Class B Investor Interest to zero (taking into account any other Class B Investor Charge-offs on such Transfer Date) and (ii) where Class B is divided into Sub-Classes, *pro rata* and *pari passu* to each such Sub-Class up to the amount that would reduce the Class Investor Interest in respect of such Sub-Class to zero (taking into account any other Class Investor Charge-offs in respect of such Sub-Class on such Transfer Date) (each such amount a "**Class Investor Dilution Loss**" in respect of, as applicable, Class B or a Sub-Class thereof); and
- (vi) *sixthly*, (i) where Class A is not divided into Sub-Classes, to Class A up to the amount that would reduce the Class A Investor Interest to zero (taking into account any other Class A Investor Charge-offs on such Transfer Date) and (ii) where Class A is divided into Sub-Classes, *pro rata* and *pari passu* to each such Sub-Class up to the amount that would reduce the Class Investor Interest in respect of such Sub-Class to zero (taking into account any other Class Investor Charge-offs in respect of such Sub-Class on such Transfer Date) (each such amount a "**Class Investor Dilution Loss**" in respect of, as applicable, Class A or a Sub-Class thereof).

"Beneficiary Interest" means the interest of a Beneficiary in the Receivables Trust.

Series Defaults and Charge-offs; Allocation to Series Originator VFN Subordination

A portion of the relevant Series Investor Default Amount for each Series will be notionally allocated in calculations on each Transfer Date to each Class or Sub-Class of the relevant Series based on the product of the Class Floating Allocation in respect of the relevant Class or Sub-Class applicable during the related Collection Period and the Series Investor Default Amount for such Collection Period, defined in respect of each Class or Sub-Class, as the **"Class Investor Default Amount"**.

"Originator VFN Excess Amount" means the Originator VFN Investor Interest less the Available Originator VFN Subordination.

On each Transfer Date, in respect of each Series issued under the Programme, if the Class Investor Default Amount for Class A (or any Sub-Class thereof) for the prior Collection Period exceeds the sum of:

- (i) Available Funds for that Series, including any Originator VFN Available Funds made available by the Originator VFN Series to the relevant Series; and
- (ii) Reallocated Originator VFN Principal Collections and Reallocated Class Principal Collections for more junior Classes or Sub-Classes of the relevant Series,

(in each case to the extent available to cover such amount with respect to the Collection Period immediately preceding such Transfer Date), (A) the Available Series Originator VFN Subordination for the relevant Series shall be reduced by the amount of such excess until such time as the Available Series Originator VFN Subordination for the relevant Series is zero; and then (B) the Class Investor Interest of the more junior Classes or Sub-Classes in the relevant Series (in each case, after giving effect to reductions for any Class Investor Charge-offs for such Class or Sub-Class and any Reallocated Class Principal Collections for such Class or Sub-Class and any more senior Classes or Sub-Classes) will, starting with the most junior Class in that Series, be reduced by the amount of such excess (with any such reduction being allocated *pro rata* and *pari passu* between any Sub-Classes within such Class) until such Class (and any Sub-Classes within such Class) are reduced to zero, with any remaining amount of such excess being allocated in the same manner to the other more junior Classes or Sub-Classes of the relevant Series Investor Interest in reverse order of seniority (with the Class Investor Interest for Class A (or any Sub-Class thereof) bearing only the amount of any excess which cannot be reallocated to any more junior Class or Sub-Classes).

On such Transfer Date, the Investor Interest for each Class or any Sub-Class thereof will also be reduced by the amount of the Class Investor Dilution Loss allocated to such Class or Sub-Class for such Transfer Date. Together with any reduction in the relevant Class Investor Interest in respect of a Class Investor Default Amount, this will be a **"Class Investor Charge-off"** in respect of the relevant Class or Sub-Class, which will have the effect of slowing or reducing the return of principal to the Loan Note Issuer referable for calculation purposes to the Investor Interest of such Class or Sub-Class.

If the Investor Interest for each Class or any Sub-Class thereof has been reduced by the amount of any Class Investor Charge-offs, it will be reinstated on any Transfer Date (but not by an amount in excess of the aggregate Class Investor Charge-offs net of any Principal Loss Make-Up (Charge-off) identified on any previous Transfer Date as part of the relevant Class Monthly Principal Amount) by the amount of additional consideration identified as Loss Make-Up (Charge-off) in respect of the relevant Class or Sub-Class paid to the Receivables Trustee by the relevant Series Investor Beneficiary. See *"Available Funds"* above.

In respect of each other Class or Sub-Class of any Series issued under the Programme, (i) Class Investor Default Amounts will be reallocated (A) to the Available Series Originator VFN Subordination for the relevant Series, and (B) thereafter, to the Class Investor Interest of the more junior Classes or Sub-Classes (if any) in the relevant Series, and (ii) Class Investor Charge-offs will reduce the relevant Class Investor Interest, and such reductions will be reinstated by the amount of additional consideration identified as Loss Make-Up (Charge-off) in respect of the relevant Class or Sub-Class paid to the Receivables Trustee by the relevant Series Investor Beneficiary.

Application of Amounts Towards the Originator VFN

This section sets out various circumstances in which the Available Series Originator VFN Subordination in respect of each Series will be reduced. On each Transfer Date, the order in which the Available Series Originator VFN Subordination in respect of each Series will be reduced is as follows:

- (i) *first*, by the amount of any Default Amounts allocated to it under the Originator VFN Supplement in respect of the Originator VFN Series;
- (ii) *secondly*, by the amount of any Investor Dilution Losses allocated to the Originator VFN Series as set out above in respect of each Series issued under the Programme and pursuant to the equivalent terms of the relevant Supplement for any other Series in Group One; and
- (iii) *thirdly*, by the amount of any Investor Default Amounts allocated to the Originator VFN Series under the Originator VFN Supplement and pursuant to the equivalent terms of the relevant Supplement for any other Series in Group One.

Reallocation of Cashflows

With respect to any Transfer Date and each Series issued under the Programme, if there is an insufficiency of Available Funds for that Series, so that there is a Class Required Amount in respect of one or more Classes or Sub-Classes of that Series, then the amount of the shortfall will be met from:

- (i) first, if, on the relevant Transfer Date, the Servicer advises the Receivables Trustee that Reallocated Originator VFN Principal Collections will be made available to the relevant Series, the amount of Reallocated Originator VFN Principal Collections so made available (which shall be credited to the relevant Series Finance Charge Collections Ledger and applied in the order or priority set out below); and
- (ii) second, the application of Reallocated Class Principal Collections from more junior Classes or Sub-Classes within the relevant Series, with the most junior Class of the relevant Series reallocating Principal Collections first, followed (once those Principal Collections have been reallocated in full) by each other Class in reverse order of seniority (and, in the case of any Class which is divided into Sub-Classes, *pro rata* and *pari passu*), until no more senior Class or Sub-Class has any Class Required Amount, with such amounts being allocated first to meet the Class Required Amount of the most senior Class to have a Class Required Amount, followed (once such Class Required Amount has been met in full) by each other Class in order of seniority (and, in the case of any Class which is divided into Sub-Classes, *pro rata* and *pari passu*), until no Class or Sub-Class has any Class Required Amount. For the avoidance of doubt, no Principal Collections which are allocated to a Class or Sub-Class shall be reallocated to meet any Class Required Amount for such Class or Sub-Class (or, in the case of a Class divided into Sub-Classes, any other Sub-Class in that Class).

"More Senior Classes Required Amount" means, with respect to any Transfer Date and each Class or Sub-Class of any Series issued under the Programme, the aggregate of the Class Required Amounts (if any) of the more senior Classes or Sub-Classes (if any) in the relevant Series to the extent such Class Required Amounts are not covered by Reallocated Class Principal Collections from more junior Classes or Sub-Classes (if any) in the relevant Series.

"Reallocated Originator VFN Principal Collections" means, with respect to any Transfer Date and any Series issued under the Programme, Principal Collections allocated for calculation purposes to the Series Originator VFN Subordination for the relevant Series but which are to be applied as Finance Charge Collections in respect of the relevant Series in accordance with the Originator VFN Supplement.

"Reallocated Class Principal Collections" means, with respect to any Transfer Date and each Class or Sub-Class of any Series issued under the Programme, Principal Collections calculated by reference to the relevant Class Investor Interest but which are to be applied as Finance Charge Collections to meet the More Senior Classes Required Amount (if any) in an amount not to exceed the lesser of (A) the product of:

- (i) the relevant Class Investor Allocation with respect to the Collection Period relating to such Transfer Date;

- (ii) the Investor Percentage for the relevant Series applicable to Principal Collections with respect to the Collection Period relating to such Transfer Date; and
- (iii) an amount equal to the aggregate amount of Principal Collections with respect to the Collection Period relating to such Transfer Date,

and (B) the More Senior Classes Required Amount (if any) relating to such Transfer Date, **provided, however, that** such amount shall not exceed the relevant Class Investor Interest after giving effect to any reinstated Class Investor Charge-offs in respect of such Class Investor Interest (net of any Principal Loss Make-Up (Charge-off) identified on any previous Transfer Date as part of the relevant Class Monthly Principal Amount) as of such Transfer Date.

"**Class Investor Allocation**" means, in respect of each Class or Sub-Class of any Series issued under the Programme, for any Collection Period (a) during the Revolving Period in respect of the relevant Series, the relevant Class Floating Allocation, and (b) during the Controlled Accumulation Period, any Specified Class Controlled Accumulation Period, any Specified Class Rapid Amortisation Period or the Rapid Amortisation Period, in each case, in respect of the relevant Series, the relevant Class Fixed Allocation.

In addition, the sum of all Reallocated Class Principal Collections for any Series shall not exceed the amount of Required Retained Principal Collections for the relevant Collection Period.

"**Class Required Amount**" means, on any Transfer Date and in respect of each Class or Sub-Class of each Series issued under the Programme, the amount by which the sum of:

- (i) the Class Monthly Required Expense Amount for that Class or Sub-Class for that Transfer Date; *plus*
- (ii) in respect of the Most Senior Class (or, if the Most Senior Class is divided into Sub-Classes, the Sub-Classes of the Most Senior Class) only:
 - (a) if the Most Senior Class is not divided into Sub-Classes, the Investor Servicing Fee Amount for that Transfer Date, if any, *plus* any Investor Servicing Fee Amount due but not paid on any prior Transfer Date; or
 - (b) if the Most Senior Class is divided into Sub-Classes, in respect of each Sub-Class of the Most Senior Class, the relevant Sub-Class Investor Servicing Fee Amount for that Transfer Date, if any, plus any relevant Sub-Class Investor Servicing Fee Amounts due but not paid on any prior Transfer Date; *plus*
- (iii) the Class Investor Default Amount, if any, for that Class or Sub-Class for that Transfer Date,

exceeds the aggregate of (1) the Available Funds (after making all prior ranking payments) for that Series falling within paragraphs (a) to (e) of that definition which are available for payment of such amounts on such Transfer Date and (2) the Available Funds for that Series falling within paragraph (f) of that definition which it is anticipated will be available to the Loan Note Issuer for payment of amounts owed by the Loan Note Issuer on or about such Transfer Date which are intended to be funded by its receipt of the amounts referred to in paragraphs (i) to (iii) above.

"**Reallocated Principal Collections**" means, in respect of each Series issued under the Programme, the sum of all Reallocated Class Principal Collections in respect of that Series.

Subject to the paragraph below, on each Transfer Date the Class Investor Interest of each Class or Sub-Class of each Series issued under the Programme shall be reduced by the amount of Reallocated Class Principal Collections for such Class or Sub-Class and such Transfer Date respectively.

If, on any Transfer Date, following the above calculations, there is any Available Series Originator VFN Subordination for a Series issued under the Programme, any Investor Charge-offs for that Series on such Transfer Date shall be reallocated to the Available Series Originator VFN Subordination for that Series and shall reinstate the Investor Charge-offs for that Series that would otherwise be allocated, starting with the most senior Class to have any Class Investor Charge-offs, followed (once such Class Investor Charge-offs have been reallocated in full) by each other Class in order of seniority (and, in the case of any Class which

is divided into Sub-Classes, *pro rata* and *pari passu*) and the Available Series Originator VFN Subordination shall be reduced *pro tanto*.

In respect of any Series issued under the Programme, following any reductions of the relevant Series Investor Interest, the relevant Series Investor Interest may be reinstated in an amount equal to the aggregate of payments of Additional Funds for that Series made by the relevant Series Investor Beneficiary to the Receivables Trustee identified as amounts of Loss Make-Up (Charge-off) in respect of that Series (including amounts of "**Refunded Utilised Principal Collections**").

Principal Funding

The Receivables Trustee will establish and maintain within the Receivables Trustee Investment Account a principal funding ledger for each Series issued under the Programme (the "**Series Principal Funding Ledger**"). During the Controlled Accumulation Period and any Specified Class Controlled Accumulation Period for such Series, the Receivables Trustee will transfer the amounts described under "*Calculation of Principal Collections to be Distributed to the Loan Note Issuer with respect to any Series*" above to the Receivables Trustee Investment Account to be credited to the relevant Series Principal Funding Ledger.

Funds on deposit in the relevant Series Principal Funding Ledger will (if so advised by the Servicer) be invested (until on or before the following Transfer Date) by the Receivables Trustee in Permitted Investments. A proportionate fraction of investment proceeds (net of investment losses and expenses) on funds on deposit in the relevant Series Principal Funding Ledger in respect of the Series Investor Interest other than the Class Investor Interest for any Specified Classes within the Series (the "**Principal Funding Investment Proceeds**") will, with respect to each Transfer Date during the Controlled Accumulation Period or the first Transfer Date during the Rapid Amortisation Period, in each case in respect of the relevant Series, be paid to the Receivables Trustee Collection Account and credited to the relevant Series Finance Charge Collections Ledger, to be allocated as such for application in accordance with the relevant Supplement as Available Funds for that Series.

A proportionate fraction of investment proceeds (net of investment losses and expenses) on funds on deposit in the relevant Series Principal Funding Ledger in respect of any Class Investor Interest for any Specified Classes within the relevant Series (the "**Specified Class Principal Funding Investment Proceeds**" in respect of the relevant Specified Class) will, with respect to each Transfer Date during the relevant Specified Class Controlled Accumulation Period or the first Transfer Date during any Specified Class Rapid Amortisation Period in respect of that Specified Class or the Rapid Amortisation Period in respect of the relevant Series, be paid to the Receivables Trustee Collection Account and credited to the relevant Series Finance Charge Collections Ledger, to be allocated as such for application in accordance with the relevant Supplement as Available Funds for the Series of which the relevant Specified Class forms part.

In respect of each Series issued under the Programme, funds on deposit in the relevant Series Principal Funding Ledger which represent Excess Principal Funding Investment Proceeds or Specified Class Excess Principal Funding Investment Proceeds on any Transfer Date shall be allocated to the Loan Note Issuer in respect of the relevant Series and credited to the Loan Note Issuer Distribution Account for payment to the Receivables Trustee as Additional Funds for the grant of the Loan Note Issuer's interest in the Receivables Trust (identified as "**Investment Proceeds**").

"**Excess Principal Funding Investment Proceeds**" means, in respect of any Series issued under the Programme, for any Collection Period, with respect to each Transfer Date during the Controlled Accumulation Period or the first Transfer Date with respect to the Rapid Amortisation Period, in each case for that Series, the amount, if any, by which the Principal Funding Investment Proceeds for that Series and for such Transfer Date exceed the Covered Amount for that Series as determined for such Transfer Date.

"**Specified Class Excess Principal Funding Investment Proceeds**" means, with respect to any Specified Class of any Series issued under the Programme, for any Collection Period, with respect to each Transfer Date during the related Specified Class Controlled Accumulation Period or the first Transfer Date with respect to any related Specified Class Rapid Amortisation Period or the Rapid Amortisation Period for that Series, the amount, if any, by which the Specified Class Principal Funding Investment Proceeds for that Specified Class and for such Transfer Date exceed the related Class Covered Amount as determined for such Transfer Date.

Principal Collections Ledger and Finance Charge Collections Ledger

The Receivables Trustee has established within the Receivables Trustee Collection Account two ledgers in relation to amounts of Principal Collections (the "**Principal Collections Ledger**") and Finance Charge Collections (the "**Finance Charge Collections Ledger**"). All amounts credited to each ledger are held on the terms of the Undivided Bare Trust, unless otherwise specified under the terms of the Receivables Trust Deed and Servicing Agreement or any Supplement thereto.

Series Finance Charge Collections Ledger

On or before the Closing Date of each Series issued under the Programme, the Receivables Trustee will establish a ledger to record amounts of Finance Charge Collections credited to the Receivables Trustee Collection Account and distributed to the Loan Note Issuer in respect of such Series (each, a "**Series Finance Charge Collections Ledger**"). All amounts credited to such ledger are held on segregated bare trust for the sole benefit of the Loan Note Issuer as the relevant Series Investor Beneficiary. The Receivables Trustee will also establish other ledgers to record amounts credited to the Receivables Trustee Investment Account in respect of the relevant Series (see "*Principal Funding*" above and "*Accumulation Reserve Ledger*" and "*Specified Class Accumulation Reserve Ledger*" below).

Accumulation Reserve Ledger

In respect of each Series issued under the Programme, the Receivables Trustee will establish and maintain a ledger in respect of the Receivables Trustee Investment Account entitled the "**Accumulation Reserve Ledger**".

The Accumulation Reserve Ledger in respect of each such Series will be established to assist with the payment by the Loan Note Issuer of the Class Monthly Finance Amounts during the Controlled Accumulation Period for that Series.

In respect of each Series issued under the Programme, on each Transfer Date from and after the Accumulation Reserve Funding Date but prior to the termination of the Accumulation Reserve Ledger for that Series, the Receivables Trustee, on behalf of the Loan Note Issuer, will apply certain amounts of Available Funds for that Series in the priority described above in "*Available Funds*" to increase the amount on deposit in the Accumulation Reserve Ledger (to the extent such amount is less than the Required Accumulation Reserve Amount for that Series).

The "**Accumulation Reserve Funding Date**" will, for each such Series, be the Transfer Date which occurs one month prior to the commencement of the Controlled Accumulation Period for that Series or:

- (i) the first Transfer Date, if any, (a) for which the Portfolio Adjusted Yield is less than the 12 Month Accumulation Reserve Threshold and (ii) which falls no more than 12 months prior to the commencement of the Controlled Accumulation Period;
- (ii) the first Transfer Date, if any, (i) for which the Portfolio Adjusted Yield is less than the 6 Month Accumulation Reserve Threshold and (ii) which falls no more than 6 months prior to the commencement of the Controlled Accumulation Period; or
- (iii) the first Transfer Date, if any, (i) for which the Portfolio Adjusted Yield is less than the 4 Month Accumulation Reserve Threshold and (ii) which falls no more than 4 months prior to the commencement of the Controlled Accumulation Period.

In any event, the date will be no more than 12 months prior to the commencement of the Controlled Accumulation Period for that Series.

"**12 Month Accumulation Reserve Threshold**" means, in respect of each Series issued under the Programme, the percentage specified as being the "12 Month Accumulation Reserve Threshold" in the relevant Final Terms or Drawdown Prospectus, as applicable.

"**6 Month Accumulation Reserve Threshold**" means, in respect of each Series issued under the Programme, the percentage specified as being the "6 Month Accumulation Reserve Threshold" in the relevant Final Terms or Drawdown Prospectus, as applicable.

"4 Month Accumulation Reserve Threshold" means, in respect of each Series issued under the Programme, the percentage specified as being the "4 Month Accumulation Reserve Threshold" in the relevant Final Terms or Drawdown Prospectus, as applicable.

"Portfolio Adjusted Yield" means, with respect to any Series issued under the Programme and any Transfer Date commencing on and including the third Transfer Date after the relevant Closing Date, the average of the percentages obtained for each of the three preceding Collection Periods by subtracting the Expense Rate for that Series from the Portfolio Yield for that Series for each Collection Period.

"Accumulation Reserve Surplus" means, with respect to any Transfer Date on or after the Accumulation Reserve Funding Date, the amount, if any, by which the amount on deposit in the Accumulation Reserve Ledger exceeds the Required Accumulation Reserve Amount for that Series.

The **"Required Accumulation Reserve Amount"** in respect of any Series issued under the Programme, for any Transfer Date on or after the relevant Accumulation Reserve Funding Date, will be equal to:

- (i) the Initial Required Accumulation Reserve Amount for that Series minus, for each Class or Sub-Class of that Series has become a Specified Class as a result of the delivery of a Series Extension Notice, the Specified Class Initial Required Accumulation Reserve Amount in respect of such Specified Class, **provided that**, if the number of whole Collection Periods in the Controlled Accumulation Period for that Series is less than 12, the Servicer may specify a lower Required Accumulation Reserve Amount for that Series, **provided that** such amount is not less than an amount equal to the product of the relevant Initial Required Accumulation Reserve Amount and a fraction, the numerator of which is the number of complete Collection Periods in the Controlled Accumulation Period for that Series and the denominator of which is 12; or
- (ii) any other amount designated by the Servicer and notified by it to the Receivables Trustee, **provided, however, that**, if such designation is of a lesser amount than that specified in paragraph (i) above, the Servicer shall deliver to the Receivables Trustee a certificate of an authorised officer to the effect that, in its opinion, formed on the basis of due consideration, such designation will not cause a Pay Out Event in respect of the relevant Series or an event that, after the giving of notice or the lapse of time, would cause a Pay Out Event to occur in respect of the relevant Series.

If, in respect of any Series issued under the Programme, the Accumulation Reserve Ledger for that Series has not been closed as described below, all amounts on deposit to the credit of the Accumulation Reserve Ledger for that Series on any Transfer Date (after giving effect to any deposits to, or withdrawals from, the Accumulation Reserve Ledger for that Series to be made on such Transfer Date) may (if so advised by the Servicer) be invested until the following Transfer Date by the Receivables Trustee in Permitted Investments. The interest and other investment income (net of investment expenses and losses) earned on such investments will be retained in the Accumulation Reserve Ledger for that Series (to the extent that the amount on deposit is less than the Required Accumulation Reserve Amount) or, *inter alia*, deposited into the relevant Series Finance Charge Collections Ledger for application as Available Funds for that Series on the related Transfer Date.

"Initial Required Accumulation Reserve Amount" means, in respect of each Series issued under the Programme, the amount specified as being the "Initial Required Accumulation Reserve Amount" in the relevant Final Terms or Drawdown Prospectus, as applicable.

In respect of any Series issued under the Programme, on or before each Transfer Date with respect to the Controlled Accumulation Period for that Series, prior to the payment in full of the relevant Series Investor Interest (other than the Class Investor Interest for any Specified Class in respect of that Series) and on the first Transfer Date for the Rapid Amortisation Period for that Series, the Receivables Trustee shall calculate, in respect of that Series, the **"Accumulation Reserve Draw Amount"** which shall be equal to the Principal Funding Investment Shortfall for that Series with respect to such Transfer Date, **provided, however, that** such amount will be reduced to the extent that funds otherwise would be available for deposit (and apart from such reduction would be required to be deposited) in the Accumulation Reserve Ledger for that Series with respect to such Transfer Date.

"Principal Funding Investment Shortfall" means, in respect of any Series issued under the Programme, with respect to each Transfer Date during the Controlled Accumulation Period for that Series or the first Transfer Date during the Rapid Amortisation Period for that Series, the amount, if any, by which the

Principal Funding Investment Proceeds for that Series and for such Transfer Date are less than the Covered Amount for that Series determined as of such Transfer Date.

In respect of any Series issued under the Programme, in the event that, for any Transfer Date, the Accumulation Reserve Draw Amount for that Series is greater than zero, then the Accumulation Reserve Draw Amount for that Series, up to the Available Accumulation Reserve Amount for that Series, shall be withdrawn from the amount standing to the credit of the Accumulation Reserve Ledger for that Series on such Transfer Date by the Receivables Trustee, acting in accordance with the advice of the Servicer, and then deposited in the Receivables Trustee Collection Account and credited to the Series Finance Charge Collections Ledger for that Series. The amount withdrawn from the Accumulation Reserve Ledger and credited to the relevant Series Finance Charge Collections Ledger shall be allocated, to the extent such Classes or Sub-Classes of the relevant Series are not Specified Classes, to each Class or Sub-Class of that Series (and its Class Covered Amount) in order of seniority (and, in the case of any Class which is divided into Sub-Classes, to each such Sub-Class *pro rata* and *pari passu*) and shall be included in Available Funds for that Series for such Transfer Date.

In the event that the Accumulation Reserve Surplus for a Series issued under the Programme on any Transfer Date, after giving effect to all deposits to and withdrawals from the amounts standing to the credit of the Accumulation Reserve Ledger for that Series with respect to such Transfer Date, is greater than zero, then the Receivables Trustee acting on the advice of the Servicer shall transfer, from the amounts standing to the credit of the Accumulation Reserve Ledger for that Series to the Loan Note Issuer Distribution Account, an amount equal to such Accumulation Reserve Surplus for that Series. The Loan Note Issuer will then pay an amount equal to this amount to the Receivables Trustee by way of Additional Funds for that Series for the grant of the Loan Note Issuer's relevant interest in the Receivables Trust (identified as an "**Accumulation Reserve Surplus Amount**").

The "**Available Accumulation Reserve Amount**" means, with respect to any Series issued under the Programme and any Transfer Date, the amount on deposit in the Accumulation Reserve Ledger for that Series on such date (before giving effect to any deposit made or to be made out of Available Funds for that Series into the Accumulation Reserve Ledger for that Series on such date).

Upon the earliest to occur of:

- (i) the termination of the Receivables Trust;
- (ii) the first Transfer Date for the Rapid Amortisation Period for that Series; and
- (iii) the Transfer Date immediately preceding the relevant Series Scheduled Redemption Date,

the Receivables Trustee, acting on the advice of the Servicer, after the prior payment of all amounts due in respect of each Class or Sub-Class (other than any Specified Class) of the relevant Series that are payable from the amounts standing to the credit of the Accumulation Reserve Ledger for that Series as described above, shall withdraw the amounts standing to the credit of the Accumulation Reserve Ledger for that Series, and transfer all such amounts, if any, to the Loan Note Issuer Distribution Account.

The Loan Note Issuer will then pay an amount equal to this amount to the Receivables Trustee by way of Additional Funds for that Series (identified as an "**Accumulation Reserve Surplus Amount**"). After this distribution from the amounts standing to the credit of the Accumulation Reserve Ledger for that Series has been made, the Accumulation Reserve Ledger for that Series shall be deemed to have been closed for the purposes of the relevant Supplement.

Specified Class Accumulation Reserve Ledger

In respect of each Series issued under the Programme, the Receivables Trustee will establish and maintain a ledger in respect of the Receivables Trustee Investment Account for each Specified Class in that Series entitled the "**Specified Class Accumulation Reserve Ledger**".

The Specified Class Accumulation Reserve Ledger in respect of each such Specified Class will be established to assist with the payment by the Loan Note Issuer of the Class Monthly Finance Amounts for such Specified Class during the Specified Class Controlled Accumulation Period for that Specified Class.

In respect of each Specified Class, on each Transfer Date from and after the Specified Class Accumulation Reserve Funding Date for that Specified Class but prior to the termination of the Specified Class Accumulation Reserve Ledger for that Specified Class, the Receivables Trustee, on behalf of the Loan Note Issuer, will apply certain amounts of Available Funds for that Specified Class in the priority described above in "*Available Funds*" to increase the amount on deposit in the Specified Class Accumulation Reserve Ledger for such Specified Class (to the extent such amount is less than the Specified Class Required Accumulation Reserve Amount for that Specified Class).

The "**Specified Class Accumulation Reserve Funding Date**" will, for any Specified Class be the Transfer Date which occurs one month prior to the commencement of the Specified Class Controlled Accumulation Period for that Specified Class, or an earlier date if the Portfolio Adjusted Yield for the relevant Series decreases below certain levels specified in the relevant Supplement. In any event, the date will be no more than 12 months prior to the commencement of the Specified Class Controlled Accumulation Period for that Specified Class.

"**Specified Class Accumulation Reserve Surplus**" means, with respect to any Transfer Date on or after the Specified Class Accumulation Reserve Funding Date for a Specified Class, the amount, if any, by which the amount on deposit in the Specified Class Accumulation Reserve Ledger for that Specified Class exceeds the Specified Class Required Accumulation Reserve Amount for such Specified Class.

The "**Specified Class Required Accumulation Reserve Amount**" in respect of any Specified Class in any Series issued under the Programme, for any Transfer Date on or after the relevant Specified Class Accumulation Reserve Funding Date will be equal to:

- (i) the Specified Class Initial Required Accumulation Reserve Amount for that Specified Class, **provided that**, if the number of whole Collection Periods in the relevant Specified Class Controlled Accumulation Period is less than 12, the Servicer may specify a lower Specified Class Required Accumulation Reserve Amount for the relevant Specified Class, **provided that** such amount is not less than an amount equal to the product of the Specified Class Initial Required Accumulation Reserve Amount and a fraction, the numerator of which is the number of complete Collection Periods in the relevant Specified Class Controlled Accumulation Period and the denominator of which is 12; or
- (ii) any other amount designated by the Servicer and notified by it to the Receivables Trustee, **provided, however, that**, if such designation is of a lesser amount than that specified in paragraph (i) above, the Servicer shall deliver to the Receivables Trustee a certificate of an authorised officer to the effect that, in its opinion, formed on the basis of due consideration, such designation will not cause a Pay Out Event in respect of the relevant Series or an event that, after the giving of notice or the lapse of time, would cause a Pay Out Event to occur in respect of the relevant Series.

Provided that, if, in respect of that Specified Class, the Specified Class Accumulation Reserve Ledger for such Specified Class has not been closed as described below, all amounts on deposit to the credit of the relevant Specified Class Accumulation Reserve Ledger on any Transfer Date (after giving effect to any deposits to, or withdrawals from, the relevant Specified Class Accumulation Reserve Ledger to be made on such Transfer Date) may (if so advised by the Servicer) be invested until the following Transfer Date by the Receivables Trustee in Permitted Investments. The interest and other investment income (net of investment expenses and losses) earned on such investments will be retained in the Specified Class Accumulation Reserve Ledger for that Specified Class (to the extent that the amount on deposit is less than the relevant Specified Class Required Accumulation Reserve Amount) or, *inter alia*, deposited into the Series Finance Charge Collections Ledger for that Series for application as Available Funds on the related Transfer Date.

"**Specified Class Initial Required Accumulation Reserve Amount**" means, in respect of each Specified Class of a Series issued under the Programme, the amount specified as the "Specified Class Initial Required Accumulation Reserve Amount" for that Specified Class in the relevant Final Terms or Drawdown Prospectus, as applicable, or in respect of any Specified Class that becomes a Specified Class by the delivery of a Series Extension Notice, specified in the relevant Series Extension Notice.

In respect of each Specified Class within any Series issued under the Programme, on or before each Transfer Date with respect to the Specified Class Controlled Accumulation Period relating to that Specified Class, prior to the payment in full of the Class Investor Interest for that Specified Class, and on the first Transfer

Date for any Specified Class Rapid Amortisation Period for that Specified Class or the Rapid Amortisation Period for that Series, the Receivables Trustee shall calculate the applicable "**Specified Class Accumulation Reserve Draw Amount**" for each Specified Class which shall be equal to the Specified Class Principal Funding Investment Shortfall for that Specified Class with respect to such Transfer Date, **provided, however, that** such amount will be reduced to the extent that funds otherwise would be available for deposit (and apart from such reduction would be required to be deposited) in the Specified Class Accumulation Reserve Ledger for such Specified Class with respect to such Transfer Date.

"**Specified Class Principal Funding Investment Shortfall**" means, with respect to each Transfer Date during the Specified Class Controlled Accumulation Period for any Specified Class or the first Transfer Date during any Specified Class Rapid Amortisation Period for that Specified Class or the Rapid Amortisation Period for the related Series, the amount, if any, by which the Specified Class Principal Funding Investment Proceeds for such Transfer Date are less than the relevant Class Covered Amount determined as of such Transfer Date.

In respect of each Specified Class within any Series issued under the Programme, in the event that, for any Transfer Date, the Specified Class Accumulation Reserve Draw Amount for such Specified Class is greater than zero, then such Specified Class Accumulation Reserve Draw Amount, up to the Specified Class Available Accumulation Reserve Amount for that Specified Class, shall be withdrawn from the amount standing to the credit of the relevant Specified Class Accumulation Reserve Ledger on such Transfer Date by the Receivables Trustee, acting in accordance with the advice of the Servicer, and then deposited in the Receivables Trustee Collection Account and credited to the Series Finance Charge Collections Ledger for the related Series. The amount withdrawn from the Specified Class Accumulation Reserve Ledger for any Specified Class and credited to the relevant Series Finance Charge Collections Ledger shall be allocated to that Specified Class and the relevant Class Covered Amount and shall be included in Available Funds for such Transfer Date.

In respect of each Specified Class within any Series issued under the Programme, in the event that the Specified Class Accumulation Reserve Surplus for such Specified Class on any Transfer Date, after giving effect to all deposits to and withdrawals from the amounts standing to the credit of the Specified Class Accumulation Reserve Ledger for such Specified Class with respect to such Transfer Date, is greater than zero, then the Receivables Trustee acting on the advice of the Servicer shall transfer, from the amounts standing to the credit of the Specified Class Accumulation Reserve Ledger for that Specified Class to the Loan Note Issuer Distribution Account, an amount equal to such Specified Class Accumulation Reserve Surplus. The Loan Note Issuer will then pay an amount equal to this amount to the Receivables Trustee by way of Additional Funds for the grant of the Loan Note Issuer's interest in the Receivables Trust (each identified as a "**Specified Class Accumulation Reserve Surplus Amount**").

The "**Specified Class Available Accumulation Reserve Amount**" means, with respect to any Specified Class within any Series issued under the Programme and any Transfer Date, the amount on deposit in the Specified Class Accumulation Reserve Ledger for such Specified Class on such date (before giving effect to any deposit made or to be made out of Available Funds into the Specified Class Accumulation Reserve Ledger for that Specified Class on such date).

In respect of each Specified Class within any Series issued under the Programme, upon the earliest to occur of:

- (i) the termination of the Receivables Trust;
- (ii) the first Transfer Date for the Rapid Amortisation Period for that Series; and
- (iii) the Transfer Date immediately preceding the Specified Class Scheduled Redemption Date for that Specified Class,

the Receivables Trustee, acting on the advice of the Servicer, after the prior payment of all amounts due in respect of the Specified Class that are payable from the amounts standing to the credit of the relevant Specified Class Accumulation Reserve Ledger as described above, shall withdraw the amounts standing to the credit of the Specified Class Accumulation Reserve Ledger, and transfer all such amounts, if any, to the Loan Note Issuer Distribution Account.

The Loan Note Issuer will then pay an amount equal to this amount to the Receivables Trustee by way of Additional Funds for that Series (identified as a "**Specified Class Accumulation Reserve Surplus Amount**"). After this distribution from the amounts standing to the credit of the relevant Specified Class Accumulation Reserve Ledger has been made, the Specified Class Accumulation Reserve Ledger for that Specified Class shall be deemed to have been closed for the purposes of the relevant Supplement.

Covered Amounts

In respect of each Class or Sub-Class of a Series issued under the Programme, a "**Class Covered Amount**" will be determined (a) as of each Transfer Date with respect to any Calculation Period commencing either (i) where that Class or Sub-Class is a Specified Class, during the Specified Class Controlled Accumulation Period relating to that Class or Sub-Class or (ii) where that Class or Sub-Class is not a Specified Class, during the Controlled Accumulation Period for the relevant Series, or (b) as of the first Transfer Date with respect to the Rapid Amortisation Period or, where that Class or Sub-Class is a Specified Class, any Specified Class Rapid Amortisation Period relating to that Class or Sub-Class, in each case prior to the payment in full of the Class Investor Interest in respect of that Class or Sub-Class (or, in the case of a Specified Class Rapid Amortisation Period applying to that Class or Sub-Class, the Amortising Specified Class Investor Interest in respect of that Class or Sub-Class), and such amount shall be equal to the sum of:

- (i) in respect of the Most Senior Class (or, if the Most Senior Class is divided into Sub-Classes, the Sub-Classes of the Most Senior Class) only:
 - (a) if the Most Senior Class is not divided into Sub-Classes, an amount equal to the Investor Aggregate Trustee Payment Amount plus any Investor Aggregate Trustee Payment Amounts remaining unpaid in respect of any previous Transfer Date; or
 - (b) if the Most Senior Class is divided into Sub-Classes, in respect of each Sub-Class of the Most Senior Class, an amount equal to the relevant Sub-Class Investor Aggregate Trustee Payment Amount plus any relevant Sub-Class Investor Aggregate Trustee Payment Amounts remaining unpaid in respect of any previous Transfer Date; *plus*
- (ii) in respect of the Most Senior Class (or, if the Most Senior Class is divided into Sub-Classes, the Sub-Classes of the Most Senior Class) only:
 - (a) if the Most Senior Class is not divided into Sub-Classes, the aggregate of the Loan Note Issuer Costs Amount and the Issuer Costs Amount plus any Loan Note Issuer Costs Amount and/or any Issuer Costs Amount remaining unpaid in respect of any previous Transfer Date; or
 - (b) if the Most Senior Class is divided into Sub-Classes, in respect of each Sub-Class of the Most Senior Class, the aggregate of the relevant Sub-Class Loan Note Issuer Costs Amount and the relevant Sub-Class Issuer Costs Amount plus any relevant Sub-Class Loan Note Issuer Costs Amount and/or any relevant Sub-Class Issuer Costs Amount remaining unpaid in respect of any previous Transfer Date; *plus*
- (iii) the product of:
 - (a) the Class Day Count Fraction for that Class or Sub-Class;
 - (b) the Class LN Rate for such Calculation Period for that Class or Sub-Class; and
 - (c) the relevant Series Principal Funding Ledger Balance allocable to the Class Investor Interest in respect of that Class or Sub-Class as of the last day of the Collection Period preceding the Calculation Period in which such Calculation Period ends.

"**Covered Amount**" means, in respect of each Series issued under the Programme, the aggregate of the Class Covered Amounts in respect of each Class or Sub-Class that is not a Specified Class within the relevant Series.

Series Liquidity Reserve Ledger

The Receivables Trustee will, if "Liquidity Reserve" is specified in the relevant Final Terms or Drawdown Prospectus (as applicable) establish and maintain a ledger in respect of the Receivables Trustee Investment Account entitled the "**Series Liquidity Reserve Ledger**" in respect of each Series issued under the Programme. On the Closing Date in respect of each such Series, the Receivables Trustee shall deposit an amount equal to the Required Liquidity Reserve Amount (if any) for that Series in the Receivables Trustee Investment Account to the credit of the relevant Series Liquidity Reserve Ledger (the "**Series Liquidity Reserve**").

"**Required Liquidity Reserve Amount**" means, in respect of a Series issued under the Programme:

- (i) on the Closing Date for the relevant Series, the Initial Required Liquidity Reserve Amount;
- (ii) on each Transfer Date falling after the Closing Date for the relevant Series but prior to the Senior Classes Termination Date for that Series, the lesser of (i) the Initial Required Liquidity Reserve Amount, or (ii) the Required Liquidity Reserve Percentage of the aggregate of the Class Investor Interests of the Senior Classes in that Series (subject to a minimum of the Minimum Required Liquidity Reserve Amount); and
- (iii) on the Senior Classes Termination Date in respect of that Series and each Transfer Date falling thereafter, £0,

or such higher or lower amount as may be determined by the Servicer from time to time, **provided that**, if the amount is reduced, a Rating Confirmation is provided in respect of such reduction.

"**Initial Required Liquidity Reserve Amount**" means, in respect of each Series issued under the Programme, the amount specified as the "Initial Required Liquidity Reserve Amount" in the relevant Final Terms or Drawdown Prospectus, as applicable (which, for the avoidance of doubt, may be set at zero).

"**Minimum Required Liquidity Reserve Amount**" means, in respect of each Series issued under the Programme, the amount specified as the "Minimum Required Liquidity Reserve Amount" in the relevant Final Terms or Drawdown Prospectus, as applicable (which, for the avoidance of doubt, may be set at zero).

"**Required Liquidity Reserve Percentage**" means, in respect of each Series issued under the Programme, the percentage specified as the "Required Liquidity Reserve Percentage" in the relevant Final Terms or Drawdown Prospectus, as applicable (which, for the avoidance of doubt, may be set at zero).

In respect of each Series issued under the Programme, on each Transfer Date, to the extent the Available Liquidity Reserve Amount for that Series is less than the Required Liquidity Reserve Amount for that Series, to the extent available for such purpose, an amount of Available Funds for that Series equal to the shortfall shall be deposited in the Series Liquidity Reserve Ledger for that Series at paragraph (10) of the priority of payments set out under the heading "*Application of Available Funds*" above. Funds deposited in the Series Liquidity Reserve Ledger may (if so advised by the Servicer) be invested in Permitted Investments and any income thereon (the "**Liquidity Reserve Investment Proceeds**") shall constitute Available Funds in respect of the relevant Series.

In respect of each Series issued under the Programme, the Series Liquidity Reserve Ledger will be established to fund (where required), in priority: (i) on each Transfer Date, the payment by the Loan Note Issuer of the amounts set out in paragraphs (1) to (9) of the priority of payments set out under the heading "*Application of Available Funds*" above, excluding paragraphs (3) and (4), to the extent required after applying Available Funds; and (ii) on the Liquidity Reserve Release Date, the excess, if any, of the aggregate of Class Debt Amounts in respect of the Senior Classes over the aggregate of the Class Investor Interests in respect of such Senior Classes.

In respect of each Series issued under the Programme, upon the earliest to occur of: (i) the termination of the Receivables Trust pursuant to the Receivables Trust Deed and Servicing Agreement; (ii) the relevant Series Termination Date; and (iii) the Senior Classes Termination Date for that Series (the "**Liquidity Reserve Release Date**"), any remaining funds standing to the credit of the Series Liquidity Reserve Ledger for that Series shall be deposited in the Receivables Trustee Collection Account and shall be recorded in the Series Finance Charge Collections Ledger for that Series for application as Available Funds for that Series (the "**Liquidity Reserve Ledger Release Amount**"). Funds will also be released from the Series

Liquidity Reserve Ledger for that Series and deposited in the Receivables Trustee Collection Account for such purpose to the extent of any Liquidity Reserve Ledger Surplus for that Series (each such amount being a "**Liquidity Reserve Ledger Surplus Release Amount**").

"**Liquidity Reserve Ledger Surplus**" means, with respect to any Transfer Date and any Series issued under the Programme, the amount, if any, by which the Available Liquidity Reserve Amount for that Series exceeds the Required Liquidity Reserve Amount for that Series.

"**Senior Classes**" means, in respect of each Series issued the Programme, such Classes and Sub-Classes of that Series as are specified as being the "Senior Classes" of such Series in the Final Terms or Drawdown Prospectus, as applicable, for that Series.

"**Senior Classes Termination Date**" means, in respect of any Series issued the Programme, the earliest to occur of:

- (i) the Distribution Date on which each of the Class Investor Interests in respect of the Senior Classes of such Series is reduced to zero and is not capable of reinstatement pursuant to the relevant Supplement; or
- (ii) the relevant Series Termination Long Stop Date.

Investor Aggregate Trustee Payment Amount

As described in "*The Receivables Trust – Aggregate Trustee Payment Amount*", a share of the Aggregate Trustee Payment Amount is calculated as allocable to and is borne by the Loan Note Issuer (as a Series Investor Beneficiary) in respect of each Series. This share of the Aggregate Trustee Payment Amount with respect to each Transfer Date (the "**Investor Aggregate Trustee Payment**") will, for each Series issued under the Programme, be an amount equal to the sum of:

- (A) the product of (1) a fraction, the numerator of which is the relevant Series Investor Interest as of the last day of the Collection Period preceding such Transfer Date and the denominator of which is the aggregate of the investor interests of each Series in respect of which such Trustee Payment Amount was incurred, and (2) each relevant Trustee Payment Amount (as has been certified to the Servicer by the end of any Collection Period as being accrued due and payable in respect of such Collection Period); *plus*
- (B) an amount equal to one twelfth of the annual Series Trustee Fee for the relevant Series to the extent accrued due and payable on such Transfer Date.

The "**Series Trustee Fee**" means, in respect of each Series issued under the Programme, the proportion of the annual amount from time to time agreed between Loan Note Issuer and the Receivables Trustee and payable in twelve equal instalments in respect of the fees of the Receivables Trustee calculated as allocable to such Series.

Subject to the following paragraph, an amount equal to the Investor Aggregate Trustee Payment for a Series shall be paid by the relevant Series Investor Beneficiary to the Receivables Trustee on such Transfer Date identified as the "**Investor Aggregate Trustee Payment Amount**".

Any portion of the Aggregate Trustee Payment Amount not allocated to a Series issued under the Programme will be paid by the cash flows from the Receivables Trust allocated to other Outstanding Series (as provided in the related Supplements) or by the Transferor Beneficiary, if applicable, and, for the avoidance of doubt, in no event will the Receivables Trust or any Series issued under the Programme be liable therefor. The Aggregate Trustee Payment Amount allocable to each Series issued under the Programme will be payable to the Receivables Trustee solely to the extent amounts are available for distribution out of Available Funds and other amounts described herein which are allocated to such Series.

See "*Calculation and Distribution of Finance Charge Collections and Acquired Interchange to the Loan Note Issuer*" above for further information.

Qualified Institutions

If the bank at which the Receivables Trustee Collection Account and/or the Receivables Trustee Investment Account is held ceases to be a Qualified Institution, then the Receivables Trustee will, within 30 days (in respect of a downgrade by Fitch or DBRS) (or such longer period as may be agreed with the relevant Rating Agencies as not leading to a downgrade of any outstanding Rated Debt), transfer any amounts standing to the credit of the affected account(s) to a new account or accounts at a Qualified Institution. The Receivables Trustee may in its discretion elect to move any or all of the aforementioned accounts from the Qualified Institution at which they are kept as at the date of this Base Prospectus to one or more other Qualified Institutions.

The Servicer shall ensure that any Primary Collection Account into which Collections are initially received, including any collection account held in the name of the Servicer or any sub-servicer or delegate thereof, is maintained with an account bank that is an institution which, insofar as the relevant Rating Agency rates any Related Debt or Associated Debt, at all times has (a) a short-term unsecured debt rating of at least F2 by Fitch or a long-term unsecured debt rating of at least BBB+ by Fitch; (b) a long-term senior debt and deposits rating of at least BBB by DBRS or, in the absence of a rating assigned by DBRS, a DBRS Equivalent Rating of at least BBB by DBRS, or such other rating from time to time notified or published by DBRS replacing any of the above ratings or implementing a rating requirement; or (c) such other short-term or long-term rating which is otherwise acceptable to the relevant Rating Agency. If at any time such account bank ceases to satisfy the foregoing criteria, the Servicer shall procure that, within 30 days thereof (or such longer period as may be agreed with the relevant Rating Agencies as not leading to a downgrade of any outstanding Rated Debt), the relevant collection accounts are transferred to an account bank that satisfies such criteria or the Obligor is notified to make future payments in respect of their Accounts directly to the Transferor Collection Account.

"**Qualified Institution**" means an institution (i) which is a bank within the meaning of section 991 of the Income Tax Act 2007 and for the purposes of section 878 of the Income Tax Act 2007 and which pays any interest under any relevant Transaction Document in the ordinary course of its business and (ii) which, insofar as the relevant Rating Agency rates any Related Debt or Associated Debt, at all times has (a) a short-term unsecured debt rating of at least F1 by Fitch or a long-term unsecured debt rating of at least A by Fitch; (b) a long-term senior debt and deposits rating of at least A (or, in relation to the Issuer Account Bank, a critical obligation rating of at least A (high)) by DBRS or, in the absence of a rating assigned by DBRS, a DBRS Equivalent Rating of at least A by DBRS, or such other rating from time to time notified or published by DBRS replacing any of the above ratings or implementing a rating requirement; and/or (c) such other short-term or long-term rating which is otherwise acceptable to the relevant Rating Agency.

"**DBRS Equivalent Rating**" means: (i) if a Fitch public rating, a Moody's public rating and an S&P public rating are all available, (a) the remaining rating (upon conversion on the basis of the DBRS Equivalent Chart) once the highest and the lowest rating have been excluded or (b) in the case of two or more same ratings, any of such ratings (upon conversion on the basis of the DBRS Equivalent Chart); (ii) if the DBRS Equivalent Rating cannot be determined under (i) above, but public ratings by any two of Fitch, Moody's and S&P are available, the lower rating available (upon conversion on the basis of the DBRS Equivalent Chart); and (iii) if the DBRS Equivalent Rating cannot be determined under (i) or (ii) above, and therefore only a public rating by one of Fitch, Moody's and S&P is available, such rating will be the DBRS Equivalent Rating (upon conversion on the basis of the DBRS Equivalent Chart).

"**DBRS Equivalent Chart**" means:

| DBRS | Moody's | S&P | Fitch |
|-------------|----------------|----------------|--------------|
| AAA | Aaa | AAA | AAA |
| AA(high) | Aa1 | AA+ | AA+ |
| AA | Aa2 | AA | AA |
| AA(low) | Aa3 | AA- | AA- |
| A(high) | A1 | A+ | A+ |

SERIES SECURITISATION CASHFLOWS

| DBRS | Moody's | S&P | Fitch |
|-------------|----------------|----------------|--------------|
| A | A2 | A | A |
| A(low) | A3 | A- | A- |
| BBB (high) | Baa1 | BBB+ | BBB+ |
| BBB | Baa2 | BBB | BBB |
| BBB (low) | Baa3 | BBB- | BBB |
| BB (high) | Ba1 | BB+ | BB+ |
| BB | Ba2 | BB | BB |
| BB (low) | Ba3 | BB- | BB- |
| B (high) | B1 | B+ | B+ |
| B | B2 | B | B |
| B (low) | B3 | B- | B- |
| CCC(high) | Caa1 | CCC+ | |
| CCC | Caa2 | CCC | |
| CCC(low) | Caa3 | CCC- | |
| | | CC | |
| | | C | CCC |
| D | C | D | D |

"**Moody's**" means Moody's Investors Service Limited or any successor to its rating business.

"**S&P**" means S&P Global Ratings UK Limited or any successor to its rating business.

Series Pay Out Events

If any one of the following events shall occur in respect of a Series issued under the Programme:

- (i) failure on the part of the Transferor:
 - (a) to make any payment or deposit required to be made by it to the Receivables Trustee under the terms of the Receivables Securitisation Deed within five Business Days after the date that the payment or deposit is required to be made, including the payment of Collections into the Receivables Trustee Collection Account (as contemplated under the Transaction Documents); or
 - (b) duly to observe or perform any covenants or agreements of the Transferor in the Receivables Securitisation Deed or the relevant Supplement that has a material adverse effect on the interests of the relevant Series Investor Beneficiary and which continues unremedied for a period of 60 days after the date on which written notice of the failure, requiring it to be remedied, is given to the Transferor by the Receivables Trustee, or is given to the Transferor and the Receivables Trustee by the Loan Note Issuer acting on the instructions of persons holding together 50 per cent. or more of the total balance of the Series Related Debt outstanding at that time, and which continues during that 60 day period to have a material adverse effect on the interests of the relevant Series Investor Beneficiary;

- (ii) any representation or warranty made by the Transferor in the Receivables Securitisation Deed or the relevant Supplement, or any information contained in any computer file required to be delivered by the Transferor under the Receivables Securitisation Deed, proves to have been incorrect in any material respect when made or when delivered and continues to be incorrect in any material respect for a period of 60 days after the date on which written notice of the error, requiring it to be remedied, is given to the Transferor by the Receivables Trustee, or is given to the Transferor and the Receivables Trustee by the Loan Note Issuer acting on the instructions of persons holding together 50 per cent. or more of the total balance of the Series Related Debt outstanding at that time and which continues during that 60 day period to have a material adverse effect on the interests of the relevant Series Investor Beneficiary.

Notwithstanding the above, no Series Pay Out Event in relation to this paragraph (ii) shall be deemed to have occurred if the Transferor has complied with its obligations relating to a breach of representation or warranty as set out in the Receivables Securitisation Deed;

- (iii) the average Portfolio Yield for the relevant Series for a period of three consecutive Collection Periods is less than the average Expense Rate for the relevant Series for that period;
- (iv) either:
 - (a) the aggregate of the Transferor Interest and the Originator VFN Excess Amount averaged over any period of thirty consecutive days is less than the relevant Minimum Transferor Interest calculated as at the last day of such period and the Transferor Interest and/or the Originator VFN Excess Amount is not increased on or before the tenth Business Day following that thirty day period to an amount such that the average of the aggregate of the Transferor Interest and the Originator VFN Excess Amount for such thirty day period as a percentage of the Average Principal Receivables (computed by assuming that the amount of the increase of the Transferor Interest and/or the Originator VFN Excess Amount by the last day of the ten Business Day period, as compared to the Transferor Interest and/or the Originator VFN Excess Amount on the last day of the thirty day period, existed in the Receivables Trust during each day of the thirty day period) is at least equal to the Minimum Transferor Interest; or
 - (b) on the last day of any Collection Period, the Eligible Receivables Balance is less than the Minimum Aggregate Principal Receivables and the Eligible Receivables Balance fails to increase to an amount equal to or greater than the Minimum Aggregate Principal Receivables on or before the tenth Business Day following that last day;
- (v) any Servicer Default occurs that has a material adverse effect on the Series Investor Beneficiary for that Series;
- (vi) the Series Investor Interest for such Series is not reduced to zero on the relevant Series Scheduled Redemption Date; or
- (vii) the Loan Note Issuer is required to withhold or deduct any amounts for or on account of tax on the payment of any principal or interest in respect of the relevant Loan Note Series, as a result of any change in the laws of the United Kingdom or any political subdivision or taxing authority thereof which change becomes effective on or after the relevant Closing Date,

then, in the case of any event described in paragraph (i), (ii) or (v) above after the applicable grace period set out in such paragraphs (if any), either the Receivables Trustee or the Loan Note Issuer by notice given in writing to the Transferor, the Originator, the Cash Manager and the Servicer (and to the Receivables Trustee if given by the Series Investor Beneficiary for that Series) may declare that a Pay Out Event (a "**Series Pay Out Event**") has occurred with respect to that Series (**provided that**, if the Loan Note Issuer declares that a Series Pay Out Event has occurred for that Series in such circumstances, it must have acted on the instructions of persons holding, together, 50 per cent. or more of the Series Related Debt outstanding at that time) as of the date of such notice, and, in the case of any event described in paragraph (iii), (iv), (vi) or (vii) above, a Series Pay Out Event for that Series shall occur without any notice or other action on the part of the Receivables Trustee or the Loan Note Issuer immediately upon the occurrence of such event.

"Accumulation Reserve Investment Proceeds" means, on any Transfer Date and in respect of any Series issued under the Programme, the amounts of interest and earnings (net of losses and investment expenses) standing to the credit of the Accumulation Reserve Ledger for that Series on such Transfer Date.

"Average Principal Receivables" means, for any period, an amount equal to (a) the Eligible Receivables Balance at the end of each day on which such calculation is required to be made during such period divided by (b) the number of days in such period.

"Eligible Receivables Balance" means, on any date of determination, the aggregate Outstanding Face Amount of all Eligible Receivables (excluding Defaulted Receivables), plus any amounts of Cash Available for Investment, and plus the balance standing to the credit of the Originator Ring-fenced Account in respect of Designated Accounts (excluding, for these purposes, any amount of such balance which exceeds the aggregate of all credit balances on Designated Accounts).

"Expense Rate" means, with respect to any Transfer Date and in respect of any Series issued under the Programme, the annualised percentage equivalent of a fraction:

- (i) the numerator of which is the sum of (1) the relevant Series Monthly Required Expense Amount for the preceding Collection Period, plus (2) an amount equal to the Investor Servicing Fee Amount for that Series actually payable for the preceding Collection Period, plus (3) the Series Originator VFN Subordination Notional Expense Amount for that Series for the preceding Collection Period; and
- (ii) the denominator of which is the sum of (1) the relevant Series Investor Interest plus (2) the relevant Series Originator VFN Subordination, each as of the opening of business on the first day of the preceding Collection Period,

provided, however, that, with respect to any Collection Period in which a Relevant Event occurs, the calculation shall be performed on a weighted average basis.

"Minimum Aggregate Principal Receivables" means, in respect of any Series unless otherwise provided in the Supplement relating to that Series, as of any date of determination, an amount equal to the sum of the numerators used in the calculation of the Investor Percentages for Principal Collections for all Outstanding Series on such date, **provided, however, that**, in respect of the Originator VFN Series, the numerator used in the calculation of its Investor Percentage for Principal Collections shall be deemed to exclude that portion of the Originator VFN Investor Interest which represents the Originator VFN Excess Amount, and **provided, however, that**, with respect to any Outstanding Series with an Investor Interest as of such date of determination equal to the amount standing to the credit of a principal funding ledger (howsoever described) in respect of such Outstanding Series, the numerator used in the calculation of the Investor Percentage for Principal Collections relating to such Outstanding Series shall, solely for the purpose of the definition of Minimum Aggregate Principal Receivables, be deemed to equal zero.

"Minimum Transferor Interest" means, on any date of determination, in respect of any Series issued under the Programme, an amount equal to the aggregate of:

- (a) the relevant Minimum Transferor Interest Percentage of the Average Principal Receivables over the previous 90 days, the calculation of which for the purposes of this definition only shall be deemed to exclude the Outstanding Face Amount of any Eligible Receivables on Run-Off Accounts and any Cash Available for Investment and any balance standing to the credit of the Originator Ring-fenced Account which relates to Designated Accounts (to the extent such balance would otherwise increase the Average Principal Receivables) for such period; and
- (b) the Required Cashback Amount as calculated by the Servicer,

provided that, if, on such date of determination, the Minimum Transferor Interest of any other outstanding Series with an Adjusted Investor Interest of greater than zero is higher than the aggregate of the amounts in paragraphs (a) and (b) above, the highest Minimum Transferor Interest out of all such other outstanding Series on such date of determination shall be deemed to be the Minimum Transferor Interest for such Series, and **provided further that** the Transferor (acting in accordance with the advice of the Servicer) may increase or reduce the Minimum Transferor Interest, provided that any reduction below the aggregate of paragraphs (a) and (b) above shall only take effect upon satisfaction of the following conditions:

- (i) the giving of 30 days' prior notice of such reduction to the Receivables Trustee, each Rating Agency and any other person entitled to receive such notice pursuant to the relevant Supplement;
- (ii) the receipt by the Transferor of a Rating Confirmation; and
- (iii) the delivery to the Receivables Trustee and each Enhancement Provider of an officer's certificate stating that the Servicer reasonably believes that such reduction will not, based on the facts known to such officer at the time of such certification, then or thereafter cause a Pay Out Event to occur with respect to any Series.

"Minimum Transferor Interest Percentage" means, in respect of any Series issued under the Programme, the percentage specified as the "Minimum Transferor Interest Percentage" in the relevant Final Terms or Drawdown Prospectus, as applicable.

"Originator Ring-fenced Account" means the bank account maintained by the Originator for the purposes of safeguarding amounts in respect of credit balances on Accounts pursuant to Regulation 23 of the Payment Services Regulations 2017.

"Portfolio Yield" means, with respect to any Collection Period and any Series issued under the Programme, the annualised percentage equivalent of a fraction:

- (i) the numerator of which is an amount equal to the sum of:
 - (a) the amount of Finance Charge Collections allocated for calculation purposes (by credit to the Series Finance Charge Collections Ledger for that Series) to the relevant Series Investor Beneficiary for such Collection Period, *plus*
 - (b) the amount, if any, of Investor Acquired Interchange Amount allocated for calculation purposes (by credit to the Series Finance Charge Collections Ledger for that Series) to the relevant Series Investor Beneficiary for such Collection Period; *plus*
 - (c) any Accumulation Reserve Investment Proceeds, any Specified Class Accumulation Reserve Investment Proceeds and any Liquidity Reserve Investment Proceeds allocated for calculation purposes (by credit to the Series Finance Charge Collections Ledger for that Series) to the relevant Series Investor Beneficiary for such Collection Period; *plus*
 - (d) any Accumulation Reserve Draw Amount and any Specified Class Accumulation Reserve Draw Amount, in each case, for that Series and for such Collection Period; *plus*
 - (e) any Principal Funding Investment Proceeds and any Specified Class Principal Funding Investment Proceeds allocated for calculation purposes (by credit to the Series Finance Charge Collections Ledger for that Series) to the relevant Series Investor Beneficiary on the Transfer Date related to such Collection Period; *minus*
 - (f) the relevant Series Investor Default Amount for such Collection Period; *plus*
 - (g) the relevant Series Originator VFN Subordination Notional Portfolio Yield Amount for such Collection Period; and
- (ii) the denominator of which is the sum of (i) the relevant Series Investor Interest plus (ii) the relevant Series Originator VFN Subordination, each as of the opening of business on the first day of such Collection Period,

provided, however, that, with respect to any Collection Period in which a Relevant Event occurs, the calculation shall be performed on a weighted average basis.

"Required Cashback Amount" means, on any date of determination, an amount equal to the aggregate amount of any accrued cashback entitlement of Obligor which has not yet been paid to Obligor or credited to their Accounts (or forfeited pursuant to the terms of the relevant cashback scheme) as calculated by the Servicer.

"Series Originator VFN Subordination Notional Expense Amount" means, with respect to any Transfer Date and any Series issued under the Programme, the notional expenses associated with the Series Originator VFN Subordination for that Series, being an amount equal to the product of:

- (i) a fraction, the numerator of which is the Series Originator VFN Subordination for that Series and the denominator of which is the Originator VFN Investor Interest (as defined in the Supplement for the Originator VFN Series), each as of the opening of business on the first day of the preceding Collection Period; and
- (ii) an amount equal to the sum of:
 - (a) an amount equal to the Investor Aggregate Trustee Payment Amount (as defined in the Supplement for the Originator VFN Series) applicable to the Originator VFN Series plus any such Investor Aggregate Trustee Payment Amount applicable to the Originator VFN Series remaining unpaid in respect of any previous Transfer Date; plus
 - (b) the Loan Note Issuer Costs Amount (as defined in the Supplement for the Originator VFN Series) applicable to the Originator VFN Series plus any such Loan Note Issuer Costs Amount applicable to the Originator VFN Series remaining unpaid in respect of any previous Transfer Date; *plus*
 - (c) an amount equal to the Investor Servicing Fee Amount (as defined in the Supplement for the Originator VFN Series) applicable to the Originator VFN Series actually payable for the preceding Collection Period,

provided, however, that, with respect to any Collection Period in which a Relevant Event occurs, the calculation shall be performed on a weighted average basis.

"Series Originator VFN Subordination Notional Portfolio Yield Amount" means, with respect to any Collection Period and any Series issued under the Programme, the notional yield associated with the Series Originator VFN Subordination for that Series, being an amount equal to the product of:

- (i) a fraction, the numerator of which is the Series Originator VFN Subordination for that Series and the denominator of which is the Originator VFN Investor Interest (as defined in the Supplement for the Originator VFN Series), each as of the opening of business on the first day of such Collection Period; and
- (ii) an amount equal to the amount of the numerator calculated for the purpose of ascertaining the Portfolio Yield (as defined in the Supplement for the Originator VFN Series) for such Collection Period applicable to the Originator VFN Series,

provided, however, that, with respect to any Collection Period in which a Relevant Event occurs, the calculation shall be performed on a weighted average basis;

"Series Related Debt" means, in respect of any Series issued under the Programme, each Loan Note issued in respect of that Series.

"Specified Class Accumulation Reserve Investment Proceeds" means, on any Transfer Date and in respect of any Specified Class of any Series issued under the Programme, the amounts of interest and earnings (net of losses and investment expenses) standing to the credit of the relevant Specified Class Accumulation Reserve Ledger on such Transfer Date.

Governing Law

Each of the Receivables Trust Deed and Servicing Agreement and each Supplement and all non-contractual obligations arising out of or in connection with them are governed by English law.

THE NOTE TRUST DEED

The principal agreement governing the Notes will be the Note Trust Deed, as supplemented (in respect of each Note Series) by a Note Trust Deed Supplement. The Note Trust Deed has five primary functions:

- (i) it constitutes the Notes;
- (ii) it sets out the covenants of the Issuer in relation to the Notes;
- (iii) it creates the security for the Issuer's obligations towards the Noteholders and the other Secured Creditors;
- (iv) it sets out the enforcement and post-enforcement procedures relating to the Notes; and
- (v) it sets out the appointment, powers and responsibilities of the Note Trustee as well as certain limitations on its responsibilities and liabilities.

Each function is summarised below.

The Note Trust Deed sets out the form of the Notes, it also sets out the terms and conditions of the Notes, provisions for meetings of the Noteholders, the conditions for the issue of Individual Note Certificates and the redemption, repurchase and/or cancellation of any Notes.

The Note Trust Deed also contains covenants made by the Issuer in favour of the Note Trustee and the Noteholders. The main covenants are that the Issuer will pay interest and repay principal on each of the Notes when due. Other covenants are included to ensure that the Issuer remains insolvency remote and carries on its affairs in England and Wales. Some of the covenants also appear in the Note Conditions, see "*Terms and Conditions of the Notes*".

Each Note Trust Deed Supplement creates the security for the Notes of the relevant Note Series issued by the Issuer. The Note Trust Deed creates security for the Notes of all Note Series, such security comprising:

- (i) an assignment by way of first fixed security of the Issuer's right, title and interest in and to, and the entire benefit of, the Issuer Corporate Services Agreement and the Issuer Account Bank Agreement; and
- (ii) a floating charge granted by the Issuer over all of its undertakings and assets not otherwise secured under the Note Trust Deed or any Note Trust Deed Supplement in favour of the Security Trustee.

Each Note Trust Deed Supplement in respect of a Note Series will create separate security interests in respect of such Note Series. The security created under the terms of each Note Trust Deed Supplement will include:

- (i) an assignment by way of first fixed security of the Issuer's rights, title and interest in and to, and the entire benefit of, the Issuer Documents to which it is a party in respect of the relevant Note Series and sums received or recoverable thereunder;
- (ii) an assignment by way of first fixed security of the Issuer's right, title and interest in the Loan Notes of the Related Loan Note Series of such Note Series;
- (iii) an assignment by way of first fixed security of the Issuer's right, title and interest in the security interest created in favour of the Security Trustee by the Loan Note Issuer in respect of the Related Loan Note Series of such Note Series; and
- (iv) an assignment by way of first fixed security of the Issuer's right, title, interest and benefit in and to all monies credited to the relevant Series Distribution Ledger and all monies and other assets credited to each Swap Collateral Ledger for such Note Series, if any, and all monies and other assets credited to any bank or other account in which the Issuer may at any time have any right, title, interest or benefit in respect of that Note Series.

The Note Trust Deed sets out the general procedures by which the Note Trustee may take steps to enforce the Security created by the Issuer in the Note Trust Deed and under each Note Trust Deed Supplement so that the Note Trustee can protect the interests of the Noteholders in accordance with the Note Conditions.

The Note Trust Deed gives the Note Trustee a general discretion to enforce the Security in respect of a Note Series upon the occurrence of certain events, but also provides for meetings of or resolutions by the Noteholders at or by which the holders of Notes of the relevant Note Series can determine the action taken by the Note Trustee in relation to the enforcement of the Notes (subject to the Note Trustee being indemnified and/or secured and/or prefunded to its satisfaction against liabilities it may incur). The Note Trust Deed provides that the interests of the holders of the Most Senior Note Class (or any Sub-Class thereof) take precedence for so long as such Notes are outstanding, with the interests of the holders of other Classes of Notes (or any Sub-Classes thereof) taking precedence over the interests of holders of Notes of more junior Classes (or any Sub-Classes thereof) for so long as such Notes remain outstanding. The Note Trust Deed provides that, in respect of a Note Series, resolutions of holders of the Most Senior Note Class outstanding can, subject to certain conditions, bind holders of other Classes of Notes in that Note Series. However, certain basic terms of each Class or Sub-Class of Notes may not be amended without the consent of the majority of the holders of that Class or Sub-Class of Notes. This is described further in the "*Terms and Conditions of the Notes*".

The Note Trust Deed also sets out the terms on which the Note Trustee is appointed, the indemnification of the Note Trustee, the payment it receives and the extent of the Note Trustee's authority to act beyond its statutory powers under English law. The Note Trustee is also given the ability to appoint a delegate or agent in the execution of any of its duties under the Note Trust Deed. The Note Trust Deed also sets out the circumstances in which the Note Trustee may resign or retire.

The Note Trust Deed incorporates and supplements the provisions of the Trustee Act 1925 and the Trustee Act 2000 of England and Wales.

The Note Trust Deed, each Note Trust Deed Supplement and all non-contractual matters arising out of or in connection with any of them shall be governed by English law.

"**Secured Creditors**" for the purpose of a Note Series, means (i) the Noteholders; (ii) any Swap Counterparty; and (iii) the Note Trustee and any receiver appointed by the Note Trustee, pursuant to the Note Trust Deed.

"**Security Beneficiaries**" means the Agents, the Swap Collateral Account Bank and the Issuer Account Bank.

DESCRIPTION OF THE NOTES IN GLOBAL FORM

The issue of all Notes under the Programme will be authorised by a resolution of the board of directors of the Issuer passed on or prior to the date of the first issue of Notes. The Notes in each Note Series will be constituted by a Note Trust Deed Supplement, to be dated on or about the relevant Closing Date, between the Issuer and the Note Trustee, as trustee for, among others, the holders for the time being of the Notes and, where relevant, any Swap Counterparty in respect of the relevant Note Series. The Note Trust Deed includes provisions which enable it to be modified or supplemented and any reference to the Note Trust Deed is a reference also to the document as modified or supplemented in accordance with its terms.

The statements set out below include summaries of, and are subject to, the detailed provisions of the Note Trust Deed and the relevant Note Trust Deed Supplement for a Note Series, which will contain the forms of the Global Note Certificates and the Individual Note Certificates. The Issuer has entered into, for the benefit of the Programme, the Paying Agency and Agent Bank Agreement (see "*Terms and Conditions of the Notes*") which will regulate how payments will be made on all Note Series and how determinations and notifications in respect of Note Series will be made. It will be dated on or prior to the date of the first issuance of Notes.

Investors in the Notes will be entitled to the benefit of, will be bound by and will be deemed to have notice of, all the provisions of the Note Trust Deed, the relevant Note Trust Deed Supplement and the Paying Agency and Agent Bank Agreement. Investors can see copies of these agreements at the principal office for the time being of the Note Trustee, which is, as at the date of this Base Prospectus, Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB, and at the office for the time being of the Principal Paying Agent.

Form of Notes

Unless otherwise specified in the relevant Note Trust Deed Supplement, the Notes of each Class or Sub-Class will be in registered form and represented on issue by permanent global note certificates (the "**Global Note Certificates**").

On the Closing Date for each Note Series, and as specified in the relevant Final Terms or Drawdown Prospectus, as applicable, the Notes of the relevant Note Series will be registered in the name of, and the Global Note Certificates deposited with, a common depository (the "**Common Depository**") (or its nominee) for Euroclear Bank S.A./N.V. ("**Euroclear**") and Clearstream Banking *société anonyme* ("**Clearstream, Luxembourg**") and/or Cede & Co., being the nominee of The Depository Trust Company ("**DTC**" and, together with Euroclear and Clearstream, Luxembourg, the "**Clearing Systems**"). The Common Depository (or its nominee) will hold the Notes specified in the relevant Final Terms or Drawdown Prospectus, as applicable, on behalf of, and the Global Note Certificates in custody for, Euroclear and Clearstream. Luxembourg and Cede & Co (or its nominee) will hold the Notes specified in the relevant Final Terms or Drawdown Prospectus, as applicable, on behalf of, and the Global Note Certificates in custody for, DTC. Beneficial interests in the Notes whilst they are represented by a Global Note Certificate may only be held through, and transfers thereof will only be effected through, records maintained by the Clearing Systems at any time (see "*Book-entry Clearance Procedures*" below).

The nominal amount of the Notes of each Class or Sub-Class represented by a Global Note Certificate shall be the aggregate amount from time to time entered in the records of the Clearing Systems. The records of the Clearing Systems (meaning the records that each of the Clearing Systems holds for its customers which reflect the amount of such customer's interest in the Notes) shall be conclusive evidence of the nominal amount of the Notes represented by the relevant Global Note Certificate and, for these purposes, a statement issued by a Clearing System (which statement shall be made available to the registered holder of the relevant Class or Sub-Class of Notes upon request) stating the nominal amount of the relevant Class or Sub-Class of Notes represented by the relevant Global Note Certificate at any time shall be conclusive evidence of the records of such Clearing System at that time.

The Registrar and the U.S. Registrar, as applicable, will maintain a register (the "**Register**") in which they will register the Common Depository (or its nominee) and Cede & Co. as nominee of DTC (or its nominee), as applicable, as the owner of the Notes of each Class or Sub-Class. Upon confirmation by the Common Depository that it (or its nominee) or Cede & Co that it (or its nominee), as applicable, has been registered as holder of, and has custody of the Global Note Certificate representing, each Class or Sub-Class of Notes,

the relevant Clearing Systems will record the beneficial interests in such Notes (the "**Book-Entry Interests**").

Issuance of Individual Note Certificates

The Global Note Certificates representing each Class or Sub-Class of Notes within a Note Series will become exchangeable in whole, but not in part, for Individual Note Certificates of the relevant Class or Sub-Class issued in the form, or substantially in the form, set out in the Note Trust Deed ("**Individual Note Certificates**") if (a) a Clearing System is closed for business for a continuous period of 14 calendar days (other than by reason of holiday, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so; or (b) as a result of any amendment to, or change in, the laws or regulations of the United Kingdom (or any political subdivision thereof) or of any authority therein or thereof having power to tax, or in the interpretation by a revenue authority or a court of, or in the administration of, such laws or regulations, which becomes effective on or after the Closing Date for the relevant Note Series, the Issuer or any Paying Agent is or will be required to make any deduction or withholding from any payment in respect of the relevant Notes which would not be required were the relevant Notes registered in the names of individual Noteholders and a certificate to such effect signed by an Authorised Signatory of the Issuer is delivered to the Note Trustee (an "**Exchange Event**").

Whenever any Global Note Certificates are to be exchanged for Individual Note Certificates, such Individual Note Certificates will be issued within 30 days of the relevant Exchange Event and subject to the delivery, by or on behalf of the registered holder of the Notes (being the Common Depositary (or its nominee) and/or Cede & Co. as nominee of DTC (or its nominee), as applicable), to the Registrar and/or the U.S. Registrar of such information as is required to register the Notes in the names of the customers of the relevant Clearing Systems who previously held beneficial interests in the Notes whilst they were represented by the Global Note Certificates and complete and deliver such Individual Note Certificates to such persons (including, without limitation, the names and addresses of such persons and the principal amount of each such person's holding) against the surrender of the Global Note Certificates of the relevant class at the Specified Office of the Registrar and/or the U.S. Registrar. Such exchange will be effected in accordance with the provisions of the Paying Agency and Agent Bank Agreement and the regulations concerning the transfer and registration of the Notes scheduled thereto and, in particular, shall be effected without charge to any holder or the Note Trustee, but against such indemnity as the Registrar and/or the U.S. Registrar may require in respect of any tax or other duty of whatsoever nature which may be levied or imposed in connection with such exchange.

"**Authorised Signatory**" means any director of the Issuer or any other person or persons who are duly authorised to sign on behalf of the Issuer and in respect of whom a certificate has been provided signed by a director or another Authorised Signatory setting out the name and signature of such person and confirming such person's authority to act.

Conditions Applicable to the Notes Represented by Global Note Certificates

Each Global Note Certificate will contain provisions which modify the Note Conditions as they apply to the Notes represented by the Global Note Certificate. The following is a summary of certain of those provisions:

- (i) **Notices:** Notwithstanding Note Condition 20 (*Notices*), while any class of Notes is represented by a Global Note Certificate and such Global Note Certificate is deposited with the Common Depositary (or its nominee) and/or Cede & Co. as nominee of DTC (or its nominee), as applicable, notices to Noteholders may be given by delivery of the relevant notice to the relevant Clearing Systems and, in any case, such notices shall be deemed to have been given to the Noteholders in accordance with Note Condition 20 (*Notices*) on the date of delivery to such Clearing Systems.
- (ii) **Meetings:** The holder of the Notes represented by each Global Note Certificate will be treated as being two persons for the purposes of any quorum requirement of, or the right to demand a poll at, a meeting of the holders of any Class or Sub-Class of Notes. On a poll, every voter shall have one vote in respect of each £1 or such other amount as the Note Trustee may in its absolute discretion stipulate (or, in the case of Meetings of holders of Notes denominated in another currency, such amount in such other currency as the Note Trustee in its absolute discretion may stipulate) in nominal amount of the outstanding Note(s) represented or held by him.

- (iii) **Record Date:** Each payment in respect of a Note represented by a Global Note Certificate will be made to the person shown as the holder in the Register at the close of business (in the relevant Clearing System) on the Clearing System Business Day before the due date for such payment, where "**Clearing System Business Day**" means a day on which each Clearing System for which the Global Note Certificate is being held is open for business.

Book-entry Clearance Procedures

The information set out below has been obtained from sources that the Issuer believes to be reliable, but prospective investors are advised to make their own enquiries as to such procedures. In particular, such information is subject to any change in or interpretation of the rules, regulations and procedures of the Clearing Systems currently in effect and investors wishing to use the facilities of any of the Clearing Systems are therefore advised to confirm the continued applicability of the rules, regulations and procedures of the relevant Clearing System. None of the Issuer, the Note Trustee, the initial purchaser of any Notes, or any Agent party to the Paying Agency and Agent Bank Agreement (or any affiliate of any of the above, or any person by whom any of the above is controlled for the purposes of the Securities Act), will have any responsibility for the performance by the Clearing Systems or their respective direct or indirect participants or accountholders of their respective obligations under the rules and procedures governing their operations or for the sufficiency for any purpose of the arrangements described below.

Clearstream, Luxembourg and Euroclear

Clearstream, Luxembourg and Euroclear (together, the "**European International Clearing Systems**") each hold securities for their customers and facilitate the clearance and settlement of securities transactions through electronic book-entry transfer between their respective accountholders. Indirect access to the European International Clearing Systems is available to other institutions which clear through or maintain a custodial relationship with an accountholder of either system. The European International Clearing Systems provide various services including safekeeping, administration, clearance and settlement of internationally-traded securities and securities lending and borrowing. The European International Clearing Systems also deal with domestic securities markets in several countries through established depository and custodial relationships. The European International Clearing Systems have established an electronic bridge between their two systems across which their respective customers may settle trades with each other. Their customers are worldwide financial institutions including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. Investors may hold their interests in the Notes represented by the Global Note Certificates directly through the European International Clearing Systems if they are accountholders or indirectly through organisations which are accountholders therein. Transfers between Clearstream, Luxembourg participants and Euroclear participants will occur in the ordinary way in accordance with their applicable rules and operating procedures.

DTC

DTC is a limited purpose trust company organised under the laws of the State of New York, a "banking organization" within the meaning of the New York banking law, a member of the U.S. Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code and a "clearing agency" registered pursuant to the provisions of Section 17A of the Exchange Act.

DTC is a wholly-owned subsidiary of The Depository Trust and Clearing Corporation ("**DTCC**"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries.

DTC was created to hold securities for its participants and facilitate the clearance and settlement of securities transactions between participants through electronic computerised book-entry changes in accounts of its participants, thereby eliminating the need for physical movement of certificates. Direct participants include securities brokers and dealers, banks, trust companies, clearing corporations (including the European International Clearing Systems) and certain other organisations. Indirect access to DTC is available to others, such as banks, securities brokers, dealers and trust companies, that clear through or maintain a custodial relationship with a DTC direct participant, whether directly or indirectly.

The rules applicable to DTC and its participants are on file with the United States Securities and Exchange Commission. Transfers between DTC participants will occur in accordance with DTC rules.

Cross-market transfers between persons holding directly or indirectly through DTC, on the one hand, and directly or indirectly through Clearstream, Luxembourg participants or Euroclear participants, on the other, will be effected through DTC in accordance with DTC rules on behalf of the relevant European International Clearing System by its depositary; however, those cross-market transactions will require delivery of instructions to the relevant European International Clearing System by the counterparty in that system in accordance with its rules and procedures and within its established deadlines, which will be based on European time. The relevant European International Clearing System will, if the transaction meets its settlement requirements, deliver instructions to its depositary to take action to effect final settlement on its behalf by delivering or receiving securities in DTC, and making or receiving payment in accordance with normal procedures for same-day funds settlement applicable to DTC.

Because of time-zone differences, credits of securities in a European International Clearing System as a result of a transaction with a DTC participant will be made during the subsequent securities settlement processing day, dated the business day following the DTC settlement date and those credits or any transactions in those securities settled during that processing will be reported to the relevant European International Clearing Systems participant on that business day. Cash received in a European International Clearing System as a result of sales of securities by or through a participant of such European International Clearing System to a DTC participant will be received and available on the DTC settlement date. However, it will not be available in the relevant European International Clearing System cash account until the business day following settlement in DTC.

Purchases of Notes under the DTC system must be made by or through DTC participants (which includes the European International Clearing Systems), which will receive a credit for the Notes on DTC's records. The ownership interest of each actual investor is in turn to be recorded on the DTC participants' and indirect participants' records. Investors will not receive written confirmation from DTC of their purchase. However, investors are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the DTC participant or indirect participant through which the investor entered into the transaction. Transfers of ownership interests in the Notes are to be accomplished by entries made on the books of DTC participants acting on behalf of investors. Investors will not receive certificates representing their ownership interest in the Notes unless use of the book-entry system for the Notes is discontinued.

Conveyance of notices and other communications by DTC to DTC participants, by DTC participants to indirect participants and by DTC participants and indirect participants to Noteholders will be governed by arrangements among them and by any statutory or regulatory requirements in effect from time to time. Investors may hold their interests in Notes represented by a Global Note Certificate directly through DTC if they are participants in the DTC system, or indirectly through organisations which are participants in such system.

Redemption notices for the Notes held through DTC will be sent to DTC. If less than all of those Notes are being redeemed, DTC's practice is to determine by lot the amount of the interest of each participant in the Notes to be redeemed.

Neither DTC nor Cede & Co. will grant any consent or exercise any voting rights in respect of the Notes held through DTC. Under its usual procedures, DTC will mail an omnibus proxy to the Issuer as soon as possible after the record date, which assigns the consent or voting rights of Cede & Co. to those DTC participants to whose accounts the book-entry interests are credited on the record date, identified in a list attached to the proxy.

Under existing industry practices, when an issuer requests any action of noteholders or when a beneficial owner desires to give or take any action which a noteholder is entitled to give or take, DTC generally will give or take that action, or authorise the relevant participants to give or take that action, and those participants would authorise beneficial owners owning through those participants to give or take that action or would otherwise act upon the instructions of beneficial owners through them.

Relationship of Participants with Clearing Systems

Each of the persons shown in the records of a Clearing System as the holder of a beneficial interest in any Class or Sub-Class of Notes represented by a Global Note Certificate ("**Direct Participants**") must look solely to such Clearing System for his or her share of each payment made by the Issuer to the holder of such Notes and in relation to all other rights arising under such Notes, subject to and in accordance with

the respective rules and procedures of the relevant Clearing System. The Issuer expects that, upon receipt of any payment in respect of any Notes represented by a Global Note Certificate, the Common Depositary and/or the nominee of DTC, as applicable, on whose behalf such Notes are held, will immediately credit the relevant participants' or accountholders' accounts in the relevant Clearing System with payments in amounts proportionate to their respective beneficial interests in the principal amount of the relevant Notes as shown in the records of the relevant Clearing System. The Issuer also expects that payments by Direct Participants in any Clearing System to owners of beneficial interests in any Notes held through such Direct Participants in any Clearing System ("**Indirect Participants**" and, together with Direct Participants, "**Participants**") will be governed by standing instructions and customary practices.

Save as aforesaid, such persons shall have no claim directly against the Issuer in respect of payments due on the Notes for so long as the Notes are represented by Global Note Certificates and the obligations of the Issuer will be discharged by payment to the registered holder, as the case may be, of the relevant Notes in respect of each amount so paid. None of the Issuer, the Note Trustee or any Agent will have any responsibility or liability for any aspect of the records relating to or payments made on account of ownership interests in any Notes represented by a Global Note Certificate or for maintaining, supervising or reviewing any records relating to such ownership interests.

Settlement and Transfer of Notes

Subject to the rules and procedures of each applicable Clearing System, purchases of Notes held within a Clearing System must be made by or through Direct Participants, which will receive a credit for such Notes on the Clearing System's records. The ownership interest of each actual purchaser of each such Note (the "**Beneficial Owner**") will in turn be recorded on the Direct Participant's (and any intermediate Indirect Participant's) records. Beneficial Owners will not receive written confirmation from any Clearing System of their purchase, but Beneficial Owners are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which such Beneficial Owner entered into the transaction. Transfers of ownership interests in Notes held within a Clearing System will be effected by entries made on the books of Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in such Notes unless and until interests in the relevant Notes held within a Clearing System are exchanged for individually registered holdings of Notes represented by Individual Note Certificates.

No Clearing System has knowledge of the actual Beneficial Owners of the Notes held within such Clearing System and their records will reflect only the identity of the Direct Participants to whose accounts such Notes are credited, which may or may not be the Beneficial Owners. The Participants will remain responsible for keeping account of their holdings on behalf of their customers. Conveyance of notices and other communications by the Clearing Systems to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Trading between the Clearing Systems

Secondary market sales of Book-Entry Interests in the Notes held through the Clearing Systems to purchasers of Book-Entry Interests in Notes held through the Clearing Systems will be conducted in accordance with the normal rules and operating procedures of the Clearing Systems.

TERMS AND CONDITIONS OF THE NOTES

The following is the text of the terms and conditions (the "**Note Conditions**") which, subject to completion and as supplemented, amended and/or replaced in accordance with the provisions of the relevant Final Terms or Drawdown Prospectus, as applicable, will apply to the Notes of each Note Series issued under the Programme. References in these terms and conditions to "Notes" are, save where the context otherwise requires, to the Notes of a particular Note Series only and not to all Notes that may be issued under the Programme.

1. **Introduction**

- (a) **Programme:** NewDay Partnership Master Issuer plc (the "**Issuer**") has established an asset-backed note programme (the "**Programme**"). The notes of a particular Note Series (the "**Notes**") are constituted and secured by a note trust deed dated on or about the date of the Base Prospectus (as defined below) (the "**Note Trust Deed**") between the Issuer and Citicorp Trustee Company Limited (the "**Note Trustee**", which expression includes the trustee or trustees for the time being of the Note Trust Deed) and a supplement to the Note Trust Deed (the "**Note Trust Deed Supplement**") in respect of the Notes. References to the Note Trust Deed include reference to the relevant Note Trust Deed Supplement where the context admits.
- (b) **Final Terms or Drawdown Prospectus:** Notes issued under the Programme are issued in series (each a "**Note Series**"). Each Note Series corresponds to a Loan Note Series (as defined below), which in turn corresponds to an Investor Interest (as defined below). Each Note Series will contain Notes of one or more classes (each, a "**Class**"), and each Class of Notes may be divided into sub-classes of Notes (each, a "**Sub-Class**"), which may be denominated in any of Sterling, U.S. Dollars, euro or such other currency as is specified in the relevant Final Terms or Drawdown Prospectus (each as defined below). The Loan Notes (as defined below) of the Loan Note Series and the Investor Interest which correspond to each Note Series will be comprised of Classes and/or Sub-Classes which (other than to the extent that any Class or Sub-Class of Loan Notes has been issued to another investor) correspond to those of the Note Series, although they may be denominated in different currencies and/or have terms which otherwise differ. Each Note Series is the subject of a Final Terms or Drawdown Prospectus which supplements these terms and conditions in respect of the Notes of that Note Series. The Note Conditions applicable to any Notes in a Note Series are these terms and conditions as completed and supplemented, amended and/or replaced by the relevant Final Terms or Drawdown Prospectus, as applicable, in respect of that Note Series. In the event of any inconsistency between these terms and conditions and the relevant Final Terms or Drawdown Prospectus, as applicable, the relevant Final Terms or Drawdown Prospectus, as applicable, shall prevail.
- (c) **Paying Agency and Agent Bank Agreement:** The Notes are the subject of a paying agency and agent bank agreement dated on or about the date of the Base Prospectus (the "**Paying Agency and Agent Bank Agreement**") between, amongst others, the Issuer, Citibank, N.A., London Branch as principal paying agent, registrar, agent bank, U.S. paying agent, U.S. registrar and transfer agent (in such respective capacities, the "**Principal Paying Agent**", the "**Registrar**", the "**Agent Bank**", the "**U.S. Paying Agent**", the "**U.S. Registrar**" and the "**Transfer Agent**", which expressions include any successor principal paying agent, registrar, agent bank, U.S. paying agent, U.S. registrar or transfer agent appointed from time to time in connection with the Notes under the Paying Agency and Agent Bank Agreement), any other paying agents appointed thereunder (together with the Principal Paying Agent and the U.S. Paying Agent, the "**Paying Agents**", which expression includes any successor or additional paying agents appointed from time to time in connection with the Notes), and the Note Trustee.
- (d) **The Notes:** All subsequent references in these Note Conditions to "**Notes**" are to the Notes which are the subject of the relevant Final Terms or Drawdown Prospectus, as applicable.
- (e) **Summaries:** Certain provisions of these Note Conditions are summaries of the Note Trust Deed, the relevant Note Trust Deed Supplement and the Paying Agency and Agent Bank

Agreement and are subject to their detailed provisions. The Noteholders are bound by, and are deemed to have notice of, all the provisions of the Note Trust Deed, the relevant Note Trust Deed Supplement, the relevant Final Terms or Drawdown Prospectus, as applicable, and the Paying Agency and Agent Bank Agreement applicable to them. Copies of the Note Trust Deed, each Note Trust Deed Supplement, each Final Terms or Drawdown Prospectus, as applicable, and the Paying Agency and Agent Bank Agreement are available for inspection by Noteholders during normal business hours at the Specified Offices of each of the Paying Agents, the initial Specified Offices of which are set out in the Base Prospectus.

2. **Interpretation**

- (a) **Definitions:** In these Note Conditions the following expressions have the following meanings:

"Additional Financial Centre" means any city specified as such in the relevant Final Terms or Drawdown Prospectus, as applicable;

"Agent" means any Paying Agent, any Transfer Agent, the Registrar, the U.S. Registrar and the Agent Bank;

"Base Prospectus" means the prospectus relating to the Notes prepared in connection with the Programme as revised, supplemented, amended or updated from time to time by the Issuer, including the relevant Drawdown Prospectus or Final Terms, as applicable, and such other documents as are from time to time incorporated therein by reference;

"Basic Terms Modification" means any proposal:

- (a) to change any date fixed for payment of principal or interest in respect of the Notes or any Class or Sub-Class of the Notes;
- (b) to reduce, cancel or alter the amount of principal or interest payable on any date in respect of the Notes or any Class or Sub-Class of the Notes;
- (c) to alter the method of calculating the amount of any payment (including the priority of payment) in respect of the Notes or the date for any such payment;
- (d) to change the currency of any payment under the Notes or any Class or Sub-Class of the Notes;
- (e) to change the quorum required at any Meeting or the majority required to pass an Extraordinary Resolution; or
- (f) to amend any of paragraphs (a) to (e) above,

provided that any Reference Rate Modification, Class Reset Amendment or Further Issuance Amendment shall not constitute a Basic Terms Modification;

"Business Day" means a day other than a Saturday, a Sunday or a day on which banking institutions in London, England or Jersey, Channel Islands are authorised or obliged by law or executive order to be closed and other than, in relation to any payment in any currency other than Sterling, a day on which banking institutions in the Principal Financial Centre of the relevant currency and in each Additional Financial Centre (if any) for that currency are closed;

"Business Day Convention" has the meaning given in respect of each Class or Sub-Class of Notes and any date for any calculation or payment in the relevant Final Terms or Drawdown Prospectus, as applicable, and:

- (a) **"Following Business Day Convention"** means that the relevant date, if not a Business Day, shall be postponed to the first following day that is a Business Day;

- (b) "**Modified Following Business Day Convention**" means that the relevant date, if not a Business Day, shall be postponed to the first following day that is a Business Day, unless that day falls in the next calendar month, in which case that date will be the first preceding day that is a Business Day;
- (c) "**Preceding Business Day Convention**" means that the relevant date, if not a Business Day, shall be brought forward to the first preceding day that is a Business Day; and
- (d) "**No Adjustment**" means that the relevant date, if not a Business Day, shall not be adjusted in accordance with any Business Day Convention;

"**Cash Manager**" means NewDay Cards Ltd or any successor appointed from time to time;

"**Calculation Method**" means, in respect of a Class or Sub-Class of Notes, such Calculation Method as may be specified in the relevant Final Terms or Drawdown Prospectus, as applicable;

"**Class A Notes**" has the meaning given in Note Condition 4 (*Status*);

"**Class B Notes**" has the meaning given in Note Condition 4 (*Status*);

"**Class C Notes**" has the meaning given in Note Condition 4 (*Status*);

"**Class D Notes**" has the meaning given in Note Condition 4 (*Status*);

"**Class E Notes**" has the meaning given in Note Condition 4 (*Status*);

"**Class Extension Period**" means, in respect of a Specified Class:

- (a) in respect of the Specified Class Scheduled Redemption Date for such Specified Class:
 - (i) the period specified in the relevant Final Terms or Drawdown Prospectus (as applicable), provided that, if a Class Reset has occurred in respect of such Specified Class, then such period shall instead commence on the reset Specified Class Scheduled Redemption Date in respect of that Specified Class and end on the date specified in the Class Reset Notice; or
 - (ii) if such Specified Class became a Specified Class as a result of the delivery of a Series Extension Notice, the period specified as the Series Extension Period in the relevant Final Terms or Drawdown Prospectus (as applicable); and
- (b) in respect of any Class Scheduled Put Date for such Specified Class, the period from such Class Scheduled Put Date immediately prior to the extension of such Class Scheduled Put Date to the latest Interest Payment Date to which the Specified Class Scheduled Redemption Date for such Specified Class could (prior to any Class Reset) have been extended by the delivery of a Class Extension Notice;

"**Class F Notes**" has the meaning given in Note Condition 4 (*Status*);

"**Class Monthly Distribution Amount**" in respect of any Series, has the meaning given in the Supplement for that Series;

"**Class Put Deferral Notice**" has the meaning given in the relevant Supplement;

"**Class Put Notice**" means a notice given by a holder of Notes in a Specified Class to the Issuer in response to a Class Reset Notice in respect of that Specified Class (in the form, and in accordance with the process, specified in the Class Reset Notice) on or before the relevant Class Put Notification Date indicating that it requires the Issuer to repurchase its

Notes of that Specified Class in accordance with Note Condition 9(f) (*Required Repurchase of Certain Note Classes*) and undertaking for the benefit of the Issuer to inform the Issuer of any subsequent transfer of such Notes and to require any transferee to grant a similar undertaking;

"**Class Put Notification Date**" means, in respect of a Class Reset in respect of a Specified Class, the date which is the earlier of (i) the date falling 20 Business Days after the date on which the Class Reset Notice is served and (ii) the date falling 10 Business Days prior to the relevant Class Put Funding Notification Date;

"**Class Put Funding Notification Date**" has the meaning given in the relevant Supplement;

"**Class Reset**" means, in respect of a Specified Class, if so specified in the Drawdown Prospectus or Final Terms (as applicable) for the relevant Note Series, when the Issuer (or the Cash Manager on its behalf), on or before the relevant Class Reset Notification Date for such Specified Class, delivers a Class Reset Notice to the holders of the Notes of such Specified Class setting out the details of such Class Reset;

"**Class Reset Notice**" means, in respect of a Specified Class, any reset notice that the Issuer (or the Cash Manager on its behalf) delivers to the holders of the Notes of the Specified Class setting out:

- (a) the terms on which the Issuer will reset the Specified Class Scheduled Redemption Date and the Rate of Interest applicable to the Notes of that Specified Class and any consequential changes to the terms of the Notes of that Specified Class, the related Swap Agreement (if any), the other Issuer Documents and/or the Transaction Documents; and
- (b) the date on which the Class Reset shall take effect (which shall be a date falling on or after the relevant Class Put Notification Date and on or before the then-current Specified Class Scheduled Redemption Date for the relevant Specified Class);

"**Class Reset Notification Date**" means, in respect of a Class Reset in respect of a Specified Class, the date falling 20 Business Days prior to the relevant Class Put Funding Notification Date;

"**Class Scheduled Put Date**" means, in respect of a Specified Class, if one or more holders of the Notes of the Specified Class has, in response to a Class Reset Notice, delivered a Class Put Notice on or prior to the relevant Class Put Notification Date, the Interest Payment Date which was the Specified Class Scheduled Redemption Date for that Specified Class prior to the relevant Class Reset, or, if a Class Put Deferral Notice is delivered in respect of such Class Scheduled Put Date, any Interest Payment Date falling within the relevant Class Extension Period as specified in such Class Put Deferral Notice, **provided that** the Class Scheduled Redemption Date and, if applicable, any Class Scheduled Put Date, in each case, for each Class or Sub-Class in the relevant Note Series which both (a) ranks junior to such Specified Class and (b) if such Specified Class is specified in the relevant Final Terms or Drawdown Prospectus as belonging to a Maturity Stack, is in the same Maturity Stack as such Specified Class, is no earlier than the Class Scheduled Put Date for such Specified Class;

"**Maturity Stack**" means, if so specified in the relevant Final Terms or Drawdown Prospectus (as applicable), such Classes and/or Sub-Classes as are specified as forming a "Maturity Stack" (and, for the avoidance of doubt, there may be more than one Maturity Stack and a Class or Sub-Class may belong to one or more Maturity Stacks);

"**Class Scheduled Redemption Date**" has the meaning given in Note Condition 9(a) (*Scheduled Redemption and Mandatory, Early Redemption*);

"**Clearing Systems**" means Euroclear Bank S.A./N.V. ("**Euroclear**"), Clearstream Banking *société anonyme* ("**Clearstream, Luxembourg**") and/or The Depository Trust Company ("**DTC**");

"**Closing Date**" has the meaning given in the relevant Final Terms or Drawdown Prospectus, as applicable;

"**Controlled Accumulation Period**" has the meaning given in the relevant Supplement;

"**Day Count Fraction**" has the meaning given in respect of each Class or Sub-Class of Notes and the calculation of an amount for any period of time (a "**Period**") in the relevant Final Terms or Drawdown Prospectus, as applicable, and:

- (a) "**Actual/Actual (ICMA)**" means:
- (i) where the Period is equal to or shorter than the number of actual days between one Distribution Date and the immediately succeeding Distribution Date (the "**Regular Period**") during which it falls, the actual number of days in the Period *divided by* the product of (1) the actual number of days in such Period and (2) the number of Periods in any year;
 - (ii) where the Period is longer than one Regular Period, the sum of:
 - (A) the actual number of days in such Period falling in the Regular Period in which it begins *divided by* the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and
 - (B) the actual number of days in such Period falling in the next Regular Period *divided by* the product of (a) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year;
- (b) "**Actual/365**" or "**Actual/Actual (ISDA)**" means the actual number of days in the Period *divided by* 365 (or, if any portion of the Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Period falling in a leap year *divided by* 366 and (B) the actual number of days in that portion of the Period falling in a non-leap year *divided by* 365);
- (c) "**Actual/365 (Fixed)**" means the actual number of days in the Period *divided by* 365;
- (d) "**Actual/360**" means the actual number of days in the Period *divided by* 360;
- (e) "**30/360**" means the number of days in the Period (such number of days being calculated on the basis of a year of 360 days with twelve 30-day months) *divided by* 360; and
- (f) "**30E/360**" or "**Eurobond Basis**" means the number of days in the Period *divided by* 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months, without regard to the date of the first day or last day of the Period unless, in the case of the final Period, the date of final maturity is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month),

provided, however, that in each such case the number of days in the Period is calculated from (and including) the first day of the Period to (but excluding) the last day of the Period;

"**Dealer Agreement**" means the dealer agreement, as supplemented by any relevant subscription agreement, between, among others, the Issuer and certain Dealers (as named

therein) concerning the subscription and purchase of the Notes to be issued pursuant to the Programme;

"**Determination Date**" means, unless otherwise specified in the relevant Supplement, the fifth Business Day prior to each Distribution Date;

"**Distribution Date**" means the First Distribution Date and the 15th day of each subsequent calendar month, or, if any such 15th day is not a Business Day, the next succeeding Business Day;

"**Drawdown Prospectus**" means the prospectus (if any), which incorporates by reference some or all of the Base Prospectus, published by the Issuer in respect of the Notes on or before the Closing Date;

"**Extraordinary Resolution**" has the meaning given in the Issuer Master Framework Agreement;

"**Final Terms**" means final terms (if any) specifying the detailed terms and pricing information in relation to the Notes published by the Issuer on or before the Closing Date;

"**First Distribution Date**" means the date specified as such in, or determined in accordance with the provisions of, the relevant Final Terms or Drawdown Prospectus, as applicable, and where such date is not a Business Day, as the same may be adjusted in accordance with the Business Day Convention specified in the relevant Final Terms or Drawdown Prospectus, as applicable;

"**First Interest Payment Date**" means the date specified as such in, or determined in accordance with the provisions of, the relevant Final Terms or Drawdown Prospectus, as applicable, and where such date is not a Business Day, as the same may be adjusted in accordance with the Business Day Convention specified in the relevant Final Terms or Drawdown Prospectus, as applicable;

"**Fixed Rate**" has, in respect of each Class or Sub-Class of Notes, the meaning given in the relevant Final Terms or Drawdown Prospectus, as applicable;

"**Floating Rate Commencement Date**" means, in respect of any Class or Sub-Class of Notes, the date (if any) specified as such in, or determined in accordance with the provisions of, the relevant Final Terms or Drawdown Prospectus, as applicable;

"**Further Issuance Amendment**" has the meaning given in Note Condition 17(a) (*Meeting of Noteholders*);

"**Individual Note Certificate**" means an individual note certificate in respect of any Notes issued in the circumstances set out in the Note Trust Deed;

"**Interest Amount**" means, in respect of a Class or Sub-Class of Notes and an Interest Period, the amount of interest payable in respect of that Class or Sub-Class of Notes for that Interest Period;

"**Interest Determination Date**" has, in respect of each Class or Sub-Class of Notes, the meaning given in the relevant Final Terms or Drawdown Prospectus, as applicable;

"**Interest Payment Date**" has, in respect of a Class or Sub-Class of Notes, the meaning given in the relevant Final Terms or Drawdown Prospectus, as applicable;

"**Interest Period**" means, in respect of any Notes, each period beginning on, in the case of the first Interest Period, the relevant Issue Date for such Notes or, thereafter, any Interest Payment Date, and ending on (but excluding), in the case of the first Interest Period, the First Interest Payment Date, or, thereafter, the next Interest Payment Date;

"**Interest Reference Rate**" has, in respect of any Class or Sub-Class of Notes, the meaning given in the relevant Final Terms or Drawdown Prospectus, as applicable;

"Issue Date" means the date of issue of any Notes;

"Issuer Account Bank" means Citibank, N.A., London Branch or any successor appointed from time to time;

"Issuer Account Bank Agreement" means the account bank agreement dated on or about the date of the Base Prospectus between, among others, the Issuer, the Note Trustee and the Issuer Account Bank;

"Issuer Corporate Services Agreement" means the corporate services agreement dated on or about the date of the Base Prospectus between, among others, the Issuer, the Note Trustee and the Issuer Corporate Services Provider;

"Issuer Corporate Services Provider" means Intertrust Management Limited or any successor appointed from time to time;

"Issuer Distribution Account" means each account maintained with the Issuer Account Bank or with another Qualified Institution pursuant to the Issuer Account Bank Agreement or any other agreement and which is designated as an "Issuer Distribution Account";

"Issuer Documents" has the meaning given in Note Condition 7(b) (*Negative Covenants of the Issuer*);

"Issuer Profit Amount" has the meaning given in the relevant Final Terms or Drawdown Prospectus, as applicable;

"Issuer Master Framework Agreement" has the meaning given in Note Condition 2(b) (*Incorporation of Defined Terms*);

"Loan Note Supplement" means the relevant loan note supplement to the STDCMA between, among others, the Loan Note Issuer and the Security Trustee in respect of the Related Loan Note Series, certain details of which are set out in the relevant Final Terms or Drawdown Prospectus, as applicable;

"London Business Day" means any day other than a Saturday, a Sunday or a day on which banking institutions in London, England are authorised or obliged by law or executive order to be closed;

"Margin" has, in respect of any Class or Sub-Class of Notes, the meaning given in the relevant Final Terms or Drawdown Prospectus, as applicable;

"Most Senior Note Class" means the Class A Notes while they remain outstanding and thereafter the Class B Notes while they remain outstanding and thereafter the Class C Notes while they remain outstanding and thereafter the Class D Notes while they remain outstanding and thereafter the Class E Notes while they remain outstanding and thereafter the Class F Notes, in each case including any Sub-Classes thereof;

"New York Business Day" means any day except for a Saturday, Sunday or a day on which SIFMA recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in U.S. government securities or, if paragraph (i)(A) of the definition of "SOFR Reference Rate" applies, any day on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in New York City;

"NewDay Group" means NewDay Group (Jersey) Ltd (or any successor holding company which directly or indirectly holds the shares in the Originator and the Transferor and delivers a notice to the Receivables Trustee to that effect) and its subsidiaries from time to time;

"Note Certificate" means a Global Note Certificate or an Individual Note Certificate;

"**Note Series**" has the meaning given in Note Condition 1(b) (*Final Terms or Drawdown Prospectus*);

"**Noteholder**" has the meaning given in Note Condition 3(a) (*Register*);

"**Notes**" has the meaning given in Note Condition 1(a) (*Programme*);

"**Obligor**" or "**Obligors**" has the meaning given in the Issuer Master Framework Agreement;

"**Participating Member State**" means a member state of the European Union which has adopted the Euro as its lawful currency in accordance with the Treaty on the Functioning of the European Union;

"**Pay-Out Event**" has, in respect of each Series, the meaning given in the Issuer Master Framework Agreement;

"**Principal Amount Outstanding**" means, in relation to a Note on any date, the principal amount of that Note on the Issue Date, less the aggregate amount of all repayments of principal in respect of that Note that have become due and payable by the Issuer to the Noteholder concerned by virtue of the Issuer having received funds in respect thereof from the Loan Note Issuer as described in Note Condition 9 (*Redemption and Purchase*) prior to such date in accordance with the conditions of the Related Loan Note Series, **provided that**, solely for the purpose of calculating the Principal Amount Outstanding under Note Conditions 8 (*Interest*), 9 (*Redemption and Purchase*), 13 (*Events of Default*) and 17 (*Meetings of Noteholders, Modification and Waiver, Substitution and Additional Rights of Modification*), all such repayments of principal due and unpaid on or prior to such date shall also be taken into account as forming part of such Principal Amount Outstanding;

"**Principal Financial Centre**" means, in relation to Sterling, London, in relation to U.S. Dollars, New York and, in relation to Euro, London or the principal financial centre of such Participating Member State as is specified in the relevant Final Terms or Drawdown Prospectus, as applicable;

"**Rapid Amortisation Period**" means a period from the Business Day succeeding the day on which a Pay Out Event occurs until the earlier of:

- (a) the Series Termination Date; and
- (b) the termination of the Receivables Trust;

"**Rate of Interest**" means the rate or rates (expressed as a percentage per annum) of interest payable in respect of the Notes specified in or calculated or determined in accordance with the provisions of these Note Conditions and/or the relevant Final Terms or Drawdown Prospectus, as applicable;

"**Rating Agencies**" means, with respect to each Note Series, the rating agency or agencies, if any, selected by the Issuer, as specified in the relevant Final Terms or Drawdown Prospectus (as applicable);

"**Receivables Trust**" means the trust established on 18 December 2014 under the terms of the Receivables Trust Deed and Servicing Agreement, under which the Transferor Beneficiary and, from time to time, multiple Investor Beneficiaries will have an undivided beneficial interest in the trust property equal to the proportion of their contributions to the Receivables Trust;

"**Receivables Trustee**" means NewDay Partnership Receivables Trustee Ltd or any successor appointed from time to time;

"**Receivables Trustee Investment Account**" has the meaning given to it in the Issuer Master Framework Agreement;

"Receiver" means a person or persons, appointed in writing by the Note Trustee, who is to be a receiver, a receiver and manager or an administrative receiver (and who shall not be the Note Trustee or an affiliate of the Note Trustee);

"Reference Rate Modification" has the meaning given in Note Condition 17(d) (*Additional Right of Modification in Relation to Reference Rate Cessation*);

"Related Loan Note Series" means the Loan Note Series specified in the relevant Final Terms or Drawdown Prospectus, as applicable;

"Rounded Arithmetic Mean" means the arithmetic mean (rounded, if necessary, to the nearest 0.0001 per cent., with 0.00005 being rounded upwards);

"Secured Creditors" means (i) the Noteholders; (ii) any Swap Counterparty; and (iii) the Note Trustee and any Receiver appointed by the Note Trustee, pursuant to the Note Trust Deed;

"Security" means, in relation to any Note Series, the security created or intended to be created, or which may at any time be intended to be created, in favour of the Note Trustee for itself and on trust for, *inter alios*, the Secured Creditors;

"Security Beneficiaries" means the Agents, the Swap Collateral Account Bank and the Issuer Account Bank;

"Security Trustee" means Citicorp Trustee Company Limited or any successor appointed from time to time;

"Series" means, as the context requires:

- (a) with respect to an Investor Beneficiary (and, where appropriate, an Enhancement Provider), the relevant beneficial entitlement acquired by it under the Receivables Trust (as a result of making a Contribution funded by the issue of a Loan Note or as otherwise specified in the relevant Supplement); and/or
- (b) the Related Debt and/or Associated Debt which is referred to in the applicable Supplement as appertaining to the relevant Series;

"Series Distribution Ledger" means a ledger recording the amounts held in the Issuer Distribution Accounts in respect of the Notes (or, as the case may be, a specific Class or Sub-Class of the Notes);

"Series Extension Period" means, in respect of each Series issued under the Programme, the period specified in the Drawdown Prospectus or Final Terms (as applicable) for the related Note Series;

"Series Final Redemption Date" means the date specified as such in, or determined in accordance with the provisions of, the relevant Final Terms or Drawdown Prospectus, as applicable, and, where such date is not a Business Day, as the same may be adjusted in accordance with the Business Day Convention specified in the relevant Final Terms or Drawdown Prospectus, as applicable;

"Series Investor Interest" has, in respect of a Series, the meaning given in the relevant Supplement;

"Series Principal Funding Ledger" means, for each Series issued under the Programme, the principal funding ledger established and maintained within the Receivables Trust Investment Account (or elsewhere) by the Receivables Trustee;

"Series Termination Date" has, in respect of a Series, the meaning given in the relevant Supplement;

"Series Termination Long Stop Date" has, in respect of a Series, the meaning given in the relevant Supplement;

"SIFMA" means The Securities Industry and Financial Markets Association;

"Specified Class" means:

- (a) any Class or Sub-Class of the Notes which is designated as a "Specified Class" in the related Drawdown Prospectus or Final Terms (as applicable); and
- (b) any Class or Sub-Class of the Notes which, as a result of the service of a Series Extension Notice, becomes a Specified Class;

"Specified Class Rapid Amortisation Period" has the meaning given in the relevant Supplement;

"Specified Class Scheduled Redemption Date" has the meaning given in Note Condition 9(a) (*Scheduled Redemption and Mandatory, Early Redemption*);

"Specified Currency" has, in respect of any Class or Sub-Class of Notes, the meaning given in the relevant Final Terms or Drawdown Prospectus, as applicable;

"Specified Denomination" has, in respect of any Class or Sub-Class of Notes, the meaning given in the relevant Final Terms or Drawdown Prospectus, as applicable;

"Specified Office" has, in respect of each Agent, the meaning given in the Issuer Master Framework Agreement;

"Sub-Class" has the meaning given in Note Condition 1(b) (*Final Terms or Drawdown Prospectus*);

"Supplement" means a supplement to the Receivables Trust Deed and Servicing Agreement relating to a Series;

"Swap Agreement" means any currency and/or interest rate swap agreement in respect of a Class or Sub-Class of Notes, in each case as specified in the relevant Final Terms or Drawdown Prospectus, as applicable, entered into by the Issuer, such agreement being (unless otherwise specified in the relevant Final Terms or Drawdown Prospectus, as applicable) in the form of an ISDA Master Agreement, including a schedule, one or more confirmations and a credit support annex;

"Swap Collateral Account" means, in respect of a Note Series, each custody or cash account held in the name of the Issuer pursuant to the Swap Collateral Account Bank Agreement with the Swap Collateral Account Bank, or any successor or replacement account at the Swap Collateral Account Bank or at another Qualified Institution;

"Swap Collateral Account Bank" means Citibank, N.A., London Branch or any other bank at which the Swap Collateral Accounts are to be maintained from time to time;

"Swap Collateral Account Bank Agreement" means the swap collateral account bank agreement dated on or about the date of the Base Prospectus between, *inter alios*, the Issuer, the Note Trustee and the Swap Collateral Account Bank;

"Swap Collateral Ledger" means, in respect of each Swap Agreement, a ledger recording the collateral posted to the relevant Swap Collateral Accounts for the relevant Note Series by the relevant Swap Counterparty in relation to its obligations under that Swap Agreement;

"Swap Counterparty" means any entity, as specified in the relevant Final Terms or Drawdown Prospectus, with whom the Issuer has entered into a Swap Agreement in respect of any Class or Sub-Class of Notes;

"**Swap Excluded Payable Amount**" has, in respect of a Swap Agreement, the meaning given in the relevant Note Trust Deed Supplement;

"**Swap Excluded Receivable Amount**" has, in respect of a Swap Agreement, the meaning given in the relevant Note Trust Deed Supplement;

"**Swap Excluded Termination Payment**" has, in respect of a Swap Agreement, the meaning given in the relevant Note Trust Deed Supplement;

"**T2**" means the real-time gross settlement system owned and operated by the Eurosystem and any successor settlement system;

"**TARGET Settlement Day**" means any day on which T2 is open for the settlement of payments in Euro;

"**Transaction Party**" means any person who is a party to an Issuer Document;

"**Transfer Date**" means, in relation to any Monthly Period or Collection Period, unless otherwise specified in the relevant Supplement, the Business Day immediately prior to the Distribution Date immediately following the end of such Monthly Period or Collection Period; and

"**Transferor**" means NewDay Partnership Transferor plc.

- (b) ***Incorporation of Defined Terms:*** Terms not defined in these Note Conditions have the meanings given in the issuer master framework agreement dated on or about the date of the Base Prospectus (the "**Issuer Master Framework Agreement**") between, *inter alios*, the Issuer, the Note Trustee, the Registrar, the U.S. Registrar, the Principal Paying Agent and the Agent Bank.
- (c) ***Interpretation:*** In these Note Conditions:
- (i) if an expression is stated in Note Condition 2(a) (*Definitions*) to have the meaning given in the relevant Final Terms or Drawdown Prospectus, but the relevant Final Terms or Drawdown Prospectus gives no such meaning or specifies that such expression is "not applicable" to the Notes, to a particular Class or Sub-Class of Notes or to the Series of which the Notes form part, then such expression is not applicable to the Notes, to such Class or Sub-Class of Notes or to the Series of which the Notes form part; and
 - (ii) "**outstanding**" means, in relation to the Notes, all the Notes other than:
 - (A) those which have been redeemed in full in accordance with these Note Conditions;
 - (B) those in respect of which the date for redemption, in accordance with the provisions of these Note Conditions, has occurred and for which the redemption monies (including all interest accrued thereon to such date for redemption) have been duly paid to the Note Trustee or the Principal Paying Agent in the manner provided for in the Paying Agency and Agent Bank Agreement (and, where appropriate, notice to that effect has been given to the Noteholders in accordance with Note Condition 20 (*Notices*)) and remain available for payment in accordance with these Note Conditions;
 - (C) those which have been redeemed as provided for in Note Condition 9 (*Redemption and Purchase*) and notice of the cancellation of which has been given to the Note Trustee; and
 - (D) those which have become void under these Note Conditions,

provided that, for each of the following purposes, namely:

- (i) the right to attend and vote at any meeting of Noteholders;
- (ii) the determination of how many and which Notes are for the time being outstanding for the purposes of clauses 11 (*Cancellation of Notes*), 13 (*Proceedings*), 19.1 (*Waiver*), 19.2 (*Modifications*) and 20.1 (*Appointment of a new Note Trustee*) of the Note Trust Deed and Note Condition 13 (*Events of Default*), Note Condition 17(a) (*Meetings of Noteholders*) and Note Condition 18 (*Enforcement*) and schedule 6 (*Provisions for Meetings of Noteholders*) to the Note Trust Deed; and
- (iii) any discretion, power or authority, whether contained in the Note Trust Deed or provided by law, which the Note Trustee is required to exercise in or by reference to the interests of the Noteholders or any of them,

those Notes (if any) which are for the time being held by the Issuer or a member of the NewDay Group, or for the benefit of the Issuer or a member of the NewDay Group, shall (unless and until ceasing to be so held) be deemed not to remain outstanding; and

- (iii) any reference to the Paying Agency and Agent Bank Agreement, the Note Trust Deed, any other Issuer Document or any Transaction Document shall be construed with respect to any Note Series as a reference to the Paying Agency and Agent Bank Agreement, the Note Trust Deed, that other Issuer Document or that Transaction Document, as the case may be, as amended, restated and/or supplemented up to and including the Closing Date of the Notes of that Note Series or as thereafter amended, restated and/or supplemented where such amendment, restatement or supplement is expressed to apply to the Notes of that Note Series.

3. **Form, Denomination and Title**

The Notes will be issued in registered form and in the Specified Denominations specified in the related Final Terms or Drawdown Prospectus, as applicable, **provided that**, in the case of any Notes which are to be admitted to trading on a regulated market within the United Kingdom or the European Economic Area, offered to the public in the UK in circumstances which require the publication of a prospectus under the UK Prospectus Regulation or offered to the public in a Member State of the European Economic Area in circumstances which require the publication of a prospectus under the EU Prospectus Regulation, the minimum denomination shall be €100,000 (or such amount as shall be at least equal to its equivalent in any other currency as at the date of issue of those Notes as specified in the relevant Final Terms or Drawdown Prospectus, as applicable).

- (a) **Register.** The Registrar and the U.S. Registrar will maintain a register (the "**Register**") in respect of the Notes in accordance with the provisions of the Paying Agency and Agent Bank Agreement. The expression "**Notes**" includes beneficial interests in Notes registered in the name of a nominee for one or more Clearing Systems and the expression "**Noteholder**" shall, except where the context otherwise requires, mean and include any person entitled to any such beneficial interest.
- (b) **Global Note Certificate:** The Principal Amount Outstanding of the Notes of each Class or Sub-Class which are initially offered and sold:
 - (i) outside the United States to non-U.S. Persons pursuant to Regulation S under the Securities Act; or
 - (ii) within the United States or to, or for the account or benefit of, U.S. Persons who are qualified institutional buyers in reliance on Rule 144A under the Securities Act,

will, in each case, be represented by a global note certificate (each a "**Global Note Certificate**").

- (c) **Exchange:** Beneficial interests in Notes registered in the name of a nominee for one or more Clearing Systems may be exchanged for individually registered holdings of Notes represented by individual serially-numbered note certificates ("**Individual Note Certificates**") and, together with the Global Note Certificates, the "**Note Certificates**") in the circumstances referred to in Note Condition 3(d) (*Exchange Triggers*).
- (d) **Exchange Triggers:** If, while any Notes are registered in the name of a nominee for one or more Clearing Systems and represented by a Global Note Certificate:
 - (i) in the case of a Global Note Certificate held on behalf of a Clearing System, such Clearing System is closed for business for a continuous period of 14 calendar days (other than by reason of holiday, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so; or
 - (ii) as a result of any amendment to, or change in, the laws or regulations of the United Kingdom (or of any political sub-division thereof), or of any authority therein or thereof having power to tax, or in the interpretation by a revenue authority or a court of, or in the administration of, such laws or regulations which becomes effective on or after the relevant Issue Date, the Issuer or any Paying Agent is or will be required to make any deduction or withholding from any payment in respect of the Notes which would not be required were the relevant Notes registered in the name of individual Noteholders and a certificate to such effect signed by an Authorised Signatory of the Issuer is delivered to the Note Trustee,

(each an "**Exchange Event**"), the Issuer will procure that the Registrar and/or the U.S. Registrar will, within 30 days of such Exchange Event, register as holders of the appropriate amount of Notes those persons whose accounts with the relevant Clearing Systems are credited with interests in the Notes represented by that Global Note Certificate. Each such person will, upon registration of their interest, be entitled to an Individual Note Certificate representing their holding of such Notes, which shall be delivered upon request. Beneficial interests in Notes held through the Clearing Systems will not be exchangeable for individually registered holdings of Notes, and Individual Note Certificates will not be issued, in any other circumstances.

"**Authorised Signatory**" means any director of the Issuer or any other person or persons who are duly authorised to sign on behalf of the Issuer and in respect of whom a certificate has been provided signed by a director or another Authorised Signatory setting out the name and signature of such person and confirming such person's authority to act.

4. **Status**

Each Class and Sub-Class of the Notes are direct, secured and unconditional obligations of the Issuer which will at all times rank *pari passu* and *pro rata* without preference or priority amongst themselves.

Unless otherwise specified in the relevant Final Terms or Drawdown Prospectus, as applicable, the Notes will comprise the following Classes:

- (a) the "**Class A Notes**", which will rank in priority to the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes (in each case, if any) and *pro rata* and *pari passu* amongst themselves;
- (b) the "**Class B Notes**", which will rank in priority to the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes (in each case, if any) and *pro rata* and *pari passu* amongst themselves;
- (c) the "**Class C Notes**", which will rank in priority to the Class D Notes, the Class E Notes and the Class F Notes (in each case, if any) and *pro rata* and *pari passu* amongst themselves;

- (d) the "**Class D Notes**", which will rank in priority to the Class E Notes and the Class F Notes (in each case, if any) and *pro rata* and *pari passu* amongst themselves;
- (e) the "**Class E Notes**", which will rank in priority to the Class F Notes (if any) and *pro rata* and *pari passu* amongst themselves; and
- (f) the "**Class F Notes**", which will rank *pro rata* and *pari passu* amongst themselves.

Each Class of Notes may contain one or more Sub-Classes of Notes, each of which shall rank *pro rata* and *pari passu* amongst themselves and (subject to the detailed provisions of these Note Conditions and the Transaction Documents) *pro rata* and *pari passu* with the Notes of each other Sub-Class of the relevant Class. In these Note Conditions, any reference to a Class of Notes shall, save where the context otherwise requires, include all Sub-Classes within such Class.

If the relevant Final Terms or Drawdown Prospectus states that any of the above Classes of Notes will not be issued, then all references in these Note Conditions to any such Class of Notes (and the corresponding Class of Loan Notes and Investor Interest and all related interests, ledgers and other terms) shall be ignored.

5. Title and Transfers

- (a) The person registered in the Register as the holder of any Note will (to the fullest extent permitted by applicable law) be deemed and treated at all times, by all persons and for all purposes (including the making of any payments), as the absolute owner of such Note regardless of any notice of ownership, theft or loss, of any trust or other interest therein or of any writing on the Note Certificate therefor or, if more than one person, the first named of such persons will be treated as the absolute owner of such Note.
- (b) The Issuer shall cause to be kept, at the Specified Office of the Registrar and/or the U.S. Registrar, the Register on which shall be entered the names and addresses of the holders of the Notes and the particulars of the Notes held by them and of all transfers and redemptions of the Notes.
- (c) No transfer of a Note will be valid unless and until entered on the Register.
- (d) Transfers of the Notes and any entries on the Register relating thereto will be made subject to any restrictions on transfers set forth in these Note Conditions, the detailed regulations concerning transfers of such Notes contained in the Paying Agency and Agent Bank Agreement, the Note Trust Deed and the legend appearing on the face of the Note Certificates. In no event will the transfer of a Note be made absent compliance with these Note Conditions and the regulations and other provisions referred to above, and any purported transfer in violation of these Note Conditions or such regulations and other provisions shall be void *ab initio* and will not be honoured by the Issuer or the Note Trustee. The regulations referred to above may be changed by the Issuer with the prior written approval of the Registrar, the U.S. Registrar and the Note Trustee. A copy of the current regulations will be sent by the Principal Paying Agent or the Registrar or the U.S. Registrar (as applicable) to any holder of a Note who so requests and will be available upon request at the Specified Office of the Registrar or the U.S. Registrar (as applicable) or the Principal Paying Agent.
- (e) A Note may be transferred in whole or in part upon the surrender of the relevant Note Certificate, together with the form of transfer endorsed on it duly completed and executed, at the Specified Office of the Registrar or U.S. Registrar, as applicable, or the Principal Paying Agent or U.S. Paying Agent, as applicable **provided that** no such transfer shall be registered if it would result in either the transferee or the transferor holding less than the minimum Specified Denomination of the relevant Class or Sub-Class of Notes. In the case of a transfer of part only of the Notes represented by a Note Certificate, new Note Certificates in respect of both the balance transferred and the balance remaining will be issued to each of the transferee and the transferor by or by order of the Registrar or the U.S. Registrar, as applicable.

- (f) Each new Note Certificate to be issued upon a transfer of any Notes will, within five Business Days of receipt of such request for transfer, be available for delivery at the Specified Office of the Registrar or U.S. Registrar, as applicable, or the Principal Paying Agent or U.S. Paying Agent, as applicable, or be mailed at the risk of the holder entitled to the Notes represented thereby to such address as may be specified in such request.
- (g) Registration of any transfer of Notes will be effected without charge by or on behalf of the Issuer or the Registrar or U.S. Registrar, as applicable, but upon payment of (or the giving of such indemnity as the Registrar or U.S. Registrar, as applicable may require in respect of) any tax or other governmental charges which may be imposed in relation to it.
- (h) No holder of a Note may require the transfer of such Note to be registered during the period of 15 days ending on the due date for any payment of principal or interest on such Note.

6. **Security and Priority of Payments**

(a) ***Security***

As security for the payment of all monies payable in respect of the Notes and under the Note Trust Deed, the relevant Note Trust Deed Supplement and the other Issuer Documents (including the remuneration, expenses and any other claims of the Note Trustee and any receiver appointed under the Note Trust Deed), the Issuer:

- (i) has, pursuant to the Note Trust Deed created the following security in favour of the Note Trustee for itself and on trust for, among others, the holders of the Notes of each Note Series (including the Notes):
 - (A) an assignment by way of first fixed security of the Issuer's right, title and interest in and to, and the entire benefit of, the Issuer Corporate Services Agreement and the Issuer Account Bank Agreement; and
 - (B) a floating charge granted by the Issuer over all of its undertakings and assets not otherwise secured under the Note Trust Deed or any Note Trust Deed Supplement in favour of the Security Trustee; and
- (ii) will, pursuant to the relevant Note Trust Deed Supplement, create the following security in favour of the Note Trustee for itself and on trust for, among others, the holders of the Notes (but not the holders of the Notes of any other Note Series):
 - (A) an assignment by way of first fixed security of all of the Issuer's rights, title, interest and entire benefit in and to the Issuer Documents to which it is a party in respect of the relevant Note Series and sums received or recoverable thereunder;
 - (B) an assignment by way of first fixed security of all of the Issuer's rights, title and interest in the Loan Notes of the Related Loan Note Series;
 - (C) an assignment by way of first fixed security of all of the Issuer's rights, title and interest in the security interest created in favour of the Security Trustee by the Loan Note Issuer in respect of the Related Loan Note Series; and
 - (D) an assignment by way of first fixed of the Issuer's right, title, interest and benefit in and to all monies credited to the relevant Series Distribution Ledger and all monies and other assets credited to each relevant Swap Collateral Ledger, if any, and all monies and other assets credited to any bank or other account in which the Issuer may at any time have any right, title, interest or benefit in respect of the relevant Note Series

The Security is described in detail in the Note Trust Deed and the relevant Note Trust Deed Supplement.

Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to the floating charge described in Condition 6(a)(i)(b).

(b) **Priority of Payments**

On each Interest Payment Date both prior to and following the enforcement of the Security, the Issuer will (or, following the enforcement of the Security, the Note Trustee) apply funds available to it (excluding any Swap Excluded Receivable Amounts and amounts standing to the credit of any relevant Swap Collateral Ledger) in respect of the Notes as follows:

- (i) *first*, in no order of priority between themselves but *pro rata* to the respective amounts then due, to pay remuneration then due to any Receiver or the Note Trustee (and/or any appointee of the Note Trustee under the Note Trust Deed) and all amounts due in respect of legal fees and other costs, charges, liabilities, expenses, losses, damages, proceedings, claims and demands incurred by any Receiver or the Note Trustee (and/or any appointee of the Note Trustee under the Note Trust Deed) under and in respect of the Issuer Documents and in enforcing the Security created by the Note Trust Deed or the relevant Note Trust Deed Supplement thereto or in perfecting title to the Security, together with interest thereon as provided in any such document;
- (ii) *second*, (to the extent not met by the paragraph above) in payment or satisfaction (*pro rata* and *pari passu*) of all amounts then due and unpaid to any Receiver or the Note Trustee and/or any appointee of the Note Trustee under the Note Trust Deed or the relevant Note Trust Deed Supplement, the Agents, the Swap Collateral Account Bank, the Issuer Account Bank, the Issuer Corporate Services Provider and the Holdings Corporate Services Provider;
- (iii) *third*, the Issuer Profit Amount to be retained by the Issuer as profit;
- (iv) *fourth*, in respect of the Class A Notes:
 - (A) if such Class is not divided into Sub-Classes, up to the aggregate of the Class Monthly Distribution Amount and the Available Repayment Funds for that Class, *pari passu* and *pro rata*:
 - (1) in or towards payment of amounts due and unpaid in respect of that Class of Notes; and
 - (2) if the Issuer has entered into a Swap Agreement relating to that Class of Notes, in or towards payment of amounts (other than any Swap Excluded Payable Amount or Swap Excluded Termination Payment) due and unpaid under that Swap Agreement; and
 - (B) if such Class is divided into Sub-Classes, in respect of each such Sub-Class, up to the aggregate of the Class Monthly Distribution Amount and the Available Repayment Funds for that Sub-Class of Notes, *pari passu* and *pro rata*:
 - (1) in or towards payment of amounts due and unpaid in respect of that Sub-Class of Notes; and
 - (2) if the Issuer has entered into a Swap Agreement relating to that Sub-Class of Notes, in or towards payment of amounts (other than any Swap Excluded Payable Amount or Swap Excluded Termination Payment) due and unpaid under that Swap Agreement;

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- (v) *fifth*, in respect of the Class B Notes:
- (A) if such Class is not divided into Sub-Classes, up to the aggregate of the Class Monthly Distribution Amount and the Available Repayment Funds for that Class, *pari passu* and *pro rata*:
 - (1) in or towards payment of amounts due and unpaid in respect of that Class of Notes; and
 - (2) if the Issuer has entered into a Swap Agreement relating to that Class of Notes, in or towards payment of amounts (other than any Swap Excluded Payable Amount or Swap Excluded Termination Payment) due and unpaid under that Swap Agreement; and
 - (B) if such Class is divided into Sub-Classes, in respect of each such Sub-Class, up to the aggregate of the Class Monthly Distribution Amount and the Available Repayment Funds for that Sub-Class of Notes, *pari passu* and *pro rata*:
 - (1) in or towards payment of amounts due and unpaid in respect of that Sub-Class of Notes; and
 - (2) if the Issuer has entered into a Swap Agreement relating to that Sub-Class of Notes, in or towards payment of amounts (other than any Swap Excluded Payable Amount or Swap Excluded Termination Payment) due and unpaid under that Swap Agreement;
- (vi) *sixth*, in respect of the Class C Notes:
- (A) if such Class is not divided into Sub-Classes, up to the aggregate of the Class Monthly Distribution Amount and the Available Repayment Funds for that Class, *pari passu* and *pro rata*:
 - (1) in or towards payment of amounts due and unpaid in respect of that Class of Notes; and
 - (2) if the Issuer has entered into a Swap Agreement relating to that Class of Notes, in or towards payment of amounts (other than any Swap Excluded Payable Amount or Swap Excluded Termination Payment) due and unpaid under that Swap Agreement; and
 - (B) if such Class is divided into Sub-Classes, in respect of each such Sub-Class, up to the aggregate of the Class Monthly Distribution Amount and the Available Repayment Funds for that Sub-Class of Notes, *pari passu* and *pro rata*:
 - (1) in or towards payment of amounts due and unpaid in respect of that Sub-Class of Notes; and
 - (2) if the Issuer has entered into a Swap Agreement relating to that Sub-Class of Notes, in or towards payment of amounts (other than any Swap Excluded Payable Amount or Swap Excluded Termination Payment) due and unpaid under that Swap Agreement;

- (vii) *seventh*, in respect of the Class D Notes:
- (A) if such Class is not divided into Sub-Classes, up to the aggregate of the Class Monthly Distribution Amount and the Available Repayment Funds for that Class, *pari passu* and *pro rata*:
 - (1) in or towards payment of amounts due and unpaid in respect of that Class of Notes; and
 - (2) if the Issuer has entered into a Swap Agreement relating to that Class of Notes, in or towards payment of amounts (other than any Swap Excluded Payable Amount or Swap Excluded Termination Payment) due and unpaid under that Swap Agreement; and
 - (B) if such Class is divided into Sub-Classes, in respect of each such Sub-Class, up to the aggregate of the Class Monthly Distribution Amount and the Available Repayment Funds for that Sub-Class of Notes, *pari passu* and *pro rata*:
 - (1) in or towards payment of amounts due and unpaid in respect of that Sub-Class of Notes; and
 - (2) if the Issuer has entered into a Swap Agreement relating to that Sub-Class of Notes, in or towards payment of amounts (other than any Swap Excluded Payable Amount or Swap Excluded Termination Payment) due and unpaid under that Swap Agreement;
- (viii) *eighth*, in respect of the Class E Notes:
- (A) if such Class is not divided into Sub-Classes, up to the aggregate of the Class Monthly Distribution Amount and the Available Repayment Funds for that Class, *pari passu* and *pro rata*:
 - (1) in or towards payment of amounts due and unpaid in respect of that Class of Notes; and
 - (2) if the Issuer has entered into a Swap Agreement relating to that Class of Notes, in or towards payment of amounts (other than any Swap Excluded Payable Amount or Swap Excluded Termination Payment) due and unpaid under that Swap Agreement; and
 - (B) if such Class is divided into Sub-Classes, in respect of each such Sub-Class, up to the aggregate of the Class Monthly Distribution Amount and the Available Repayment Funds for that Sub-Class of Notes, *pari passu* and *pro rata*:
 - (1) in or towards payment of amounts due and unpaid in respect of that Sub-Class of Notes; and
 - (2) if the Issuer has entered into a Swap Agreement relating to that Sub-Class of Notes, in or towards payment of amounts (other than any Swap Excluded Payable Amount or Swap Excluded Termination Payment) due and unpaid under that Swap Agreement;

- (ix) *ninth*, in respect of the Class F Notes:
 - (A) if such Class is not divided into Sub-Classes, up to the aggregate of the Class Monthly Distribution Amount and the Available Repayment Funds for that Class, *pari passu* and *pro rata*:
 - (1) in or towards payment of amounts due and unpaid in respect of that Class of Notes; and
 - (2) if the Issuer has entered into a Swap Agreement relating to that Class of Notes, in or towards payment of amounts (other than any Swap Excluded Payable Amount or Swap Excluded Termination Payment) due and unpaid under that Swap Agreement; and
 - (B) if such Class is divided into Sub-Classes, in respect of each such Sub-Class, up to the aggregate of the Class Monthly Distribution Amount and the Available Repayment Funds for that Sub-Class of Notes, *pari passu* and *pro rata*:
 - (1) in or towards payment of amounts due and unpaid in respect of that Sub-Class of Notes; and
 - (2) if the Issuer has entered into a Swap Agreement relating to that Sub-Class of Notes, in or towards payment of amounts (other than any Swap Excluded Payable Amount or Swap Excluded Termination Payment) due and unpaid under that Swap Agreement;
- (x) *tenth*, in or towards payment of any sums due from (or required to be provided for by) the Issuer to meet its liabilities to any taxation authority (including in respect of corporation tax to HM Revenue & Customs) to the extent not capable of being paid from Issuer Profit Amounts;
- (xi) *eleventh*, in or towards payment of any other sums due to Noteholders or sums due to third parties under obligations incurred in the course of the Issuer's business or pursuant to the Dealer Agreement;
- (xii) *twelfth*, if the Issuer has entered into any Swap Agreement in respect of the Notes in Class A (or any Sub-Class thereof), in or towards payment to the relevant Swap Counterparty of any Swap Excluded Termination Payment (excluding any related Swap Excluded Payable Amount) in accordance with the terms of the relevant Swap Agreement;
- (xiii) *thirteenth*, if the Issuer has entered into any Swap Agreement in respect of the Notes in Class B (or any Sub-Class thereof), in or towards payment to the relevant Swap Counterparty of any Swap Excluded Termination Payment (excluding any related Swap Excluded Payable Amount) in accordance with the terms of the relevant Swap Agreement;
- (xiv) *fourteenth*, if the Issuer has entered into any Swap Agreement in respect of the Notes in Class C (or any Sub-Class thereof), in or towards payment to the relevant Swap Counterparty of any Swap Excluded Termination Payment (excluding any related Swap Excluded Payable Amount) in accordance with the terms of the relevant Swap Agreement;
- (xv) *fifteenth*, if the Issuer has entered into any Swap Agreement in respect of the Notes in Class D (or any Sub-Class thereof), in or towards payment to the relevant Swap Counterparty of any Swap Excluded Termination Payment (excluding any related Swap Excluded Payable Amount) in accordance with the terms of the relevant Swap Agreement;

- (xvi) *sixteenth*, if the Issuer has entered into any Swap Agreement in respect of the Notes in Class E (or any Sub-Class thereof), in or towards payment to the relevant Swap Counterparty of any Swap Excluded Termination Payment (excluding any related Swap Excluded Payable Amount) in accordance with the terms of the relevant Swap Agreement;
- (xvii) *seventeenth*, if the Issuer has entered into any Swap Agreement in respect of the Notes in Class F (or any Sub-Class thereof), in or towards payment to the relevant Swap Counterparty of any Swap Excluded Termination Payment (excluding any related Swap Excluded Payable Amount) in accordance with the terms of the relevant Swap Agreement; and
- (xviii) *eighteenth*, to the Loan Note Issuer as deferred subscription price for the Loan Notes in the Related Loan Note Series.

7. **Negative Covenants of the Issuer**

So long as any of the Notes remain outstanding, the Issuer shall not, save to the extent permitted by the Issuer Documents or with the prior written consent of the Note Trustee:

- (a) create or permit to subsist any mortgage, charge, pledge, lien or other security interest including, without limitation, anything analogous to any of the foregoing under the laws of any jurisdiction upon the whole or any part of its present or future undertaking, assets or revenues (including uncalled capital);
- (b) carry on any business other than as described in the Base Prospectus and/or the Final Terms or Drawdown Prospectus, as applicable, relating to the issue of the Notes and in respect of that business shall not engage in any activity or do anything whatsoever except:
 - (i) preserve and/or exercise and/or enforce any of its rights and perform and observe its obligations as applicable under the Notes, the Issuer Master Framework Agreement, the Loan Notes, the Paying Agency and Agent Bank Agreement, each Swap Agreement, the Issuer Account Bank Agreement, the Swap Collateral Account Bank Agreement, the Note Trust Deed, each Note Trust Deed Supplement, the Issuer Corporate Services Agreement, the Holdings Corporate Services Agreement (together, the "**Issuer Documents**"), the Dealer Agreement and any subscription agreement and any other agreement or document executed for the purpose of the Programme;
 - (ii) use, invest or dispose of any of its property or assets except in the manner provided in or contemplated by the Issuer Documents; or
 - (iii) perform any act incidental to or necessary in connection with paragraph (i) or (ii) above;
- (c) have or form, or cause to be formed, any subsidiaries or subsidiary undertakings or undertakings of any other nature or have any employees or premises or have an interest in a bank account other than the Issuer Distribution Accounts and the Swap Collateral Accounts;
- (d) create, incur or suffer to exist any indebtedness or give any guarantee or indemnity in respect of any obligation of any person (other than indebtedness or indemnities permitted to be incurred under the terms of its Articles of Association and pursuant to or as contemplated in any of the Issuer Documents or the Dealer Agreement);
- (e) repurchase any of its shares or declare or pay any dividend or other distribution to its shareholders other than a lawful dividend under English law of amounts not exceeding the Issuer Profit Amount from time to time received by it (after payment of any applicable taxes thereon);
- (f) waive, modify or amend, or consent to any waiver, modification or amendment of, any of the provisions of the Issuer Documents without (i) the prior written consent of the Note

Trustee, (ii) the approval of an Extraordinary Resolution of each affected Class or Sub-Class of Notes, if such waiver, modification or amendment constitutes a Basic Terms Modification or (iii) in the case of any waiver, modification or amendment relating to (A) any Rate of Interest; or (B) any Interest Period, without the prior written consent of the Transferor Beneficiary; or

- (g) offer to surrender to any company any amounts which are available for surrender by way of group relief.

8. **Interest**

- (a) **Specific Provisions: Floating Rate Sterling Notes (SONIA)**

This Note Condition 8(a) is applicable to a Class or Sub-Class of Notes if the Specified Currency for such Notes is Sterling, such Notes are "Floating Rate Notes" and the Interest Reference Rate for such Notes is "SONIA".

Compounded Daily SONIA

- (i) Where the Calculation Method in respect of the relevant Notes is specified in the applicable Final Terms or Drawdown Prospectus as being "Compounded Daily", the rate of interest for each Interest Period (the "**Rate of Interest**") for such Notes will be the Compounded Daily SONIA plus or minus (as indicated in the applicable Final Terms or Drawdown Prospectus) the Margin, as calculated by the Agent Bank, where:

"**Compounded Daily SONIA**" means, with respect to an Interest Period, the rate of return of a daily compound interest investment (with the daily Sterling Overnight Index Average as the reference rate for the calculation of interest) and will be calculated by the Agent Bank on the relevant Interest Determination Date, (i) if "Index Determination" is specified as being applicable in the applicable Final Terms or Drawdown Prospectus and the relevant screen rate or index is available at the relevant time on the relevant Interest Determination Date, by reference to the screen rate or index administered by the administrator of the Sterling Overnight Index Average reference rate that is published or displayed by such administrator or other information service at the relevant time on the relevant Interest Determination Date, as further specified in the applicable Final Terms or Drawdown Prospectus; or (ii) if "Index Determination" is specified as being not applicable in the applicable Final Terms or Drawdown Prospectus or "Index Determination" is specified as being applicable in the applicable Final Terms or Drawdown Prospectus but such screen rate or index is not available at the relevant time on the relevant Interest Determination Date as follows, and the resulting percentage will be rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards:

$$\left[\prod_{i=1}^{d_o} \left(1 + \frac{SONIA_i \times n_i}{D} \right) - 1 \right] \times \frac{D}{d}$$

where:

"**D**" is the number specified in the applicable Final Terms or Drawdown Prospectus.

"**d**" is the number of calendar days in:

- (A) where "Lag" or "Lock-out" is specified as the Observation Method in the applicable Final Terms or Drawdown Prospectus, the relevant Interest Period; or

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- (B) where "Shift" is specified as the Observation Method in the applicable Final Terms or Drawdown Prospectus, the relevant Observation Period.

"**d_o**" means:

- (A) where "Lag" or "Lock-out" is specified as the Observation Method in the applicable Final Terms or Drawdown Prospectus, the number of London Business Days in the relevant Interest Period; or
- (B) where "Shift" is specified as the Observation Method in the applicable Final Terms or Drawdown Prospectus, the number of London Business Days in the relevant Observation Period.

"**i**" is a series of whole numbers from one to **d_o**, each representing the relevant London Business Day in chronological order from, and including, the first London Business Day in:

- (A) where "Lag" or "Lock-out" is specified as the Observation Method in the applicable Final Terms or Drawdown Prospectus, the relevant Interest Period; or
- (B) where "Shift" is specified as the Observation Method in the applicable Final Terms or Drawdown Prospectus, the relevant Observation Period.

"**n_i**" means, for any London Business Day "i", the number of calendar days from and including such London Business Day "i" up to but excluding the following London Business Day.

"**p**" means:

- (A) where "Lag" is specified as the Observation Method in the applicable Final Terms or Drawdown Prospectus, for any Interest Period, the number of London Business Days included in the Observation Look-Back Period specified in the applicable Final Terms or Drawdown Prospectus (or, if no such number is specified, five London Business Days);
- (B) where "Lock-out" is specified as the Observation Method in the applicable Final Terms or Drawdown Prospectus, for any Interest Period, zero; or
- (C) where "Shift" is specified as the Observation Method in the applicable Final Terms or Drawdown Prospectus, for any Observation Period, the number of London Business Days included in the Observation Shift Period specified in the applicable Final Terms or Drawdown Prospectus (or, if no such number is specified five London Business Days).

"**SONIA_i**" means:

- (A) where "Lag" is specified in the applicable Final Terms or Drawdown Prospectus as the Observation Method, (save as specified in the applicable Final Terms or Drawdown Prospectus) in respect of any London Business Day "i" falling in the relevant Interest Period, the SONIA Reference Rate for the London Business Day falling "p" London Business Days prior to such day;
- (B) where "Lock-out" is specified in the applicable Final Terms or Drawdown Prospectus as the Observation Method, (save as specified in the applicable Final Terms or Drawdown Prospectus) in respect of any Business Day "i" falling in the relevant Interest Period, the SONIA Reference Rate for the Business Day falling "p" Business Days prior to such day or, in respect of each London Business Day "i" falling on or

after the "Lock-out Date" specified in the applicable Final Terms or Drawdown Prospectus (or, where no "Lock-out Date" is specified, five London Business Days prior to each relevant Interest Payment Date) until the end of such Interest Period, the SONIA Reference Rate for the Business Day falling "p" Business Days prior to such "Lock-out Date"; or

- (C) where "Shift" is specified in the applicable Final Terms or Drawdown Prospectus as the Observation Method, (save as specified in the applicable Final Terms or Drawdown Prospectus) in respect of any London Business Day "i" falling in the relevant Observation Period, the SONIA Reference Rate for such day.

Weighted Average SONIA

- (ii) Where the Calculation Method in respect of the relevant Notes is specified in the applicable Final Terms or Drawdown Prospectus as being "Weighted Average", the rate of interest for each Interest Period (the "**Rate of Interest**") for such Notes will be the Weighted Average SONIA plus or minus (as indicated in the applicable Final Terms or Drawdown Prospectus) the Margin, as calculated by the Agent Bank, where:

"**Weighted Average SONIA**" means, in relation to any Interest Period, the arithmetic mean of SONIA_i in effect during such Interest Period and will be calculated by the Agent Bank on the relevant Interest Determination Date as follows, and the resulting percentage will be rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards:

$$\left[\frac{\sum_{i=1}^{d_0} \text{SONIA}_i \times n_i}{d} \right] \times \frac{D}{d}$$

where:

"**D**", "**d**", "**d₀**", "**i**", "**n_i**", "**p**" and "**SONIA_i**" have the meanings set out under the section entitled "*Compounded Daily SONIA*" above.

- (iii) In the event that the Rate of Interest for any Class or Sub-Class of Notes cannot be determined in accordance with the foregoing provisions, the Rate of Interest shall be (i) that determined as at the last preceding Interest Determination Date or (ii) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to such Notes for the first Interest Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Period but ending on (and excluding) the relevant Closing Date (but applying the Margin applicable to the first Interest Period).
- (iv) The Agent Bank will, as soon as practicable after the Interest Determination Date in relation to each Interest Period, calculate the Interest Amount payable in respect of the relevant Notes for such Interest Period. The Interest Amount in respect of the Notes will be calculated by applying the relevant Rate of Interest for such Interest Period to the Principal Amount Outstanding of the Notes at the commencement of the relevant Interest Period and multiplying the product by the relevant Day Count Fraction and rounding the resulting figure to the nearest £0.01 (half of a penny being rounded upwards).
- (v) For the purposes of this Note Condition 8(a), the following definitions will apply:
- "**London Business Day**" or "**LBD**" means any day other than a Saturday, a Sunday or a day on which banking institutions in London, England are authorised or obliged by law or executive order to be closed.

"Observation Period" means, in respect of an Interest Period, the period from, and including, the date falling "p" London Business Days prior to the first day of the relevant Interest Period and ending on, but excluding, the date which is "p" London Business Days prior to the Interest Payment Date for such Interest Period (or the date falling "p" London Business Days prior to such earlier date, if any, on which the Notes become due and payable).

"Relevant Screen Page" means the Reuters Screen SONIA Page or such other page as may replace Reuters Screen SONIA on that service for the purpose of displaying such information or, if that service ceases to display such information, such page as displays such information on such service as may replace such screen.

"SONIA Reference Rate" means, in respect of any London Business Day, a reference rate equal to the daily Sterling Overnight Index Average ("**SONIA**") rate for such London Business Day as provided by the administrator of SONIA to authorised distributors and as then published on the Relevant Screen Page or, if the Relevant Screen Page is unavailable, as otherwise published by such authorised distributors (on the London Business Day immediately following such London Business Day), **provided that:**

- (i) if, in respect of any London Business Day, SONIA is not available on the Relevant Screen Page or has not otherwise been published by the relevant authorised distributors, the SONIA Reference Rate shall be:
 - (A) (x) the Bank of England's Bank Rate (the "**Bank Rate**") prevailing at close of business on the relevant London Business Day, plus (y) the mean of the spread of the SONIA rate to the Bank Rate over the previous five London Business Days on which the SONIA rate has been published, excluding the highest spread (or, if there is more than one highest spread, one only of those highest spreads) and lowest spread (or, if there is more than one lowest spread, one only of those lowest spreads) to the Bank Rate; or
 - (B) if such Bank Rate is not available, the SONIA rate published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors) for the first preceding London Business Day on which the SONIA rate was published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors),

and, notwithstanding paragraphs (A) and (B) above, if the Bank of England publishes guidance as to: (x) how SONIA is to be determined, or (y) any rate that is to replace SONIA, the Agent Bank shall, subject to receiving written instructions from the Issuer (or the Cash Manager on behalf of the Issuer) and to the extent that it is reasonably practicable, follow such guidance in order to determine the SONIA Reference Rate, for so long as the SONIA rate is not available on the Relevant Screen Page and has not otherwise been published by the authorised distributors; and

- (ii) if there has been a public announcement of the permanent or indefinite discontinuation of SONIA or the relevant reference rate that applies to any Notes in place of SONIA at that time (the date of such public announcement being the "**Relevant Time**"), the Issuer (acting on the advice of the Cash Manager) shall, without undue delay, use commercially reasonable endeavours to propose a Replacement Reference Rate in accordance with Note Condition 17(d) (*Additional Right of Modification in Relation to Reference Rate Cessation*) (the "**Relevant Condition**"). For the avoidance of doubt, if a Replacement

Reference Rate proposed by or on behalf of the Issuer (including any Replacement Reference Rate which was proposed prior to the Relevant Time in accordance with the Relevant Condition) has failed to be implemented in accordance with the Relevant Condition as a result of Noteholder objections to the modification, the Issuer shall not be obliged to propose a Replacement Reference Rate under this Note Condition 8(a).

(b) **Specific Provisions: Floating Rate U.S. Dollar Notes (SOFR)**

This Note Condition 8(b) is applicable to a Class or Sub-Class of Notes if the Specified Currency for such Notes is U.S. Dollars, such Notes are "Floating Rate Notes" and the Interest Reference Rate for such notes is "SOFR".

Compounded Daily SOFR

- (i) Where the Calculation Method in respect of the relevant Notes is specified in the applicable Final Terms or Drawdown Prospectus as being "Compounded Daily", the rate of interest for each Interest Period (the "**Rate of Interest**") for such Notes will be the Compounded Daily SOFR plus or minus (as indicated in the applicable Final Terms or Drawdown Prospectus) the Margin, as calculated by the Agent Bank, where:

"**Compounded Daily SOFR**" means, with respect to an Interest Period, the rate of return of a daily compound interest investment (with the daily Secured Overnight Financing Rate as the reference rate for the calculation of interest) and will be calculated by the Agent Bank on the relevant Interest Determination Date, (i) if "Index Determination" is specified as being applicable in the applicable Final Terms or Drawdown Prospectus and the relevant screen rate or index is available at the relevant time on the relevant Interest Determination Date, by reference to the screen rate or index administered by the administrator of the Secured Overnight Funding Rate that is published or displayed by such administrator or other information service at the relevant time on the relevant Interest Determination Date, as further specified in the applicable Final Terms or Drawdown Prospectus; or (ii) if "Index Determination" is specified as being not applicable in the applicable Final Terms or Drawdown Prospectus or "Index Determination" is specified as being applicable in the applicable Final Terms or Drawdown Prospectus but such screen rate or index is not available at the relevant time on the relevant Interest Determination Date, as follows, and the resulting percentage will be rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards:

$$\left[\prod_{i=1}^{d_o} \left(1 + \frac{SOFR_i \times n_i}{D} \right) - 1 \right] \times \frac{D}{d}$$

where:

"**D**" is the number specified in the applicable Final Terms or Drawdown Prospectus.

"**d**" is the number of calendar days in:

- (A) where "Lag" or "Lock-out" is specified as the Observation Method in the applicable Final Terms or Drawdown Prospectus, the relevant Interest Period; or
- (B) where "Shift" is specified as the Observation Method in the applicable Final Terms or Drawdown Prospectus, the relevant Observation Period.

"**d_o**" means:

- (A) where "Lag" or "Lock-out" is specified as the Observation Method in the applicable Final Terms or Drawdown Prospectus, the number of New York Business Days in the relevant Interest Period; or
- (B) where "Shift" is specified as the Observation Method in the applicable Final Terms or Drawdown Prospectus, the number of New York Business Days in the relevant Observation Period.

"**i**" is a series of whole numbers from one to **d_o**, each representing the relevant New York Business Day in chronological order from, and including, the first New York Business Day in:

- (A) where "Lag" or "Lock-out" is specified as the Observation Method in the applicable Final Terms or Drawdown Prospectus, the relevant Interest Period; or
- (B) where "Shift" is specified as the Observation Method in the applicable Final Terms or Drawdown Prospectus, the relevant Observation Period.

"**n_i**" means, for any New York Business Day "**i**", the number of calendar days from and including such New York Business Day "**i**" up to but excluding the following New York Business Day.

"**p**" means:

- (A) where "Lag" is specified as the Observation Method in the applicable Final Terms or Drawdown Prospectus, for any Interest Period, the number of New York Business Days included in the Observation Look-Back Period specified in the applicable Final Terms or Drawdown Prospectus (or, if no such number is specified, five New York Business Days);
- (B) where "Lock-out" is specified as the Observation Method in the applicable Final Terms or Drawdown Prospectus, for any Interest Period, zero; or
- (C) where "Shift" is specified as the Observation Method in the applicable Final Terms or Drawdown Prospectus, for any Observation Period, the number of New York Business Days included in the Observation Shift Period specified in the applicable Final Terms or Drawdown Prospectus (or, if no such number is specified five New York Business Days).

"**SOFR_i**" means:

- (A) where "Lag" is specified in the applicable Final Terms or Drawdown Prospectus as the Observation Method, (save as specified in the applicable Final Terms or Drawdown Prospectus) in respect of any New York Business Day "**i**" falling in the relevant Interest Period, the SOFR Reference Rate for the New York Business Day falling "**p**" New York Business Days prior to such day;
- (B) where "Lock-out" is specified in the applicable Final Terms or Drawdown Prospectus as the Observation Method, (save as specified in the applicable Final Terms or Drawdown Prospectus) in respect of any Business Day "**i**" falling in the relevant Interest Period, the SOFR Reference Rate for the Business Day falling "**p**" Business Days prior to such day or, in respect of each New York Business Day "**i**" falling on or after the "Lock-out Date" specified in the applicable Final Terms or Drawdown Prospectus (or, where no "Lock-out Date" is specified, five New York Business Days prior to the relevant Interest Payment Date)

until the end of such Interest Period, the SOFR Reference Rate for the Business Day falling "p" Business Days prior to such "Lock-out Date"; or

- (C) where "Shift" is specified in the applicable Final Terms or Drawdown Prospectus as the Observation Method, (save as specified in the applicable Final Terms or Drawdown Prospectus) in respect of any New York Business Day "i" falling in the relevant Observation Period, the SOFR Reference Rate for such day.

Weighted Average SOFR

- (ii) Where the Calculation Method in respect of the relevant Notes is specified in the applicable Final Terms or Drawdown Prospectus as being "Weighted Average", the rate of interest for each Interest Period (the "**Rate of Interest**") will be the Weighted Average SOFR plus or minus (as indicated in the applicable Final Terms or Drawdown Prospectus) the Margin, as calculated by the Agent Bank, where:

"**Weighted Average SOFR**" means, in relation to any Interest Period, the arithmetic mean of SOFR_i in effect during such Interest Period and will be calculated by the Agent Bank on the relevant Interest Determination Date as follows, and the resulting percentage will be rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards:

$$\left[\frac{\sum_{i=1}^{d_0} \text{SOFR}_i \times n_i}{d} \right] \times \frac{D}{d}$$

where:

"D", "d", "d₀", "i", "n_i", "I", "p" and "SOFR_i" have the meanings set out under the section entitled "Compounded Daily SOFR" above.

- (iii) In the event that the Rate of Interest for any Class or Sub-Class of Notes cannot be determined in accordance with the foregoing provisions, the Rate of Interest shall be (i) that determined as at the last preceding Interest Determination Date or (ii) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to such Notes for the first Interest Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Period but ending on (and excluding) the relevant Closing Date (but applying the Margin applicable to the first Interest Period).
- (iv) The Agent Bank will, as soon as practicable after the Interest Determination Date in relation to each Interest Period, calculate the Interest Amount payable in respect of the relevant Notes for such Interest Period. The Interest Amount in respect of the Notes will be calculated by applying the relevant Rate of Interest for such Interest Period to the Principal Amount Outstanding of the Notes at the commencement of the relevant Interest Period and multiplying the product by the relevant Day Count Fraction and rounding the resulting figure to the nearest USD 0.01 (half of a cent being rounded upwards).
- (v) For the purposes of this Note Condition 8(b), the following definitions will apply:
- "**New York Business Day**" or "**NYBD**" means any day except for a Saturday, Sunday or a day on which SIFMA recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in U.S. government securities or, if paragraph (i)(A) of the definition of "SOFR Reference Rate" applies, any day on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in New York City, **provided that** each reference to "New York Business Day" in

the definitions of "d₀" and "n_i", and the first and last references to "New York Business Day" in the definition of "SOFR_i", shall be deemed to include the first day and the last day of the relevant Interest Period, even if (in either case) it is not a New York Business Day.

"New York Fed's Website" means the website of the Federal Reserve Bank of New York currently at <http://www.newyorkfed.org>, or any successor website of the Federal Reserve Bank of New York.

"Observation Period" means, in respect of an Interest Period, the period from and including the date falling "p" New York Business Days prior to the first day of the relevant Interest Period and ending on, but excluding, the date which is "p" New York Business Days prior to the Interest Payment Date for such Interest Period (or the date falling "p" New York Business Days prior to such earlier date, if any, on which the Notes become due and payable).

"SOFR Reference Rate" means, in respect of any New York Business Day, a reference rate equal to the daily Secured Overnight Funding Rate ("**SOFR**") for such New York Business Day as provided by the Federal Reserve Bank of New York, as the administrator of such rate (or any successor administrator of such rate) on the New York Fed's Website, in each case on or about 5:00p.m. (New York City Time) on the New York Business Day immediately following such New York Business Day, **provided that:**

- (i) if, in respect of any New York Business Day, the SOFR rate is not available on the New York Fed's Website or has not otherwise been published by the relevant authorised distributors, the SOFR Reference Rate shall be:
 - (A) (x) the Overnight Bank Funding Rate published on the New York Fed's Website for any date of determination; or (y) if the Overnight Bank Funding Rate ceases, the short-term interest rate target set by the Federal Open Market Committee and published on the Federal Reserve's Website or, if the Federal Open Market Committee has not set a single rate, the mid-point of the short-term interest rate target range set by the Federal Open Market Committee and published on the Federal Reserve's Website (calculated as the arithmetic average of the upper bound of the target range and the lower bound of the target range); or
 - (B) if none of the rates referred to in paragraph (A) above are available, the SOFR rate for the first preceding New York Business Day on which the SOFR was published on the New York Fed's Website,

and, notwithstanding paragraphs (A) and (B) above, if the Federal Reserve Board and/or the Federal Reserve Bank of New York or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York for the purposes of recommending a replacement for SOFR publishes guidance as to: (x) how SOFR is to be determined; or (ii) any rate that is to replace SOFR, the Agent Bank shall, subject to receiving written instructions from the Issuer (or the Cash Manager on behalf of the Issuer) and to the extent that it is reasonably practicable, follow such guidance in order to determine the SOFR Reference Rate, for so long as the SOFR rate is not available on the New York Fed's Website and has not otherwise been published by the authorised distributors; and

- (ii) if there has been a public announcement of the permanent or indefinite discontinuation of SOFR or the relevant reference rate that applies to any Notes in place of SOFR at that time (the date of such public

announcement being the "**Relevant Time**"), the Issuer (acting on the advice of the Cash Manager) shall, without undue delay, use commercially reasonable endeavours to propose a Replacement Reference Rate in accordance with Note Condition 17(d) (*Additional Right of Modification in Relation to Reference Rate Cessation*) (the "**Relevant Condition**"). For the avoidance of doubt, if a Replacement Reference Rate proposed by or on behalf of the Issuer (including any Replacement Reference Rate which was proposed prior to the Relevant Time in accordance with the Relevant Condition) has failed to be implemented in accordance with the Relevant Condition as a result of Noteholder objections to the modification, the Issuer shall not be obliged to propose a Replacement Reference Rate under this Note Condition 8(b).

(c) **Specific Provision: Floating Rate Euro Notes (EURIBOR)**

This Note Condition 8(c) is applicable to a Class or Sub-Class of Notes if the Specified Currency for such Notes is Euro, such Notes are "Floating Rate Notes" and the Interest Reference Rate for such Notes is "EURIBOR".

The rate of interest (the "**Rate of Interest**") for such Notes for each Interest Period will be determined by the Agent Bank as EURIBOR for the relevant Interest Period, plus or minus (as indicated in the applicable Final Terms or Drawdown Prospectus) the Margin, as calculated by the Agent Bank, where:

"**EURIBOR**" shall be determined on the following basis:

- (i) at 11.00 a.m. (Brussels time) on the second TARGET Settlement Day before the Closing Date in respect of the first Interest Period and thereafter at 11.00 a.m. (Brussels time) on the second TARGET Settlement Day before the first day of the Interest Period for which the rate will apply, the Agent Bank will determine the offered quotation to prime banks in the Eurozone interbank market, in respect of the first Interest Period, on the basis of a linear interpolation of the rates for Euro deposits for such periods as are specified in the applicable Final Terms or Drawdown Prospectus and, for each Interest Period thereafter, for Euro deposits for the relevant Interest Period, by reference to (aa) the display page designated EURIBOR01 on the Reuters Service (or such other page as may replace that page on that service) or (bb) if that service ceases to display such information, such page as displays such information on such service (or, if more than one, that one previously instructed by the Issuer (or the Cash Manager on its behalf)) (the "**Screen Rate**");
- (ii) if, on any Interest Determination Date, the Screen Rate is unavailable, the Issuer (or an agent appointed by it) will:
 - (1) request the principal Eurozone office of each of four major banks in the Eurozone interbank market to provide the Agent Bank with a quotation of the rate at which deposits in Euro are offered by it at approximately 11.00 a.m. (Brussels time) on the Interest Determination Date to prime banks in the Eurozone interbank market for a period equal to the relevant Interest Period and in an amount that is representative for a single transaction in that market at that time; and
 - (2) determine the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of such quotations; and
- (iii) if fewer than two such quotations are provided as requested, the Agent Bank will determine the arithmetic mean (rounded, if necessary, as aforesaid) of the rates quoted by major banks in the Eurozone interbank market, selected and obtained by the Issuer (or an agent appointed by it), at approximately 11.00 a.m. (Brussels

time) on the Interest Determination Date for loans in Euro to leading European banks for a period equal to the relevant Interest Period and in an amount that is representative for a single transaction in that market at that time, **provided that**:

- (A) if the Agent Bank is unable to determine EURIBOR in accordance with the above provisions in relation to any Interest Period, the Rate of Interest applicable to the Notes during such Interest Period will be EURIBOR as last determined in relation to such Notes in respect of a preceding Interest Period plus or minus (as indicated in the applicable Final Terms or Drawdown Prospectus) the Margin, as calculated by the Agent Bank; and
 - (B) if there has been a public announcement of the permanent or indefinite discontinuation of the Screen Rate or the relevant reference rate that applies to any Notes in place of EURIBOR (the date of such public announcement being the "**Relevant Time**"), the Issuer (acting on the advice of the Cash Manager) shall, without undue delay, use commercially reasonable endeavours to propose a Replacement Reference Rate in accordance with Note Condition 17(d) (*Additional Right of Modification in Relation to Reference Rate Cessation*) (the "**Relevant Condition**"). For the avoidance of doubt, if a Replacement Reference Rate proposed by or on behalf of the Issuer (including any Replacement Reference Rate which was proposed prior to the Relevant Time in accordance with the Relevant Condition) has failed to be implemented in accordance with the Relevant Condition as a result of Noteholder objections to the modification, the Issuer shall not be obliged to propose a Replacement Reference Rate under this Note Condition 8(c).
- (iv) The Agent Bank will, as soon as practicable after the Interest Determination Date in relation to each Interest Period, calculate the Interest Amount payable in respect of the Notes for such Interest Period. The Interest Amount in respect of the Notes will be calculated by applying the relevant Rate of Interest for such Interest Period to the Principal Amount Outstanding of the Notes at the commencement of the relevant Interest Period and multiplying the product by the relevant Day Count Fraction and rounding the resulting figure to the nearest Euro 0.01 (half of a cent being rounded upwards).
- (d) **Specific Provision:** [RESERVED]
- (e) **Specific Provision:** *Floating Rate U.S. Dollar Notes (Term SOFR)*

This Note Condition 8(e) is applicable to a Class or Sub-Class of Notes if the Specified Currency for such Notes is U.S. Dollars, such Notes are "Floating Rate Notes" and the Interest Reference Rate for such Notes is "Term SOFR".

The rate of interest applicable to the Notes (the "**Rate of Interest**") for each Interest Period will be determined by the Agent Bank as Term SOFR for the relevant Interest Period, plus or minus (as indicated in the applicable Final Terms or Drawdown Prospectus) the Margin, as calculated by the Agent Bank, **provided that** if there has been a public announcement of the permanent or indefinite discontinuation of Term SOFR or the relevant reference rate that applies to any Notes in place of Term SOFR at that time (the date of such public announcement being the "**Relevant Time**"), the Issuer (acting on the advice of the Cash Manager) shall, without undue delay, use commercially reasonable endeavours to propose a Replacement Reference Rate in accordance with Note Condition 17(d) (*Additional Right of Modification in Relation to Reference Rate Cessation*) (the "**Relevant Condition**"). For the avoidance of doubt, if a Replacement Reference Rate proposed by or on behalf of the Issuer (including any Replacement Reference Rate which was proposed prior to the Relevant Time in accordance with the Relevant Condition) has failed to be implemented in accordance with the Relevant Condition as a result of Noteholder objections to the modification, the Issuer shall not be obliged to propose a Replacement Reference Rate under this Note Condition 8(e) where:

"Term SOFR" means, on the first Interest Determination Date, the linear interpolation of the floating rate determined by the Agent Bank by reference to the Dollar Screen Rate for such periods as are specified in the applicable Final Terms or Drawdown Prospectus and, on any other Interest Determination Date, the floating rate determined by the Agent Bank by reference to the Dollar Screen Rate on such date or, if on such date the Dollar Screen Rate is unavailable, the Reserve Dollar Reference Rate.

"Dollar Screen Rate" means the term SOFR reference rate administered and published by CME Group Benchmark Administration Limited (or any other person which takes over the administration of that rate) for the relevant period.

"Reserve Dollar Reference Rate" means, on any Interest Determination Date, if the Agent Bank cannot determine Term SOFR on the basis of the Dollar Screen Rate:

- (i) Compounded Daily SOFR calculated, on the date falling five New York Business Days prior to the relevant Interest Payment Date (which date shall be deemed to be the Interest Determination Date), in accordance with Note Condition 8(b)(i) and with the following specifications (unless otherwise set out in the Final Terms or Drawdown Prospectus), "D" shall be specified as being 360, "Observation Method" shall be specified as being "Lag" and "Observation Look-back Period" shall be specified as being "5 New York Business Days". For the avoidance of doubt, in the event that SOFR (as defined in the definition of SOFR Reference Rate) is unavailable, the provisions set out in the definition of SOFR Reference Rate shall apply as if set out in full; and
- (ii) if none of the rates referred to in paragraph (A) above are available, Term SOFR in effect for the most recent date prior to such date of determination for which Term SOFR can, as at such date, be determined.

The Agent Bank will, as soon as practicable after the Interest Determination Date in relation to each Interest Period, calculate the Interest Amount payable in respect of the Notes for such Interest Period. The Interest Amount in respect of the Notes will be calculated by applying the relevant Rate of Interest for such Interest Period to the Principal Amount Outstanding of the Notes at the commencement of the relevant Interest Period and multiplying the product by the relevant Day Count Fraction and rounding the resulting figure to the nearest \$0.01 (half of a cent being rounded upwards).

(f) ***Specific Provision: Fixed Rate Sterling Notes (Option 1)***

This Note Condition 8(f) is applicable to a Class or Sub-Class of Notes if the Specified Currency for such Notes is Sterling and such Notes are "Fixed Rate Notes (Option 1)".

The rate of interest (the "**Rate of Interest**") for such Notes for each Interest Period during the period from, and including, the Closing Date to, but excluding, the Floating Rate Commencement Date (the "**Initial Period**") shall be the Fixed Rate. Interest in respect of the Notes during the Initial Period is payable in arrear in Sterling on each Interest Payment Date and the final Interest Payment Date during the Initial Period shall be the Floating Rate Commencement Date.

The Interest Amount in respect of the Notes for any Interest Period during the Initial Period shall be calculated by applying the Fixed Rate to the Principal Amount Outstanding of the Notes at the commencement of the relevant Interest Period, multiplying the resulting product by the relevant Day Count Fraction, and rounding the resultant figure to the nearest £0.01 (half of a penny being rounded upwards).

The rate of interest (the "**Rate of Interest**") for such Notes for each Interest Period commencing on or after the Floating Rate Commencement Date shall be:

- (A) where, the Interest Reference Rate for such Notes is "SONIA" and the Calculation Method in respect of the Notes is specified in the applicable Final Terms or Drawdown Prospectus as being "Compounded Daily", Compounded Daily SONIA plus or minus (as indicated in the applicable Drawdown Prospectus or

Final Terms) the Margin, as calculated by the Agent Bank in accordance with Note Condition 8(a)(i) (*Compounded Daily SONIA*); or

- (B) where, the Interest Reference Rate for such Notes is "SONIA" and the Calculation Method in respect of the Notes is specified in the applicable Final Terms or Drawdown Prospectus as being "Weighted Average", Weighted Average SONIA plus or minus (as indicated in the applicable Final Terms or Drawdown Prospectus) the Margin, as calculated by the Agent Bank in accordance with Note Condition 8(a)(ii) (*Weighted Average SONIA*).

(g) ***Specific Provision: Fixed Rate U.S. Dollar Notes (Option 1)***

This Note Condition 8(g) is applicable to a Class or Sub-Class of Notes if the Specified Currency for such Notes is U.S. Dollars and such Notes are "Fixed Rate Notes (Option 1)".

The rate of interest (the "**Rate of Interest**") for such Notes for each Interest Period during the period from, and including, the Closing Date to, but excluding, the Floating Rate Commencement Date (the "**Initial Period**") shall be the Fixed Rate. Interest in respect of the Notes during the Initial Period is payable in arrear in U.S. Dollars on each Interest Payment Date and the final Interest Payment Date during the Initial Period shall be the Floating Rate Commencement Date.

The Interest Amount in respect of the Notes for any Interest Period during the Initial Period shall be calculated by applying the Fixed Rate to the Principal Amount Outstanding of the Notes at the commencement of the relevant Interest Period, multiplying the resulting product by the relevant Day Count Fraction, and rounding the resultant figure to the nearest U.S. Dollar 0.01 (half of a cent being rounded upwards).

The rate of interest (the "**Rate of Interest**") for such Notes for each Interest Period commencing on or after the Floating Rate Commencement Date shall be:

- (A) where, the Interest Reference Rate for such Notes is "SOFR" and the Calculation Method in respect of the Notes is specified in the applicable Final Terms or Drawdown Prospectus as being "Compounded Daily", Compounded Daily SOFR plus or minus (as indicated in the applicable Drawdown Prospectus or Final Terms) the Margin, as calculated by the Agent Bank in accordance with Note Condition 8(b)(i) (*Compounded Daily SOFR*);
- (B) where, the Interest Reference Rate for such Notes is "SOFR" and the Calculation Method in respect of the Notes is specified in the applicable Final Terms or Drawdown Prospectus as being "Weighted Average", Weighted Average SOFR plus or minus (as indicated in the applicable Final Terms or Drawdown Prospectus) the Margin, as calculated by the Agent Bank in accordance with Note Condition 8(b)(ii) (*Weighted Average SOFR*); or
- (C) where the Interest Reference Rate is specified in the applicable Final Terms or Drawdown Prospectus as being "Term SOFR", Term SOFR plus or minus (as indicated in the applicable Drawdown Prospectus or Final Terms) the Margin, as calculated by the Agent Bank in accordance with Note Condition 8(e) (*Specific Provision: Floating Rate U.S. Dollar Notes (Term SOFR)*).

(h) ***Specific Provision: Fixed Rate Euro Notes (Option 1)***

This Note Condition 8(h) is applicable to a Class or Sub-Class of Notes if the Specified Currency for such Notes is Euro and such Notes are "Fixed Rate Notes (Option 1)".

The rate of interest (the "**Rate of Interest**") for such Notes for each Interest Period during the period from, and including, the Closing Date to, but excluding, the Floating Rate Commencement Date (the "**Initial Period**") shall be the Fixed Rate. Interest in respect of the Notes during the Initial Period is payable in arrear in Euro on each Interest Payment

Date and the final Interest Payment Date during the Initial Period shall be the Floating Rate Commencement Date.

The Interest Amount in respect of the Notes for any Interest Period during the Initial Period shall be calculated by applying the Fixed Rate to the Principal Amount Outstanding of the Notes at the commencement of the relevant Interest Period, multiplying the resulting product by the relevant Day Count Fraction, and rounding the resultant figure to the nearest Euro 0.01 (half of a cent being rounded upwards).

The rate of interest (the "**Rate of Interest**") for such Notes for each Interest Period commencing on or after the Floating Rate Commencement Date shall be EURIBOR plus or minus (as indicated in the applicable Drawdown Prospectus or Final Terms) the Margin, as calculated by the Agent Bank in accordance with Note Condition 8(c) (*Specific Provision: Floating Rate Euro Notes (EURIBOR)*).

(i) *Specific Provision: Fixed Rate Sterling Notes (Option 2)*

This Note Condition 8(i) is applicable to a Class or Sub-Class of Notes if the Specified Currency for such Notes is Sterling and such Notes are "Fixed Rate Notes (Option 2)".

The rate of interest (the "**Rate of Interest**") for such Notes for each Interest Period shall be the Fixed Rate. Interest in respect of the Notes is payable in arrear in Sterling on each Interest Payment Date.

The Interest Amount in respect of the Notes for any Interest Period shall be calculated by applying the Fixed Rate to the Principal Amount Outstanding of the Notes at the commencement of the relevant Interest Period, multiplying the resulting product by the relevant Day Count Fraction, and rounding the resultant figure to the nearest £0.01 (half of a penny being rounded upwards).

(j) *Specific Provision: Fixed Rate U.S. Dollar Notes (Option 2)*

This Note Condition 8(j) is applicable to a Class or Sub-Class of Notes if the Specified Currency for such Notes is U.S. Dollars and such Notes are "Fixed Rate Notes (Option 2)".

The rate of interest (the "**Rate of Interest**") for such Notes for each Interest Period shall be the Fixed Rate. Interest in respect of the Notes is payable in arrear in U.S. Dollars on each Interest Payment Date.

The Interest Amount in respect of the Notes for any Interest Period shall be calculated by applying the Fixed Rate to the Principal Amount Outstanding of the Notes at the commencement of the relevant Interest Period, multiplying the resulting product by the relevant Day Count Fraction, and rounding the resultant figure to the nearest U.S. Dollar 0.01 (half of a cent being rounded upwards).

(k) *Specific Provision: Fixed Rate Euro Notes (Option 2)*

This Note Condition 8(k) is applicable to a Class or Sub-Class of Notes if the Specified Currency for such Notes is Euro and such Notes are "Fixed Rate Notes (Option 2)".

The rate of interest (the "**Rate of Interest**") for such Notes for each Interest Period shall be the Fixed Rate. Interest in respect of the Notes is payable in arrear in Euro on each Interest Payment Date.

The Interest Amount in respect of the Notes for any Interest Period shall be calculated by applying the Fixed Rate to the Principal Amount Outstanding of the Notes at the commencement of the relevant Interest Period, multiplying the resulting product by the relevant Day Count Fraction, and rounding the resultant figure to the nearest Euro 0.01 (half of a cent being rounded upwards).

(l) **General Provision: Deferred Interest and Additional Interest**

To the extent that the monies which are deposited by the Loan Note Issuer in the Issuer Distribution Accounts to the credit of the relevant Series Distribution Ledger for any Class or Sub-Class of Notes on or immediately prior to an Interest Payment Date in accordance with the provisions of the relevant Loan Note Supplement are insufficient to pay the full amount of interest on such Class or Sub-Class of Notes on such Interest Payment Date, payment of the interest shortfall ("**Deferred Interest**"), which will be borne by each Note of that Class or Sub-Class in a proportion equal to the proportion that the Principal Amount Outstanding of the Note of the relevant Class or Sub-Class bears to the aggregate Principal Amount Outstanding of the Notes of the relevant Class or Sub-Class (as determined on the Interest Payment Date on which such Deferred Interest arises), will not then fall due but will instead be deferred until the earlier of (i) the Interest Payment Date occurring thereafter on which funds are available to the Issuer (by being deposited in the Issuer Distribution Accounts to the credit of the relevant Series Distribution Ledger for the relevant Class or Sub-Class of Notes by the Loan Note Issuer on or immediately prior to such Interest Payment Date in accordance with the relevant Loan Note Supplement) to pay such Deferred Interest and (ii) the Series Final Redemption Date for such Note Series. Such Deferred Interest will accrue interest ("**Additional Interest**") at one percentage point per annum above the then current Rate of Interest and payment of any Additional Interest will also be capable of being deferred until the earlier of (a) the next Interest Payment Date thereafter on which funds are available to the Issuer (by being deposited in the Issuer Distribution Accounts to the credit of the relevant Series Distribution Ledger for the relevant Class or Sub-Class of Notes by the Loan Note Issuer on or immediately prior to such Interest Payment Date in accordance with the relevant Loan Note Supplement) to pay such Additional Interest and (b) the Series Final Redemption Date for such Note Series.

(m) **General Provision: Interest to cease to accrue**

Interest will cease to accrue on any part of the Principal Amount Outstanding of a Note from the due date for redemption unless payment of principal is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Note Condition 8 (after as well as before judgment) until whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is seven days after the Principal Paying Agent or the Note Trustee has notified the relevant Noteholders in accordance with Note Condition 20 (*Notices*) that it has received all sums due in respect of the relevant Class or Sub-Class of Notes up to such seventh day (except to the extent that there is any subsequent default in payment).

(n) **General Provision: Calculation of Interest Amount**

On each Interest Determination Date, the Agent Bank shall determine the actual amount of interest, the amount of Deferred Interest (if any) and the amount of Additional Interest (if any) which will, in each case, be paid in respect of each Class or Sub-Class of the Notes on the related Interest Payment Date. The amount of Additional Interest payable in respect of each Class or Sub-Class of Notes shall be calculated by applying the then current Rate of Interest for such Notes to the Deferred Interest, and any Additional Interest from prior Interest Periods which remains unpaid, in respect of such Class or Sub-Class of Notes and multiplying such sum by the relevant Day Count Fraction.

In the event that, on any Interest Payment Date, the amount of monies which are deposited in the Issuer Distribution Accounts for any Class or Sub-Class of the Notes by the Loan Note Issuer on or immediately prior to such day in accordance with the provisions of the relevant Loan Note Supplement is insufficient to pay in full the Interest Amount, any Deferred Interest and any Additional Interest due on such Interest Payment Date in respect of such Class or Sub-Class of the Notes, such monies will be applied first to the payment of the Interest Amount, secondly to the payment of any Deferred Interest and thereafter to the payment of any Additional Interest in respect of the relevant Class or Sub-Class.

(o) **General Provision: Reset**

In respect of any Specified Class of Notes for which "Class Reset" is specified as being applicable in the relevant Final Terms or Drawdown Prospectus, following any Interest Payment Date upon which a Class Reset takes place in respect of the relevant Specified Class, the Rate of Interest in respect of such Notes shall be:

- (A) subject to paragraph (B) below, such fixed or floating rate of interest as is specified in the relevant Class Reset Notice (which may provide for an increase in such rate in the event that the Class Scheduled Redemption Date is postponed as a result of the delivery of a Class Extension Notice); or
- (B) if one or more Noteholders delivered a Class Put Notice in respect of such Class Reset and any Put Class Notes are still outstanding and have not ceased to be Put Class Notes, the higher of (x) such rate of interest as is specified in the Class Reset Notice, and (y) either:
 - (1) subject to paragraph (2) below, the rate of interest that was applicable to the relevant Specified Class of Notes immediately prior to the relevant Class Reset; or
 - (2) if the date (the "**relevant date**") on which the relevant Class Scheduled Redemption Date was (prior to that Class Reset) to fall has occurred and the relevant Class Scheduled Put Date has been postponed as a result of the delivery of a Class Put Deferral Notice, the rate of interest that would have been applicable to such Notes immediately after the relevant date (in the absence of the relevant Class Reset) had a Class Extension Notice in respect of that Specified Class of Notes been served.

(p) **General Provision: Publication**

The Agent Bank will cause each Interest Amount, amount of Deferred Interest (if any) and amount of Additional Interest (if any) determined by it, together with the relevant Interest Payment Date, to be notified to the Issuer, the Paying Agents, the Note Trustee and, for so long as the Notes are admitted to trading on the Main Market of the London Stock Exchange (the "**London Stock Exchange**"), an approved Regulatory Information Service of the London Stock Exchange as soon as practicable after such determination but in any event not later than the seventh day thereafter or such earlier day as the London Stock Exchange may require and will cause the same to be published in accordance with Note Condition 20 (*Notices*) as soon as possible thereafter.

(q) **General Provision: Recalculations and Notifications etc.**

- (i) The Agent Bank will be entitled to recalculate any Interest Amount, amount of Additional Interest and amount of Deferred Interest (on the basis of the foregoing provisions) without notice in the event of an extension or shortening of the relevant Interest Period.
- (ii) All notifications, opinions, determinations, certificates, calculations and decisions given, expressed, made or obtained for the purposes of these Note Conditions, by the Agent Bank will be binding on the Issuer, the Paying Agents, the Note Trustee, the Agent Bank and the Noteholders and (subject to as otherwise provided in these Note Conditions or the Issuer Documents) no liability to any such person will attach to the Agent Bank or the Note Trustee in connection with the exercise or non-exercise by them of their powers, duties and discretions for such purposes.

(r) **General Provision: Floor**

The Rate of Interest applicable to any Notes shall, for each Interest Period, be at least zero per cent.

9. **Redemption and Purchase**(a) **Scheduled Redemption and Mandatory, Early Redemption**

Unless the Rapid Amortisation Period has earlier commenced, and, save to the extent that any Notes have earlier been repurchased and cancelled pursuant to Note Conditions 9(f) (*Required Repurchase of Certain Note Classes*), 9(g) (*Optional Repurchase of Retained Notes*) or 9(h) (*Optional Repurchase of Callable Notes*):

- (i) the Notes of each Specified Class will be redeemed in full on (i) the Interest Payment Date specified in the relevant Final Terms or Drawdown Prospectus or (ii) such other later Interest Payment Date falling on or before the then current Series Scheduled Redemption Date (as defined below) as may be specified by the Issuer (or the Cash Manager on its behalf) in a Class Reset Notice delivered in respect of such Specified Class that has not been revoked, or, if a Class Extension Notice is delivered in respect of such Specified Class pursuant to (and as defined in) the related Supplement, any later Interest Payment Date falling within the relevant Class Extension Period and no later than the Series Scheduled Redemption Date as specified in such Class Extension Notice (the relevant Interest Payment Date being, in respect of the relevant Specified Class of Notes, the "**Specified Class Scheduled Redemption Date**"); and
- (ii) the Notes of each other Class or Sub-Class will be redeemed in full on the Interest Payment Date specified in the relevant Final Terms or Drawdown Prospectus or, if a Series Extension Notice is delivered pursuant to (and as defined in) the related Supplement, any later Interest Payment Date falling within the relevant Series Extension Period, as specified in such Series Extension Notice (the relevant Interest Payment Date being the "**Series Scheduled Redemption Date**"), **provided that** the Series Extension Notice may provide that the Class Scheduled Redemption Date in respect of certain Classes or Sub-Classes of Notes may be extended by different lengths of time (or not at all), **provided further that**, in respect of each Class or Sub-Class of Notes (a "**Relevant Class**"), (i) following the service of the Series Extension Notice, the Class Scheduled Redemption Date and, if applicable, any Class Scheduled Put Date, in each case, for each Class or Sub-Class in that Note Series which both (a) ranks junior to such Relevant Class and (b) if such Relevant Class is specified in the relevant Final Terms or Drawdown Prospectus as belonging to a Maturity Stack, is in the same Maturity Stack as such Relevant Class, is no earlier than the new Class Scheduled Redemption Date for the Relevant Class and (ii) any Relevant Class that, following the delivery of a Series Extension Notice, has a Class Scheduled Redemption Date falling prior to the extended Series Scheduled Redemption Date shall, from the date of such Series Extension Notice, if not already a Specified Class, without any further formality become a Specified Class,

as follows and to the following extent:

- (a) if, on the relevant Specified Class Scheduled Redemption Date (in the case of any Specified Class of Notes) or the Series Scheduled Redemption Date (in the case of each other Class or Sub-Class of Notes) (the relevant date being, in respect of each Class or Sub-Class of Notes, the "**Class Scheduled Redemption Date**"), the Loan Note Issuer deposits in the Issuer Distribution Accounts (in respect of the Loan Note corresponding to the relevant Class or Sub-Class of Notes), in accordance with the provisions of the related Loan Note Supplement, an amount equal (including after application pursuant to any relevant Swap Agreement) to the Principal Amount Outstanding of the Notes of the relevant Class or Sub-Class on the relevant Class Scheduled Redemption Date, then the Notes of the relevant Class or Sub-Class will be redeemed in full; or

- (b) if, on the Class Scheduled Redemption Date, the Loan Note Issuer deposits in the Issuer Distribution Accounts (in respect of the Loan Note corresponding to the relevant Class or Sub-Class of Notes), in accordance with the provisions of the related Loan Note Supplement, an amount which is (including after application pursuant to any relevant Swap Agreement) less than the Principal Amount Outstanding of the Notes of the relevant Class or Sub-Class on the relevant Class Scheduled Redemption Date, then the Notes of the relevant Class or Sub-Class will be redeemed *pro rata* in part to the extent of the amount which is so deposited by the Loan Note Issuer in the Issuer Distribution Accounts on the relevant Class Scheduled Redemption Date and:
- (A) if the relevant Class Scheduled Redemption Date is a Specified Class Scheduled Redemption Date (and such Specified Class Scheduled Redemption Date has not been reset or extended so as to fall on the Series Scheduled Redemption Date), a Specified Class Rapid Amortisation Period for the relevant Class or Sub-Class will commence; or
 - (B) if the relevant Class Scheduled Redemption Date is the Series Scheduled Redemption Date (or is a Specified Class Scheduled Redemption Date and such Specified Class Scheduled Redemption Date has been reset or extended so as to fall on the Series Scheduled Redemption Date), the Rapid Amortisation Period will commence with effect from the Class Scheduled Redemption Date.

If a Specified Class Rapid Amortisation Period in respect of a Class or Sub-Class of Notes commences as a result of the circumstances referred to in paragraph (b)(A) above, then, on each Interest Payment Date which occurs during such Specified Class Rapid Amortisation Period, the Notes of that Class or Sub-Class will be redeemed in whole or, as the case may be, *pro rata* in part to the extent of the amount which is deposited in the Issuer Distribution Accounts (in respect of the relevant Class or Sub-Class) by the Loan Note Issuer on such day in accordance with the provisions of the relevant Loan Note Supplement until the earlier of such time as such Notes have been redeemed in full or the Series Scheduled Redemption Date.

If the Rapid Amortisation Period commences as a result of the circumstances referred to in paragraph (b)(B) above, then, on each Interest Payment Date which thereafter occurs during the Rapid Amortisation Period, the Notes will be redeemed in whole or, as the case may be, *pro rata* in part to the extent of the amount which is deposited in the Issuer Distribution Accounts (in respect of the relevant Class or Sub-Class) by the Loan Note Issuer on such day (including, if applicable, in respect of a Class or Sub-Class of Notes with a corresponding Swap Agreement, after application of payments pursuant to that Swap Agreement) in accordance with the provisions of the related Loan Note Supplement until the earlier of such time as each Class or Sub-Class of Notes has been redeemed in full or the Series Final Redemption Date.

If a Partial Amortisation Date occurs under (and as defined in) the relevant Supplement, then each Class or Sub-Class of Notes will be redeemed in whole or in part on the immediately following Interest Payment Date in an amount equal to such amount of the Partial Amortisation Amount (as defined in the relevant Supplement) as is allocated to such Class or Sub-Class, being the principal amount repaid on the related Loan Note and deposited in the Issuer Distribution Accounts on such date.

If a Series Optional Amortisation Date occurs under (and as defined in) the relevant Supplement, then each Class or Sub-Class of Notes will be redeemed in whole or in part

on the immediately following Interest Payment Date in an amount equal to such amount of the Series Optional Amortisation Amount (as defined in the relevant Supplement) as is allocated to such Class or Sub-Class, being the principal amount repaid on the related Loan Note and deposited in the Issuer Distribution Accounts on such date.

(b) ***Final Redemption***

If the Notes have not previously been redeemed in full pursuant to this Note Condition 9 (including any case where any interest (including Deferred Interest and Additional Interest) thereon has not earlier been paid), the Notes will be finally redeemed at their then Principal Amount Outstanding together with accrued interest (including Deferred Interest and Additional Interest) thereon on the Series Final Redemption Date.

(c) ***Other Redemption***

The Issuer shall not be entitled to redeem the Notes otherwise than as provided in this Note Condition 9.

(d) ***Cancellation***

All Notes redeemed pursuant to the foregoing provisions shall be cancelled forthwith and may not be reissued or resold. For the avoidance of doubt, this Note Condition 9(d) shall not apply to any Notes repurchased pursuant to Note Condition 9(f) (*Required Repurchase of Certain Note Classes*), 9(g) (*Optional Repurchase of Retained Notes*) or 9(h) (*Optional Repurchase of Callable Notes*).

(e) ***Purchase***

The Issuer may not, at any time, purchase Notes in the open market or otherwise, save for pursuant to Note Conditions 9(f) (*Required Repurchase of Certain Note Classes*), 9(g) (*Optional Repurchase of Retained Notes*) or 9(h) (*Optional Repurchase of Callable Notes*).

(f) ***Required Repurchase of Certain Note Classes***

(i) If:

- (A) any Noteholder has delivered a Class Put Notice (that has not been revoked) to the Issuer in relation to a Class Reset Notice (that has not been revoked) in respect of any Class or Sub-Class of Notes in accordance with the provisions of the Note Trust Deed and the relevant Note Trust Deed Supplement on or before the relevant Class Put Notification Date; or
- (B) a third-party purchaser has failed to acquire the Put Class Notes of the relevant Class or Sub-Class from the Issuer on the Class Scheduled Put Date in accordance with paragraph (ii) below (or within five Business Days thereafter),

then the Issuer shall, on the relevant Class Scheduled Put Date (in the case of paragraph (A) above) and each subsequent Interest Payment Date (in the case of paragraph (A) or paragraph (B) above), in either case, unless, prior to such date, the relevant Class Scheduled Redemption Date occurs or the Rapid Amortisation Period commences (in which case the Put Class Notes will be redeemed in the same manner as the other outstanding Notes in the same Class or Sub-Class, as applicable), to the extent of any relevant Class Put Available Funds, repurchase the Put Class Notes of the relevant Class or Sub-Class at their then Principal Amount Outstanding together with accrued but unpaid interest thereon. If, on any such date, the relevant Class Put Available Funds are not sufficient to repurchase all of the Put Class Notes of the relevant Class or Sub-Class, the Issuer shall repurchase as many whole Put Class Notes of the relevant Class or Sub-Class (in denominations of not less than the minimum Specified Denomination) as possible

with the relevant Class Put Available Funds (such repurchases to be conducted, insofar as is practicable, on a *pro rata* and *pari passu* basis between the Noteholders holding Put Class Notes of the relevant Class or Sub-Class). Any payments to be made by the Issuer to the Noteholders holding Put Class Notes of any Class or Sub-Class pursuant to this Note Condition 9(f) shall be made as advised to the Issuer and the Principal Paying Agent by the Cash Manager. To the extent that, on any Interest Payment Date following the repurchase of Put Class Notes of the relevant Class or Sub-Class in accordance with this paragraph (i), there are remaining relevant Class Put Available Funds of an amount insufficient to purchase further Put Class Notes of the relevant Class or Sub-Class in the minimum denomination herein described, such remaining Class Put Available Funds shall be retained by the Issuer and applied towards the repurchase of Put Class Notes of the relevant Class or Sub-Class on the following Interest Payment Date. For the avoidance of doubt, a Class Put Notice from any Noteholders holding Put Class Notes shall only be legally binding if delivered in the form, and in accordance with the process, specified in the relevant Class Reset Notice. Any Put Class Notes acquired by the Issuer pursuant to this Note Condition 9(f)(i) shall be cancelled.

- (ii) If, on or before the Class Put Funding Notification Date in respect of a Class or Sub-Class of Notes, the Cash Manager delivers a notice to the Issuer and the Note Trustee (a "**Class Put Funding Notice**") stating that a third party (including, but not limited to, a member of the NewDay Group or another Noteholder) has committed to purchase the Put Class Notes of the relevant Class or Sub-Class from the Issuer and place the Issuer in funds sufficient for the Issuer to repurchase the Put Class Notes of the relevant Class or Sub-Class on or before the relevant Class Scheduled Put Date, then there shall (subject to the following provisions of this paragraph (ii)) be no Specified Class Rapid Amortisation Period in respect of those Put Class Notes and the Issuer shall, on receipt of the funds from the third party (and upon, if applicable, conversion of those funds into the Specified Currency of the Put Class Notes pursuant to a swap, forward or spot currency transaction), apply such funds in repurchasing the relevant Put Class Notes on the relevant Class Scheduled Put Date and shall either (A) transfer the Put Class Notes to or to the order of such third party or (B) appoint an agent to assist with the transfer of such Put Class Notes to or to the order of such third party on or about such Class Scheduled Put Date. Any arrangement pursuant to which such funds are to be provided shall limit the recourse of the relevant third party in respect of those funds to the funds themselves, the relevant Put Class Notes, the proceeds thereof and any related rights. Such third party's funds shall not be applied by the Issuer for any purpose other than acquiring the relevant Put Class Notes (converting the relevant funds into the Specified Currency of the Put Class Notes pursuant to a swap, forward or spot currency transaction (if applicable)) or (in the event such Notes are, for any reason, not repurchased by the Issuer) repaying the relevant third party. Any proceeds of the transfer of the Put Class Notes shall be applied solely in the manner contemplated by the arrangements with the third party. Where a third-party purchaser fails to put the Issuer in funds to repurchase the Put Class Notes of the relevant Class or Sub-Class on the Class Scheduled Put Date (or within five Business Days thereafter) in accordance with this paragraph (ii), the Class Put Funding Notice delivered by the Cash Manager shall be deemed to be revoked and invalidated and Note Condition 9(f)(i) shall be deemed to apply to such Put Class Notes. Any Put Class Notes acquired by the Issuer pursuant to this Note Condition 9(f)(ii) shall be retained and not cancelled but shall be transferred by the Issuer (or its appointed agent) to or to the order of the third party provider of such funds on or about the relevant Class Scheduled Put Date.

"Class Put Available Funds" means, in respect of any Class or Sub-Class of Notes, amounts representing principal repayments received in respect of the related Loan Note.

(g) ***Optional Repurchase of Retained Notes***

- (i) On or after a Refinancing Date, the Issuer (acting on the instructions of the Transferor) may repurchase some or all of the Retained Notes of any Class or Sub-Class then outstanding at their then Principal Amount Outstanding together with accrued but unpaid interest on such Business Day as may be specified by the Issuer in writing to the Note Trustee (a "**Retained Call Date**"), provided that, on or prior to the Retained Call Date, the Issuer shall have confirmed in writing to the Note Trustee that: (i) it will have the funds, not subject to any interest of any other person, required to repurchase the relevant Retained Notes on the Retained Call Date (including, without limitation, as a result of the redemption of the corresponding Class or Sub-Class of the Related Loan Note Series), and (ii) a Refinancing Date has occurred or will occur on or before the Retained Call Date.
- (ii) Any payments to be made by the Issuer to the Retained Noteholders pursuant to this Note Condition 9(g) shall be made as advised to the Issuer and the Principal Paying Agent by the Cash Manager.
- (iii) The Issuer shall notify the Noteholders of the occurrence of any Retained Call Date, and the details of any Retained Notes repurchased by it on such Retained Call Date, in accordance with Note Condition 20 (*Notices*), on, or as soon as reasonably practicable after, the relevant Retained Call Date.
- (iv) Any Retained Notes acquired by the Issuer pursuant to this Note Condition 9(g) shall be cancelled.

"**Refinancing Date**" means the date on which an amount equal to the related Series Investor Interest has been credited to the relevant Series Principal Funding Ledger of the Receivables Trustee Investment Account.

"**Retained Noteholder**" means any Noteholder which is a member of the NewDay Group or a nominee of a member of the NewDay Group.

"**Retained Notes**" means any Notes that are held by a Retained Noteholder.

(h) ***Optional Repurchase of Callable Notes***

This Note Condition 9(h) shall apply to a Note Series if "Optional Repurchase" is specified as being applicable in the relevant Final Terms or Drawdown Prospectus.

After the end of the specified Non-Call Period (if any), the Issuer (acting on the instructions of the Transferor) may repurchase all of the Notes then outstanding in the relevant Note Series (the "**Callable Notes**") at their then Principal Amount Outstanding together with accrued but unpaid interest on an Interest Payment Date prior to the Series Scheduled Redemption Date, as may be specified by the Issuer in writing to the Note Trustee and to the Noteholders in accordance with Note Condition 20 (*Notices*) on not less than five Business Days' notice (a "**Note Series Call Date**"), **provided that**, on or prior to the Note Series Call Date, the Issuer shall have confirmed in writing to the Note Trustee that: (i) it will have the funds, not subject to any interest of any other person, required to repurchase all of the Callable Notes on the Note Series Call Date (including, without limitation, as a result of the redemption of the corresponding Related Loan Note Series); and (ii) a Refinancing Date has occurred or will occur on or before the Note Series Call Date.

Any payments to be made by the Issuer to the holders of the Callable Notes pursuant to this Note Condition 9(i) shall be made as advised to the Issuer and the Principal Paying Agent by the Cash Manager.

Any Callable Notes acquired by the Issuer pursuant to this Note Condition 9(h) shall be cancelled.

"**Non-Call Period**" means the period specified as the "Non-Call Period" in the relevant Final Terms or Drawdown Prospectus, as applicable.

"**Refinancing Date**" means the date on which an amount equal to the related Series Investor Interest has been credited to the relevant Series Principal Funding Ledger of the Receivables Trustee Investment Account.

(i) **General**

- (i) With respect to any Interest Payment Date (including the Series Scheduled Redemption Date and any Specified Class Scheduled Redemption Date) on which the Loan Note Issuer deposits into the Issuer Distribution Accounts monies which are available to be applied in or towards redemption of any Class or Sub-Class of the Notes (in whole or in part) as referred to in this Note Condition 9, the amount so deposited shall be "**Available Repayment Funds**" for the relevant Class or Sub-Class for such Interest Payment Date. On each Interest Payment Date, the Issuer (or the Cash Manager on its behalf) shall determine the amount of each "**Principal Payment**" payable on the Notes of each Class or Sub-Class, which will (including, if applicable, in respect of a Class or Sub-Class of Notes with a corresponding Swap Agreement, after application pursuant to that Swap Agreement) be allocated *pro rata* to the Notes in that Class or Sub-Class in accordance with the relevant Principal Amounts Outstanding from the Available Repayment Funds available for redemption of the relevant Class or Sub-Class of Notes, and the Issuer (or the Cash Manager on its behalf) shall determine the Principal Amount Outstanding of each Class or Sub-Class of Notes on each Interest Payment Date (after deducting any Principal Payment due to be made in respect of that Class or Sub-Class of Notes on that Interest Payment Date).
- (ii) The Issuer (or the Cash Manager on its behalf) will cause each Principal Payment and Principal Amount Outstanding to be notified to the Issuer (if applicable), the Paying Agents and the Note Trustee and will cause such notice to be published in accordance with Note Condition 20 (*Notices*) as soon as possible thereafter.
- (iii) All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Note Condition 9 by the Issuer (or the Cash Manager on its behalf) will be binding on the Issuer, the Paying Agents, the Note Trustee and the Noteholders and (subject as aforesaid) no liability to any such person will attach to the Principal Paying Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions for such purposes.

10. **Limited Recourse**

- (a) If, at any time following:
 - (i) the occurrence of either:
 - (A) the Series Final Redemption Date or any earlier date upon which all of the Notes are due and payable; or
 - (B) the service of an Enforcement Notice in respect of Notes; and
 - (ii) realisation of the property of the Issuer subject to the security created by or pursuant to the Note Trust Deed and/or the relevant Note Trust Deed Supplement in respect of the Notes (the "**Secured Property**") and application in full of any amounts available to pay amounts due and payable under the Notes in accordance with Note Condition 6(b) (*Priority of Payments*),

the proceeds of such Realisation are insufficient, after payment of all other claims ranking in priority in accordance with Note Condition 6(b) (*Priority of Payments*), to pay in full all amounts then due and payable under any Class or Sub-Class of the Notes, then the amount remaining to be paid (after such application in full of the amounts first referred to

in paragraph (ii) above) under such Class or Sub-Class of the Notes shall, immediately following such application in full of the amounts referred to in paragraph (ii) above, cease to be due and payable by the Issuer.

- (b) For the purposes of this Note Condition 10:

"Realisation" means, in relation to any Secured Property, the deriving, to the fullest extent practicable, (in accordance with the provisions of the Transaction Documents) of proceeds from or in respect of such Secured Property including (without limitation) through sale or through performance by an Obligor.

"Transaction Documents" means, with respect to any Series, the Transaction Documents (as defined in the Master Framework Agreement) constituting or otherwise governing that Series in whole or in part.

11. **Payments**

- (a) ***Principal and Interest***

Payments of principal and interest on any Note will be made to the persons in whose names the Notes are registered in the Register at the opening of business in the place of the Registrar's Specified Office on the fifteenth day before the due date for such payment. Such date is called the **"Record Date"**. Payments will be made by wire transfer of immediately available funds, if the registered holder of the Note has provided wiring instructions no less than five Business Days prior to the Record Date, or otherwise by cheque mailed to the address of the registered holder of the Note as it appears in the Register at the opening of business on the Record Date. In the case of final redemption of a Note, and **provided that** payment is to be made in full, payment will only be made against surrender of the relevant Note Certificate to the Registrar. The U.S. Paying Agent will make payments in the United States on any Notes denominated in U.S. Dollars, where necessary.

- (b) ***Payments Subject to Fiscal Laws***

All payments in respect of the Notes are subject in all cases to any applicable fiscal or other laws and regulations, but without prejudice to the provisions of Note Condition 12 (*Taxation*).

- (c) ***Payments on Business Days***

Where payment is to be made by transfer to a sterling account, payment instructions (for value the due date, or, if the due date is not a Business Day, for value the next succeeding Business Day) will be initiated. A holder of a Note shall not be entitled to any interest or other payment in respect of any delay in payment resulting from (A) the due date for a payment not being a Business Day or (B) a cheque mailed in accordance with this Note Condition 11 arriving after the due date for payment or being lost in the mail.

- (d) ***Partial Payments***

If a Paying Agent makes a partial payment in respect of any Note presented to it for payment, such Paying Agent will notify the Registrar and the Registrar will endorse on the Register a statement indicating the amount and date of such payment.

- (e) ***Non-Sterling Payments***

Where any Note Condition indicates a payment is or is to be made to a Noteholder after conversion of funds into to the relevant currency by way of any Swap Agreement or, if no such agreement is in effect at such time, spot rate foreign exchange transactions, such payment shall, if applicable, be made after such conversion, to the extent necessary.

12. **Taxation**

All payments of principal and interest in respect of the Notes shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatsoever nature imposed, levied, collected, withheld or assessed by any jurisdiction or political subdivision or any authority in or of any jurisdiction having power to tax, unless such withholding or deduction is required by the law of any relevant jurisdiction. In that event, the Issuer, the Note Trustee or the Paying Agents shall make such payment after such withholding or deduction has been made and shall account to the relevant authorities for the amount so required to be withheld or deducted.

Notwithstanding any other provision in these Note Conditions, the Issuer, the Note Trustee and the Paying Agents shall be permitted to withhold or deduct any amounts required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986, as amended (the "**Code**") or otherwise imposed pursuant to Sections 1471 through 1474 of the Code (or any amended or successor provisions), any regulations or agreements thereunder, official interpretations thereof, or any law implementing an intergovernmental approach thereto ("**FATCA withholding**").

None of the Issuer, the Note Trustee or the Paying Agents will be required to make any additional payments to holders of the Notes in respect of any withholding or deduction applicable to any payment of principal or interest. None of the Issuer, the Note Trustee or the Paying Agents shall have any obligation to pay additional amounts or otherwise indemnify a holder for any FATCA withholding deducted or withheld by the Issuer, the Note Trustee, a Paying Agent or any other party as a result of any person not being entitled to receive payments free of FATCA withholding.

13. **Events of Default**

If any of the following events (each an "**Event of Default**") occurs and is continuing:

- (a) **Non-payment:** the Issuer fails to pay any amount of principal in respect of the Notes within 7 days of the due date for payment thereof or fails to pay any amount of interest in respect of the Notes within 15 days of the due date for payment thereof;
- (b) **Breach of other obligations:** the Issuer defaults in the performance or observance of any of its other obligations in respect of the relevant Note Series under or in respect of the Issuer Documents (other than, in any such case, any obligation for the payment of any principal or interest on the Notes) and such default is materially prejudicial to the interests of the Noteholders and (except where such default is incapable of remedy) such default remains unremedied for 30 days after such notice;
- (c) **Security enforced:** a secured party or encumbrancer takes possession of, or a receiver, administrative receiver, administrator, examiner, manager or other similar officer is legally and validly appointed over, the whole or any part of the business, assets and revenues of the Issuer or execution is levied against any of the assets of the Issuer which is not frivolous or vexatious and, in each case, is not discharged within five Business Days **provided that** the taking of any action by the Note Trustee against the Issuer or any of its assets in respect of any other Note Series, or the appointment of any receiver or other officer in respect of any assets of the Issuer which are subject to security in respect of any other Note Series, shall not constitute an Event of Default;
- (d) **Insolvency Event:** an Insolvency Event occurs in relation to the Issuer;
- (e) **Obligations legal, valid and binding:** any action, condition or thing at any time required to be taken, fulfilled or done in order:
 - (i) to enable the Issuer lawfully to enter into, exercise its rights and perform and comply with its obligations under and in respect of the Notes or its other obligations in respect of the relevant Note Series under or in respect of the Issuer Documents;

- (ii) to ensure that those obligations are legal, valid, binding and enforceable, except as that enforceability may be limited by applicable bankruptcy, insolvency, moratorium, reorganisation or other similar laws affecting the enforcement of the rights of creditors generally and general principles of equity,

is not taken, fulfilled or done and the failure to do so is materially prejudicial to the interests of the Noteholders;

- (f) **Unlawfulness:** it is or becomes unlawful for the Issuer to comply with any of its obligations under or in respect of the Notes or any of its other obligations in respect of the relevant Note Series under or in respect the Issuer Documents; or
- (g) **Government intervention:** (i) all or substantially all of the business, assets and revenues of the Issuer is seized or otherwise appropriated by any person acting under the authority of any national, regional or local government, or (ii) the Issuer is prevented by any person acting under the authority of any national, regional or local government from exercising normal control over all or substantially all of its business, assets and revenues,

then the Note Trustee may at its sole discretion and, if so required by holders of at least one-quarter of the aggregate Principal Amount Outstanding of the Most Senior Note Class or if so directed by an Extraordinary Resolution (as defined in the Note Trust Deed) of the Most Senior Note Class, shall (subject in each case to being indemnified and/or secured and/or prefunded to its satisfaction) be bound to give written notice (an "**Enforcement Notice**") to the Issuer declaring all of the Notes to be immediately due and payable, whereupon they shall become immediately due and payable at their Principal Amount Outstanding together with accrued interest without further action or formality. Notice of any such declaration shall promptly be given to the Noteholders by the Issuer.

"**Insolvency Event**" means, in respect of a company, the occurrence of any one of the following events:

- (a) the company consents to the appointment of, or takes any corporate action to appoint, a receiver, administrator, administrative receiver, liquidator, trustee in bankruptcy or similar officer of it or over all or substantially all of its revenues and assets;
- (b) proceedings are started against the company under any applicable liquidation, insolvency, composition or reorganisation or similar laws for its winding up, dissolution, administration or reorganisation (other than a solvent reorganisation) and the proceedings are not frivolous or vexatious or discharged within 60 days, or a receiver, administrator, administrative receiver, liquidator, trustee in bankruptcy or similar officer of it or relating to all or substantially all of its revenues and assets is legally and validly appointed and is not discharged within 30 days; or
- (c) a duly authorised officer of the company admits in writing that it is unable to pay its debts when they fall due within the meaning of Section 123(1) of the Insolvency Act 1986 or the company makes a general assignment or trust for the benefit of or a composition with its creditors or voluntarily suspends payment of its obligations.

14. **Prescription**

Claims for principal shall become void unless claimed within ten years of the appropriate Relevant Date (as defined below). Claims for interest shall become void unless claimed within five years of the appropriate Relevant Date.

In these Note Conditions, "**Relevant Date**" means whichever is the later of (a) the date on which the payment in question first becomes due and (b) if the full amount payable has not been received in London by the Principal Paying Agent or the Note Trustee on or prior to such due date, the date on which (the full amount having been so received) notice to that effect has been given to the Noteholders in accordance with Note Condition 20 (*Notices*).

15. **Replacement of Note Certificates**

If any Note Certificate is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the Specified Office of the Principal Paying Agent, subject to all applicable laws and stock exchange requirements, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence, security, indemnity and otherwise as the Issuer may reasonably require. Mutilated or defaced Note Certificates must be surrendered before replacements will be issued.

16. **Note Trustee and Agents**

The Note Trustee is entitled to be indemnified and relieved from responsibility in certain circumstances and to be paid its costs and expenses in priority to the claims of the Noteholders.

In the exercise of its powers and discretions under these Note Conditions and the Note Trust Deed, the Note Trustee will have regard to the interests of the Noteholders as a class and will not be responsible for any consequence (in particular any tax consequence) for individual holders of Notes as a result of such holders being connected in any way with a particular territory or taxing jurisdiction.

In acting under the Paying Agency and Agent Bank Agreement, and in connection with the Notes, the Paying Agents act solely as agents of the Issuer and (to the extent provided therein) the Note Trustee and do not assume any obligations towards or relationship of agency or trust for or with any of the Noteholders.

The Note Trustee is relieved of liability for making searches or other enquiries in relation to the assets comprising the security. The Note Trustee has no responsibility in relation to the legality and the enforceability of the trust arrangements and the connected security. The Note Trustee will not be obliged to take any action which might result in its incurring liabilities other than in its capacity as Note Trustee. The Note Trustee is not obliged to monitor or investigate the performance of any other person under the documents relating to the Loan Note Issuer or the documents relating to the Receivables Trust and shall be entitled to assume, that all such persons are properly performing their duties and that no Pay Out Event has occurred, unless it receives express notice to the contrary.

The Note Trustee is not responsible for any deficiency which may arise because it is liable to tax in respect of the proceeds of security.

The Note Trustee is not responsible for checking the calculations contained in or otherwise verifying any information coming into its possession in relation to the Receivables Trust.

The Note Trustee and its related companies are entitled to enter into business transactions with the Issuer, the Loan Note Issuer, the Receivables Trustee, NCL, NPT and/or related companies of any of them without accounting for any profit resulting therefrom.

The Note Trustee may retire at any time upon giving not less than three months' notice in writing to the Issuer without giving any reason and without being responsible for any liabilities incurred by reason of such retirement. The holders of the Most Senior Note Class may, at any time, resolve by way of Extraordinary Resolution to direct the Issuer to remove the Note Trustee and such Extraordinary Resolution shall contain a direction to the Issuer as to which person to appoint as successor Note Trustee. Upon receiving such Extraordinary Resolution, the Issuer shall be vested with the power to appoint such successor Note Trustee and shall promptly make such appointment as detailed in clause 20.7 (*Successor Note Trustee*) of the Note Trust Deed by written instrument, in duplicate, one copy of which instrument shall be delivered to the Note Trustee being removed and one copy to the successor Note Trustee. The retirement or removal of the outgoing Note Trustee shall not be capable of being effective unless and until such appointment of a new Note Trustee has also become effective.

The initial Paying Agents and Agent Bank and their initial Specified Offices are listed in the Base Prospectus. The Issuer reserves the right at any time to vary or terminate the appointment of any Paying Agent or the Agent Bank and to appoint successor or additional paying agents or a successor agent bank, **provided that** the Issuer shall at all times maintain (a) a Principal Paying Agent outside

the United States of America, and (b) a Paying Agent in London, if and for so long as any of the Notes are admitted to the Official List and to trading on the London Stock Exchange and the rules of the London Stock Exchange so require. Notice of any change in the Paying Agents or the Agent Bank, or in the Specified Office of any Paying Agent or the Agent Bank, shall promptly be given to the Noteholders in accordance with Note Condition 20 (*Notices*).

17. **Meetings of Noteholders, Modification and Waiver, Substitution and Additional Rights of Modification**

(a) ***Meetings of Noteholders***

The Note Trust Deed contains provisions for convening meetings of the holders of each Class or Sub-Class of the Notes to consider matters relating to the Notes, including the modification of any provision of these Note Conditions or the Note Trust Deed, the relevant Note Trust Deed Supplement or the other Issuer Documents.

The Note Trust Deed provides that:

- (i) an Extraordinary Resolution which, in the opinion of the Note Trustee, affects the Noteholders of only one Class or Sub-Class shall be transacted at a separate meeting of the Noteholders of that Class or Sub-Class;
- (ii) an Extraordinary Resolution which does not relate to a Basic Terms Modification and which, in the opinion of the Note Trustee affects the Noteholders of more than one Class or Sub-Class but does not give rise to an actual or potential conflict of interest between the Noteholders of one Class or Sub-Class and the Noteholders of another Class or Sub-Class may be transacted either at separate meetings of the Noteholders of each such Class or Sub-Class or at a single meeting of the Noteholders of all such Classes or Sub-Classes; and
- (iii) an Extraordinary Resolution which relates to a Basic Terms Modification or which, in the opinion of the Note Trustee affects the Noteholders of more than one Class or Sub-Class and gives rise to any actual or potential conflict of interest between the Noteholders of one Class or Sub-Class and the Noteholders of any other Class or Sub-Class shall be transacted at separate meetings of the Noteholders of each such Class or Sub-Class.

The quorum for any meeting of holders of a particular Class or Classes or Sub-Class or Sub-Classes of Notes convened to consider an Extraordinary Resolution, other than regarding a Basic Terms Modification, will be two or more voters holding or representing a majority of the aggregate Principal Amount Outstanding of the relevant Class or Classes or Sub-Class or Sub-Classes of Notes or, at any adjourned meeting, two or more voters being or representing holders of the relevant Class or Classes or Sub-Class or Sub-Classes of Notes, whatever the Principal Amount Outstanding of the outstanding Notes so held or represented in such Class or Classes or Sub-Class or Sub-Classes of Notes.

The quorum for any meeting of holders of a particular Class or Sub-Class of Notes convened to vote on an Extraordinary Resolution relating to a Basic Terms Modification will be two or more voters holding or representing in the aggregate not less than 75 per cent. of the aggregate Principal Amount Outstanding of the relevant Class or Sub-Class of Notes for the time being outstanding, or, at any adjourned meeting, two or more voters holding or representing in the aggregate not less than 25 per cent. of the aggregate Principal Amount Outstanding of the outstanding Notes in the relevant Class or Sub-Class of Notes.

The Note Trust Deed provides that:

- (a) no Extraordinary Resolution involving a Basic Terms Modification that is passed by the holders of any Class or Sub-Class of Notes shall be effective unless (i) it is sanctioned by an Extraordinary Resolution of the holders of each of the other

Classes or Sub-Classes of Notes (to the extent that there are outstanding Notes in such other Classes or Sub-Classes) which, in the opinion of the Note Trustee, are or may be materially prejudiced by such Extraordinary Resolution and (ii) it is approved in writing by the Transferor;

- (b) no Extraordinary Resolution to approve any matter other than a Basic Terms Modification that is passed by the holders of any Class or Sub-Class of Notes shall be effective unless it is sanctioned by an Extraordinary Resolution of the holders of each of the other Classes or Sub-Classes of Notes ranking senior to such Class or Sub-Class (to the extent that there are outstanding Notes ranking senior to such Class or Sub-Class) which, in the opinion of the Note Trustee, are or may be materially prejudiced by such Extraordinary Resolution; and
- (c) any Extraordinary Resolution passed at a meeting of holders of one or more Classes or Sub-Classes of Notes duly convened and held in accordance with the Note Trust Deed shall be binding upon all holders of such Class or Classes or Sub-Class or Sub-Classes, of Notes whether or not present at such meeting and whether or not voting and, except in the case of a Basic Terms Modification, any Extraordinary Resolution passed at a meeting of the holders of the Most Senior Note Class duly convened and held as aforesaid shall also be binding upon the holders of all the other Classes or Sub-Classes of Notes.

The majority required for an Extraordinary Resolution shall be 75 per cent. of the votes cast on that Extraordinary Resolution. The Note Trust Deed contains provisions regulating the effect of Extraordinary Resolutions of the Noteholders.

When consulted by the Issuer in relation to its giving of a Term Series Direction (as defined in the STDCMA), the Note Trustee may, in accordance with the terms of the Note Trust Deed, obtain directions from the Noteholders before concurring with the giving of any directions to the Security Trustee.

(b) ***Waiver***

The Note Trustee may, without any consent or sanction of the Noteholders or any other Secured Creditor or Security Beneficiary and without prejudice to its rights in respect of any subsequent breach, condition, event or act, from time to time and at any time, but only if and insofar as in its opinion the interests of the Noteholders of the Most Senior Note Class shall not be materially prejudiced thereby, (i) authorise or waive, on such terms and conditions (if any) as it may decide, any breach or proposed breach of any of the covenants or other provisions contained in the Notes, the Note Trust Deed or any of the other Issuer Documents or (ii) determine that any Event of Default in relation to the Notes shall not, or shall not subject to specified conditions, be treated as such for the purposes of the Note Trust Deed and the relevant Note Trust Deed Supplement or the Notes and any such authorisation, waiver or determination shall be binding on the Noteholders, the other Secured Creditors and the Security Beneficiaries and, unless the Note Trustee agrees otherwise, the Issuer shall cause such authorisation, waiver or determination to be notified to the Noteholders, the other Secured Creditors and the Security Beneficiaries as soon as practicable thereafter in accordance with these Note Conditions; **provided that** the Note Trustee shall not exercise any powers conferred upon it by this Note Condition 17(b) in contravention of any express direction by an Extraordinary Resolution of the holders of the Most Senior Note Class or of a request in writing made by the holders of not less than 25 per cent. in aggregate Principal Amount Outstanding of the Most Senior Note Class then outstanding (but so that no such direction or request shall affect any authorisation, waiver or determination previously given or made) or so as to authorise or waive any such breach or proposed breach relating to a Basic Terms Modification unless the holders of each affected Class or Sub-Class of outstanding Notes have, by Extraordinary Resolution, so authorised its exercise.

(c) ***Modification, Consent or Direction***

The Note Trustee may, without any consent or sanction of the Noteholders or any other Secured Creditor or Security Beneficiary, at any time and from time to time concur with the Issuer in making any modification to the Note Conditions, the Note Trust Deed, the relevant Note Trust Deed Supplement, the Note Conditions or any of the other Issuer Documents (other than any Basic Terms Modification) or give any consent or direction sought from it under the terms of the STDCMA, the related Loan Note Supplement and the terms of the relevant Loan Note Series, **provided that** the Note Trustee is of the opinion that such modification, consent or direction (i) will not be materially prejudicial to the interests of the holders of the Most Senior Note Class or (ii) is of a formal, minor or technical nature or to correct a manifest error.

Any such modification, consent or direction shall be binding upon the Noteholders and the other Secured Creditors and Security Beneficiaries and, unless the Note Trustee agrees otherwise, shall be notified by the Issuer to the Noteholders and the other Secured Creditors in accordance with the Note Conditions. In addition, so long as any of the Notes are rated by the Rating Agencies, any such modification shall be notified in writing by the Issuer to the Rating Agencies as soon as reasonably practicable thereafter.

(d) ***Additional Right of Modification in Relation to Reference Rate Cessation***

Notwithstanding the foregoing provisions of this Note Condition 17, the Note Trustee shall be obliged, without any consent or sanction of the Noteholders or any other Secured Creditor or Security Beneficiary, to concur with the Issuer in making any modification to the Note Trust Deed or the Note Conditions or any other Issuer Documents (other than any Basic Terms Modification) that the Issuer considers necessary for the purpose of changing (i) the reference rate which forms part of the Rate of Interest of any Class or Sub-Class of Notes which are Floating Rate Notes (the "**Existing Reference Rate**"); or (ii) the manner of calculating the Existing Reference Rate (any such new or amended rate, a "**Replacement Reference Rate**") and making such other related or consequential amendments as are necessary or advisable in the reasonable judgment of the Issuer to facilitate such change (a "**Reference Rate Modification**"), **provided that**, in relation to any amendment under this Note Condition 17(d):

(i) the Cash Manager, on behalf of the Issuer, certifies to the Note Trustee in writing (such certificate, a "**Reference Rate Modification Certificate**") that:

(A) such Reference Rate Modification is being undertaken due to:

- (1) the Existing Reference Rate ceasing to exist or be published;
- (2) an alternative manner of calculating the Existing Reference Rate being introduced and becoming a standard means of calculating interest for similar transactions;
- (3) a material disruption to the Existing Reference Rate, a material change in the methodology of calculating the Existing Reference Rate or the Existing Reference Rate ceasing to exist or be published;
- (4) a public statement by the relevant administrator that it will cease publishing the Existing Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Existing Reference Rate);
- (5) a public statement by the supervisor of the relevant administrator that the Existing Reference Rate has been or will be permanently or indefinitely discontinued or will be changed in an adverse manner;

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- (6) a public statement by the supervisor of the relevant administrator that means the Existing Reference Rate may no longer be used or that its use is or will be subject to restrictions or adverse consequences;
- (7) the Replacement Reference Rate being adopted in a material number of publicly-listed issues of asset-backed floating rate notes denominated in the same currency as any of the Notes; or
- (8) the reasonable expectation of the Cash Manager that any of the events specified in paragraphs (1) to (7) above will occur or exist within six months of the proposed effective date of such Reference Rate Modification; and

(B) such Replacement Reference Rate is:

- (1) a reference rate published, endorsed, approved or recognised by the Federal Reserve Board, the Federal Reserve Bank of New York, the Bank of England or the European Central Bank, any regulator in the United States, the United Kingdom or the European Union or any stock exchange on which the Notes are listed (or any relevant committee or other body established, sponsored or approved by any of the foregoing);
- (2) EURIBOR, €STR, SONIA, SOFR, Term SOFR or the Broad Treasuries Repo Financing Rate (or any rate which is derived from, based upon or otherwise similar to either of the foregoing);
- (3) a reference rate utilised in a material number of publicly-listed issues of asset-backed floating rate notes denominated in the same currency as any of the Notes prior to the effective date of such Reference Rate Modification;
- (4) a reference rate utilised in a publicly-listed issue of asset-backed floating rate notes denominated in the same currency as any of the Notes where the originator of the relevant assets is a member of the NewDay Group;
- (5) such other reference rate as the Cash Manager reasonably determines; or
- (6) as otherwise specified in a Drawdown Prospectus for a Note Series.

(ii) a Rating Confirmation is delivered; and

(iii) the Transferor pays all fees, costs and expenses (including legal fees) incurred by the Issuer and the Note Trustee or any other Transaction Party in connection with such modification,

provided that:

- (A) at least 30 calendar days' prior written notice of any such proposed modification has been given to the Note Trustee;
- (B) the Reference Rate Modification Certificate in relation to such modification shall be provided to the Note Trustee both at the time the Note Trustee is notified of the proposed modification and on the date that such modification takes effect; and
- (C) the Issuer (or the Cash Manager on its behalf) certifies in writing to the Note Trustee (which certification may be in the Reference Rate

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Modification Certificate) that the Issuer has provided at least 30 calendar days' notice to the Noteholders of the proposed modification in accordance with Note Condition 20 (*Notices*) and Noteholders representing at least 10 per cent. of the aggregate Principal Amount Outstanding of the Most Senior Note Class then outstanding have not contacted the Issuer or the Principal Paying Agent (acting on behalf of the Issuer) in writing (or otherwise in accordance with the then current practice of any applicable clearing system through which such Notes may be held) within such notification period notifying the Issuer or the Principal Paying Agent (acting on behalf of the Issuer) that such Noteholders do not consent to the modification.

If Noteholders representing at least 10 per cent. of the aggregate Principal Amount Outstanding of the Most Senior Note Class then outstanding have notified the Principal Paying Agent (acting on behalf of the Issuer) or the Issuer in writing (or otherwise in accordance with the then current practice of any applicable clearing system through which such Notes may be held) within the notification period referred to above that they do not consent to the modification, then such modification will not be made, unless an Extraordinary Resolution of the holders of the Most Senior Note Class then outstanding is passed in favour of such modification in accordance with Note Condition 17(a) (*Meetings of Noteholders*).

Notwithstanding anything to the contrary in this Note Condition 17(d) or any Issuer Document:

- (A) when implementing any modification pursuant to this Note Condition 17(d) (save to the extent that the proposed modification would constitute a Basic Terms Modification), the Note Trustee shall not consider the interests of the Noteholders, any other Secured Creditor, any Security Beneficiary or any other person and shall act and rely solely, and without further enquiry or liability, on any certificate (including any Reference Rate Modification Certificate) or evidence provided to it by the Issuer (or the Cash Manager on behalf of the Issuer) pursuant to this Note Condition 17(d) and shall not be liable to the Noteholders, any other Secured Creditor, any Security Beneficiary or any other person for so acting or relying, irrespective of whether any such modification is or may be materially prejudicial to the interests of any such person; and
- (B) the Note Trustee shall not be obliged to agree to any modification which, in the sole opinion of the Note Trustee, would have the effect of (i) exposing the Note Trustee to any liability against which it has not been indemnified and/or secured and/or pre-funded to its satisfaction or (ii) increasing the obligations or duties, or decreasing the rights or protections, of the Note Trustee in the Issuer Documents and/or these Note Conditions.

Any such modification shall be binding on all Noteholders and shall be notified by the Issuer as soon as reasonably practicable to:

- (A) each Rating Agency;
 - (B) the Note Trustee;
 - (C) the Noteholders in accordance with Note Condition 20 (*Notices*); and
 - (D) any Swap Counterparty.
- (e) ***Additional Right of Modification in Relation to a Class Reset***
- (i) Notwithstanding the foregoing provisions of this Note Condition 17, the Note Trustee shall be obliged, without any consent or sanction of the Noteholders or

any other Secured Creditor or Security Beneficiary, to concur with the Issuer in making any modification to the Note Trust Deed or the Note Conditions or any other Issuer Documents (other than any Basic Terms Modification, **provided that** nothing set out in a Class Reset Notice shall be deemed or considered to constitute a Basic Terms Modification for any purpose) that the Issuer (acting on the advice of the Cash Manager) certifies to the Note Trustee as being necessary for the purpose of a Class Reset and making such consequential amendments including, but not limited to, in respect of any swap arrangements (other than any Basic Terms Modification, **provided that** nothing set out in a Class Reset Notice shall be deemed or considered to constitute a Basic Terms Modification for any purpose) as the Issuer certifies to the Note Trustee as being necessary or consequential in the judgment of the Issuer (acting on the advice of the Cash Manager) to facilitate such Class Reset (a "**Class Reset Amendment**"), **provided that**, in relation to any amendment under this Note Condition 17(e), the Note Trustee receives a Rating Confirmation from each Rating Agency in respect of such Class Reset Amendment and the Issuer pays all fees, costs and expenses of the Note Trustee in relation to such amendment. For the avoidance of doubt, any modification to any Swap Agreement can only be made with the prior consent of the relevant Swap Counterparty.

- (ii) Notwithstanding anything to the contrary in this Note Condition 17(e) or any Issuer Document:
 - (A) when implementing any modification pursuant to this Note Condition 17(e), the Note Trustee shall not consider the interests of the Noteholders, any other Secured Creditor, any Security Beneficiary or any other person and shall act and rely solely, and without further enquiry or liability, on any certificate or evidence provided to it by the Issuer (or the Cash Manager on behalf of the Issuer) pursuant to this Note Condition 17(e) and shall not be liable to the Noteholders, any other Secured Creditor, any Security Beneficiary or any other person for so acting or relying, irrespective of whether any such modification is or may be materially prejudicial to the interests of any such person; and
 - (B) the Note Trustee shall not be obliged to agree to any modification which, in the sole opinion of the Note Trustee, would have the effect of (i) exposing the Note Trustee to any liability against which it has not been indemnified and/or secured and/or pre-funded to its satisfaction or (ii) increasing the obligations or duties, or decreasing the rights or protections, of the Note Trustee in the Issuer Documents and/or these Note Conditions.

Any such modification shall be binding on all Noteholders and shall be notified by the Issuer as soon as reasonably practicable to:

- (1) each Rating Agency;
- (2) the Note Trustee;
- (3) the Noteholders in accordance with Note Condition 20 (*Notices*); and
- (4) any Swap Counterparty.

(f) ***Additional Right of Modification in Relation to the Issuance of Further Notes***

- (i) Notwithstanding the foregoing provisions of this Note Condition 17, the Note Trustee shall be obliged, without any consent or sanction of the Noteholders or any other Secured Creditor or Security Beneficiary, to concur with the Issuer in making any modification to the Note Trust Deed or the Note Conditions or any other Issuer Documents (other than any Basic Terms Modification, **provided that**

no modification certified by the Issuer as being necessary or advisable to facilitate such further issue of Notes shall be deemed or considered to constitute a Basic Terms Modification for any purpose) that the Issuer (acting on the advice of the Cash Manager) certifies to the Note Trustee as being necessary for the purpose of the issuance of further Notes as envisaged by Note Condition 22 (*Further Issues*) and making such consequential amendments including, but not limited to, in respect of any swap arrangements (other than any Basic Terms Modification, **provided that** no modification certified by the Issuer as being necessary or advisable to facilitate such further issue of Notes shall be deemed or considered to constitute a Basic Terms Modification for any purpose) as the Issuer certifies to the Note Trustee as being necessary or advisable in the judgment of the Issuer (acting on the advice of the Cash Manager) to facilitate such further issue of Notes (a "**Further Issuance Amendment**"), **provided that**, in relation to any amendment under this Note Condition 17(f), the Note Trustee receives a Rating Confirmation from each Rating Agency of all the Notes prior to the issuance of such further Notes and the Issuer pays all fees, costs and expenses of the Note Trustee in relation to such further issuance. For the avoidance of doubt, any modification to the related Swap Agreement (if any) can only be made with the prior consent of the relevant Swap Counterparty.

- (ii) Notwithstanding anything to the contrary in this Note Condition 17(f) or any Issuer Document:
 - (A) when implementing any modification pursuant to this Note Condition 17(f), the Note Trustee shall not consider the interests of the Noteholders, any other Secured Creditor, any Security Beneficiary or any other person and shall act and rely solely, and without further enquiry or liability, on any certificate (or evidence provided to it by the Issuer (or the Cash Manager on behalf of the Issuer) pursuant to this Note Condition 17(f) and shall not be liable to the Noteholders, any other Secured Creditor, any Security Beneficiary or any other person for so acting or relying, irrespective of whether any such modification is or may be materially prejudicial to the interests of any such person; and
 - (B) the Note Trustee shall not be obliged to agree to any modification which, in the sole opinion of the Note Trustee, would have the effect of (i) exposing the Note Trustee to any liability against which it has not been indemnified and/or secured and/or pre-funded to its satisfaction or (ii) increasing the obligations or duties, or decreasing the rights or protections, of the Note Trustee in the Issuer Documents and/or these Note Conditions.

Any such modification shall be binding on all Noteholders and shall be notified by the Issuer as soon as reasonably practicable to:

- (1) each Rating Agency;
- (2) the Note Trustee;
- (3) the Noteholders in accordance with Note Condition 20 (*Notices*); and
- (4) any Swap Counterparty.

(g) ***Substitution***

As more fully set forth in the Note Trust Deed (and subject to the conditions and more detailed provisions which are contained therein), subject to such amendment of the Note Trust Deed and such other conditions as the Note Trustee may require, but without the consent of the Noteholders, the Note Trustee may also agree to the substitution of any other body corporate in place of the Issuer as principal debtor under the Note Trust Deed

and the Notes and, in the case of such a substitution, the Note Trustee may agree, without the consent of the Noteholders, to a change of the law governing the Notes and/or the Note Trust Deed, **provided that** such change would not in the opinion of the Note Trustee be materially prejudicial to the interests of the Noteholders. Any such substitution shall be notified to the Noteholders in accordance with Note Condition 20 (*Notices*) as soon as practicable thereafter.

18. **Enforcement**

At any time after the Notes become due and repayable, and without prejudice to its rights of enforcement in relation to the Security, the Note Trustee may, at its sole discretion and without notice, deliver an Enforcement Notice, or take any steps or actions or institute such proceedings as it thinks fit to enforce payment of the Notes (including the right to repayment of the Notes together with accrued interest thereon) and shall be bound to do so if (and only if):

- (A) it shall have been so directed by holders of at least one-quarter of the aggregate Principal Amount Outstanding of the Most Senior Note Class or by an Extraordinary Resolution of holders of the Most Senior Note Class; and
- (B) it shall have been indemnified and/or secured and/or prefunded to its satisfaction against all actions, proceedings, claims and demands to which it may thereby render itself liable and all costs, charges, damages, liabilities and expenses which it may incur by doing so,

and **provided that** the Note Trustee shall not be held liable for the consequence of the taking of any such action and may take such action without having regard to the effect of such action on individual Noteholders or any other beneficiary of the Note Trust Deed.

No Noteholder may institute any proceedings against the Issuer to enforce its rights under or in respect of the Notes or the Note Trust Deed or any other Issuer Document unless (i) the Note Trustee has become bound to institute proceedings and has failed to do so within a reasonable time and (ii) such failure is continuing.

19. **No Action by Noteholders or any other Secured Creditor**

Only the Note Trustee may pursue the remedies available under the general law or under the Issuer Documents to enforce the Security and no Noteholder or other Secured Creditor shall be entitled to proceed directly against the Issuer to enforce the Security. In particular, none of the Noteholders or any other Secured Creditor (nor any person on its or their behalf, other than the Note Trustee where appropriate) are entitled:

- (A) otherwise than as permitted by these Note Conditions, to direct the Note Trustee to enforce the Security or take any proceedings against the Issuer to enforce the Security;
- (B) to take or join any person in taking any steps against the Issuer for the purpose of obtaining payment of any amount due from the Issuer to such Noteholders or any other Secured Creditors;
- (C) until the date falling two years after the Final Discharge Date, to initiate or join any person in initiating any insolvency proceeding in relation to the Issuer; or
- (D) to take or join in the taking of any steps or proceedings which would result in the priority of payments set out in Note Condition 6(b) (*Priority of Payments*) not being observed.

"**Final Discharge Date**" means the date on which the Note Trustee is satisfied that all of the obligations under the Notes of all Note Series and/or all other moneys and other liabilities due or owing by the Issuer have been paid or discharged in full.

20. **Notices**

- (a) Notices to the Noteholders shall be deemed to have been duly given if published in a leading English language daily newspaper published in London (which may be the

Financial Times or another such newspaper). Any such notice shall be deemed to have been given on the date of first publication.

- (b) Until such time as any Notes are individually registered in the name of Noteholders following an Exchange Event, there may, so long as each Class or Sub-Class of Notes is held in its entirety on behalf of one or more Clearing Systems, be substituted for such publication in such newspaper the delivery of the relevant notice to each such Clearing System for communication by them to the holders of beneficial interests in the Notes. Any such notice shall be deemed to have been given to the holders of the relevant beneficial interests in the Notes on the day on which such notice was given to the relevant Clearing Systems.
- (c) The Issuer may, at its sole discretion, give any notices specifying a Rate of Interest, an Interest Amount, an amount of Additional Interest or of Deferred Interest, a Principal Payment or a Principal Amount Outstanding by publishing the information contained in such notice on the relevant page of the Refinitiv Screen or such other medium for the electronic display of data as may be notified to the relevant Noteholders (the "**Relevant Screen**"). If the Issuer chooses to give any such notice to the relevant Noteholders by publication on the Relevant Screen, such notice shall be deemed to have been duly given on the first date on which such information appeared on the Relevant Screen.
- (d) Copies of all notices given in accordance with these provisions shall, for so long as the Notes are listed thereon, be sent to the London Stock Exchange and, for so long as Notes are held through one or more Clearing Systems, the relevant Clearing Systems.

21. **Rounding**

For the purposes of any calculations referred to in these Note Conditions (unless otherwise specified in these Note Conditions or the applicable Final Terms or Drawdown Prospectus), all percentages resulting from such calculations will be rounded, if necessary, to the fifth decimal place (with 0.000005 per cent. being rounded upwards).

22. **Further Issues**

The Issuer may from time to time, without the consent of the Noteholders or any other Secured Creditor, create and issue:

- (a) Notes having terms and conditions the same as the Notes of any Class or Sub-Class then in issue or the same in all respects, save for the amount and date of the first payment of interest thereon, issue date and purchase price and so that the same shall be consolidated and form a single Class or Sub-Class with the outstanding Class or Sub-Class of Notes, **provided that** (where the original Notes were, or the further Notes are, issued under Rule 144A), such further Notes are either fungible for U.S. federal income tax purposes with the outstanding Class or Sub-Class of Notes or such further Notes have a different CUSIP, ISIN, Common Code and/or any other identifying number from the outstanding Class or Sub-Class of Notes; and/or
- (b) one or more further Classes or Sub-Classes of Notes, having terms and conditions (including in respect of currency and interest rate) different to the existing Classes and/or Sub-Classes of Notes then in issue,

provided that each Rating Agency has provided a Rating Confirmation in respect of all the Notes prior to the issuance of such further Notes. The Note Trustee shall, without the consent or sanction of the Noteholders or any other Secured Creditor or any Security Beneficiary, execute such documents in accordance with Note Condition 17(f) (*Additional Right of Modification in Relation to the Issuance of Further Notes*) in order to effect any such issue of Notes.

23. **Third Party Rights**

No person shall have any right to enforce any term or condition of the Notes or the Note Trust Deed or the relevant Note Trust Deed Supplement under the Contracts (Rights of Third Parties) Act 1999.

24. **Governing Law and Jurisdiction**

The Notes and all non-contractual matters arising out of or connected with the Notes are governed by, and shall be construed in accordance with, English law. The courts of England have exclusive jurisdiction to settle any dispute (a "**Dispute**") arising from or connected with the Notes. The Issuer agrees that the courts of England are the most appropriate and convenient courts to settle any Dispute and, accordingly, that it will not argue to the contrary.

THE SWAP AGREEMENTS

General

The Issuer may enter into interest rate and/or currency swap agreements (the "**Swap Agreements**", with one or more Swap Counterparties in respect of each Class or Sub-Class of Notes within a Note Series.

Details regarding each Swap Counterparty will either be set out in this Base Prospectus (see "*The Panel Swap Counterparties*") or in a Drawdown Prospectus.

Certain information regarding the anticipated terms of each Swap Agreement is set out below, and further details will be set out in the relevant Final Terms or Drawdown Prospectus (as applicable). See also "*Insolvency Proceedings and Subordination Provisions*" and "*Reliance on Third Parties*" in the "*Risk Factors*" section.

Interest Rate Swap Transactions

The Issuer will be obliged to make payments of interest based on a fixed or floating rate in respect of each Class or Sub-Class of Notes within a Note Series. In some cases, that rate of interest will match the rate of interest on the corresponding Class or Sub-Class of Loan Note. However, in some cases that rate of interest will not match the rate of interest on the corresponding Class or Sub-Class of Loan Note. In order to protect the Issuer against interest rate exposure, the Issuer and a Swap Counterparty may enter into an interest rate swap transaction pursuant to an ISDA Master Agreement and related schedule, credit support annex and confirmation on or about the Closing Date for the relevant Note Series of which such Class or Sub-Class of Notes forms part.

Under the terms of an interest rate swap transaction in relation to a Class or Sub-Class of Notes, the Issuer will pay to the relevant Swap Counterparty on each Transfer Date (or, if the Issuer so elects in accordance with the terms of the Swap Agreement, on the Interest Payment Date itself), an amount in Sterling determined by reference to the aggregate of the applicable fixed or floating rate of interest and the applicable spread (as determined pursuant to the relevant Swap Agreement) on the relevant notional amount.

In return, the Swap Counterparty will be obliged to pay to the Issuer on each Transfer Date (or, if the Issuer so elects in accordance with the terms of the Swap Agreement, on the Interest Payment Date itself), an amount in Sterling determined by reference to the aggregate of the applicable fixed or floating rate of interest and the applicable spread (as determined pursuant to the relevant Swap Agreement) on the relevant notional amount.

Currency Swap Transactions

Certain Classes or Sub-Classes of Notes issued under the Programme will be Non-Sterling Notes, consequently the Issuer will be obliged to make payments of interest and principal in respect of such Notes in the relevant Non-Sterling Currency. However, certain amounts received by the Issuer referable to such Class or Sub-Class of Notes will be denominated in Sterling. In order to protect the Issuer against such currency exchange rate exposure (and, if applicable, floating interest rate exposures in respect of the Sterling leg and/or the relevant Non-Sterling Currency leg), the Issuer and a Swap Counterparty will enter into a currency swap transaction in relation to such Class or Sub-Class of Notes with a Swap Counterparty pursuant to an ISDA Master Agreement and related schedule, credit support annex and confirmation on or about the Closing Date for the relevant Note Series of which such Class or Sub-Class of Notes forms part.

Under the terms of a currency swap transaction in relation to a Class or Sub-Class of Notes, the Issuer will pay to the relevant Swap Counterparty:

- (a) on the relevant Closing Date, the Non-Sterling Currency proceeds received by the Issuer on the issue of the relevant Notes;
- (b) on the Transfer Date immediately preceding each Interest Payment Date (or, if the Issuer so elects in accordance with the terms of the Swap Agreement, on the Interest Payment Date itself), an amount in Sterling determined in accordance with the provisions of the Swap Agreement by reference to the interest received on the related Loan Note; and

- (c) on the Transfer Date immediately preceding (i) each Interest Payment Date on which any of the relevant Class or Sub-Class of Notes are redeemed in whole or in part or (ii) the relevant Series Scheduled Redemption Date, if such Notes are subject to a Class Reset (or, if the Issuer so elects in accordance with the Swap Agreement, on the Interest Payment Date or the relevant Series Scheduled Redemption Date itself), an amount in Sterling determined in accordance with the provisions of the relevant Swap Agreement by reference to the principal amount of such Notes which is to be redeemed or subject to a Class Reset.

In return, the relevant Swap Counterparty will be obliged to pay to the Issuer:

- (a) on the relevant Closing Date, an amount in Sterling calculated by reference to the Non-Sterling Currency proceeds of the issue of the relevant Notes converted into Sterling at the relevant exchange rate as provided in the relevant Swap Agreement;
- (b) on the Transfer Date immediately preceding each Interest Payment Date (or, if the Issuer so elects in accordance with the terms of the Swap Agreement, on the Interest Payment Date itself), an amount in the relevant Non-Sterling Currency determined in accordance with the provisions of the Swap Agreement by reference to the interest payable on the relevant Notes; and
- (c) on the Transfer Date immediately preceding (i) each Interest Payment Date on which any of the relevant Class or Sub-Class of Notes are redeemed in whole or part or (ii) the relevant Series Scheduled Redemption Date, if the relevant Notes are subject to a Class Reset (or, if the Issuer so elects in accordance with the relevant Swap Agreement, on the Interest Payment Date or the relevant Series Scheduled Redemption Date itself), an amount in the Non-Sterling Currency determined in accordance with the provisions of the Swap Agreement by reference to the principal amount of such Notes which is to be redeemed or subject to a Class Reset.

Negative Rates

Unless otherwise specified in the relevant Final Terms or Drawdown Prospectus (as applicable), notwithstanding the foregoing, in the event a floating rate calculated under a swap transaction is negative for any given calculation period such that the floating amount due and payable by the floating rate paying party (for the purposes of this paragraph, "**Party A**") to the other party (for the purposes of this paragraph, "**Party B**") would be a negative amount, the payment obligation, in respect of such negative amount and such calculation period, will be reversed such that:

- (a) Party A is not required to pay anything to Party B in respect of such negative amount; and
- (b) Party B shall instead pay to Party A the absolute value of such negative amount,

provided that, if the terms of such swap transaction apply a floor of zero per cent. to the floating rate, then, where the floating rate is calculated to be equal to or less than zero (after accounting for any applicable spread), no amount shall be due and payable in respect of such floating amount by either party for the applicable calculation period under the swap transaction.

Unless otherwise specified in the relevant Final Terms or Drawdown Prospectus (as applicable), the payment obligations of each party shall be similarly reversed in the event that any fixed rate under a swap transaction is specified as negative.

It is anticipated that:

- (a) if the terms of an interest rate swap transaction provide that one party is the fixed rate payer and the other party is the floating rate payer, and the fixed rate is specified as negative, it is unlikely that the floating rate payer will agree to apply a zero floor to the applicable floating rate;
- (b) if the terms of an interest rate swap transaction provide that both parties are floating rate payers, it is expected that either both floating rates will be floored at zero (after accounting for any applicable spread) or neither floating rate will be floored at zero (after accounting for any applicable spread); and
- (c) it is expected that a zero floor will apply to all floating rates under currency swap transactions (after accounting for any applicable spread).

Pro Rata Payments

If any amount paid by the Issuer to the Swap Counterparty on the Transfer Date immediately preceding any Interest Payment Date (or, if the Issuer so elects in accordance with the relevant Class Swap Agreement, on the Interest Payment Date itself) is less than the amount scheduled to be paid by the Issuer on such Transfer Date (or Interest Payment Date, as applicable), the corresponding amount payable by the Swap Counterparty on that Transfer Date (or Interest Payment Date, as applicable) shall be reduced by the same proportion as the shortfall in the amount paid by the Issuer.

Amortisation Amounts

In respect of each Swap Agreement, on each Interest Payment Date on which any of the relevant Notes are redeemed in whole or in part, or on the relevant Series Scheduled Redemption Date, if such Notes are subject to a Class Reset, the notional amount applicable in respect of payments to be made by the Issuer under the relevant Swap Agreement shall be reduced (for the next following calculation period for the Issuer) by (i) an amount equal to the amount credited to the Issuer Distribution Accounts for the purposes of redeeming the relevant Notes on such Interest Payment Date or (ii) the outstanding principal amount of the Notes which are subject to the Class Reset (the amount of such reduction, the "**Issuer Amortisation Amount**"). On each Interest Payment Date on which there is any Issuer Amortisation Amount, the notional amount applicable in respect of payments to be made by the Swap Counterparty under the Swap Agreement shall be reduced (for the next following calculation period for the Swap Counterparty) by an amount (the "**Swap Counterparty Amortisation Amount**") equal to the corresponding Issuer Amortisation Amount converted into the relevant Non-Sterling Currency at the rate of exchange provided in the Swap Agreement.

Early Termination

Each Swap Agreement will be capable of being terminated early, *inter alia*, in the following circumstances:

- (a) at the option of one party, if there is a failure by the other party to pay any amounts due, or perform any other obligations, under the Swap Agreement;
- (b) by the relevant Swap Counterparty, upon the service of an Enforcement Notice following the occurrence of an Event of Default in respect of the relevant Note Series;
- (c) by the relevant Swap Counterparty, if certain amendments, modifications or supplements are made to any Transaction Document without the prior written consent of the relevant Swap Counterparty as specified in the relevant Swap Agreement;
- (d) if the relevant Notes are subject to a Class Reset which results in a mismatch between the amounts receivable by the Issuer under the related Loan Note and payable by the Issuer under the Swap Agreement and/or between the amounts receivable by the Issuer under the Swap Agreement and payable by the Issuer under the relevant Class or Sub-Class of Notes (which shall entitle either party to terminate);
- (e) if the relevant Swap Counterparty adjusts the spread payable by the Issuer (to preserve the economic balance of the Swap Agreement) following a modification to the floating rate component of any payments under the Swap Agreement to match the related Loan Note or the relevant Class or Sub-Class of Notes (which shall entitle the Issuer to terminate);
- (f) at the option of the affected party, if there is a withholding tax imposed (i) in relation to the Issuer's payments under the Swap Agreement, or (ii) in relation to the Swap Counterparty's payments under the Swap Agreement and, as a result, the Swap Counterparty is required to pay more or receives less under the Swap Agreement (following, broadly, expiry of any period during which the relevant Swap Counterparty is required to mitigate against the imposition of such withholding tax); and
- (g) upon the occurrence of certain other events, including but not limited to certain insolvency events or changes in law resulting in illegality.

Upon any such early termination of a Swap Agreement the Issuer or the relevant Swap Counterparty may be liable to make a termination payment to the other. The amount of any such termination payment will be based:

- (a) where a swap is terminated in circumstances in which the Issuer is the Defaulting Party or the Affected Party (each as defined therein), on the determination in good faith by the other party of total losses and costs (or gains) incurred, including any loss of bargain, cost of funding or, at the election of such party but without duplication, losses or costs incurred as a result of its terminating, liquidating, obtaining or re-establishing any hedge or related trading position (or any gain resulting from any of them); or
- (b) where a Swap Agreement is terminated due to the Swap Counterparty's failure to comply with remedial actions ordered by a relevant Rating Agency following a Swap Counterparty Downgrade Event or any other circumstances detailed in the Swap Agreement, on the market value of the swap transaction under the relevant Swap Agreement, at the time of termination as more fully set out in the relevant Swap Agreement. This market value will be computed on the basis of market quotations of the cost of entering into a replacement swap transaction with the same terms and conditions that would have the effect of preserving the respective full payment obligations of the parties.

Any such termination payment could, if interest rates and/or the relevant exchange rate have changed significantly, be substantial.

Upon termination of a Swap Agreement, the Issuer will endeavour to enter into a replacement Swap Agreement with another Swap Counterparty on acceptable terms but, if no replacement Swap Agreement is entered into, then (in the case of a terminated currency swap transaction), the Issuer will be exposed to exchange rate risk and will need to enter into spot foreign exchange transactions in order to exchange the Sterling received under the related Loan Note for the Non-Sterling Currency required to make payments in respect of the relevant Class or Sub-Class of Notes and (in the case of a terminated currency swap or interest rate swap transaction), the Issuer will be exposed to interest rate risk.

In the event that a Swap Agreement is terminated other than as a result of:

- (a) the occurrence of an Event of Default under (and as defined in) the relevant Swap Agreement in respect of which the relevant Swap Counterparty is the Defaulting Party (as defined in the relevant Swap Agreement) (a "**Swap Counterparty Event of Default**"); or
- (b) the occurrence of an Additional Termination Event (as defined in the relevant Swap Agreement) following the failure by the Swap Counterparty to comply with the requirements of the "Rating Events" provisions set out in the relevant Swap Agreement (a "**Swap Counterparty Downgrade Event**") (as to which, see "*Rating Downgrade or Withdrawal*" below),

then any termination payment to be paid to the relevant Swap Counterparty by the Issuer in accordance with the early termination provisions of such Swap Agreement shall rank *pro rata* and *pari passu* with payments to be made under the relevant Class or Sub-Class of Notes to which that Swap Agreement relates (save to the extent that such termination payment is funded by Swap Excluded Receivable Amounts). In the event that the Swap Agreement is terminated as a result of a Swap Counterparty Event of Default or a Swap Counterparty Downgrade Event, then any termination payment to be paid to the relevant Swap Counterparty by the Issuer in accordance with the early termination provisions of such Swap Agreement shall constitute a Swap Excluded Termination Payment and be subordinated to any payments to be made under the Notes in the relevant Note Series (save to the extent that such termination payment is funded by Swap Excluded Receivable Amounts).

Taxation

It is expected that each of the Issuer and the relevant Swap Counterparty will represent in each Swap Agreement that, under current applicable law, it is entitled to make all payments required to be made by it under such Swap Agreement (other than interest under the Swap Agreement and deliveries, transfers and payments to be made pursuant to any Credit Support Annex (as defined below)) free and clear and without deduction or withholding for or on account of any taxes, assessments or other charges. In the event that the Issuer is obliged to make any such deduction or withholding, it will not be required to indemnify the relevant

Swap Counterparty for such deduction or withholding. Conversely, if the relevant Swap Counterparty is required to make any such deduction or withholding, the terms of the relevant Swap Agreement will provide that it will pay an additional amount to the Issuer so that the Issuer receives the amount which it would otherwise have received had no deduction or withholding been required. However, in such circumstances, the relevant Swap Counterparty will have the right to terminate the relevant Swap Agreement.

Rating Downgrade or Withdrawal

If a Swap Counterparty is downgraded below the ratings specified in the relevant Swap Agreement (in accordance with the requirements of any Rating Agencies rating the Note Series as at the date of the relevant Swap Agreement is entered into), then the relevant Swap Counterparty will, in accordance with the provisions of, and subject to the timeframes specified in, the relevant Swap Agreement, be required to take certain remedial measures which may include: (a) providing collateral in accordance with the relevant Credit Support Annex (as further described below), (b) obtaining a guarantee from a guarantor that satisfies the requirements specified in the relevant Swap Agreement, (c) transferring its rights and obligations under the relevant Swap Agreement to an entity that satisfies the requirements specified in the relevant Swap Agreement, or (d) such other action as may be permitted by the relevant rating agency which would avoid a downgrade of the relevant Class or Sub-Class of Notes.

If a Swap Counterparty is further downgraded below the ratings specified in the relevant Swap Agreement (in accordance with the requirements of any Rating Agencies rating the Note Series), or if the rating of the relevant Swap Counterparty is withdrawn by any Rating Agency rating the Note Series, then the relevant Swap Counterparty will, in accordance with the provisions of, and subject to the timeframes specified in, the relevant Swap Agreement, be required to take further remedial measures. Such remedial measures may include (a) obtaining a guarantee from a guarantor that satisfies the requirements specified in the relevant Swap Agreement, (b) transferring its rights and obligations under the relevant Swap Agreement to an entity that satisfies the requirements specified in the relevant Swap Agreement, or (c) such other action as may be permitted by the relevant rating agency which would avoid a downgrade of the relevant Class or Sub-Class of Notes. The relevant Swap Counterparty will be required to continue providing collateral until such time as it has taken such further remedial action.

If a Swap Counterparty is downgraded by any Rating Agency rating the Note Series and the relevant Swap Counterparty fails to comply with the applicable ratings downgrade provisions as set out in the relevant Swap Agreement, the Issuer may terminate the relevant Swap Agreement in accordance with the terms of the relevant Swap Agreement.

Credit Support Annex

In respect of each Swap Agreement, the relevant Swap Counterparty will enter into a credit support annex (for example in the form of the 1995 ISDA Credit Support Annex (Bilateral Form Transfer)) (the "**Credit Support Annex**") with the Issuer on or about the Closing Date in respect of the relevant Note Series, in support of the relevant Swap Counterparty's obligations under the relevant Swap Agreement. Each Credit Support Annex shall form part of the relevant Swap Agreement.

If at any time the relevant Swap Counterparty is required to provide collateral in respect of its obligations under the relevant Swap Agreement, the relevant Credit Support Annex will provide that, from time to time and subject to the terms and conditions specified in the relevant Credit Support Annex and the other provisions of the Swap Agreement of which it forms part, the relevant Swap Counterparty will make transfers of cash or securities by way of collateral to the Issuer in support of its obligations under the relevant Swap Agreement and the Issuer will be obliged to return such collateral in accordance with the terms of the relevant Credit Support Annex.

Transfer by the Swap Counterparty

The relevant Swap Counterparty may, subject to certain conditions specified in the relevant Swap Agreement, including certain requirements of Fitch and DBRS, transfer its rights and obligations in respect of the relevant Swap Agreement to another entity.

Governing Law and Jurisdiction

Each Swap Agreement and all non-contractual obligations arising out of or in connection with it will be governed by English law and subject to the jurisdiction of the English courts.

QUALIFYING SWAP AGREEMENTS

The Loan Note Issuer may from time to time enter into a Qualifying Swap Agreement in relation to one or more Series, which Series will comprise a Qualifying Swap Group for the purposes of that Qualifying Swap Agreement. As at the date of this Base Prospectus, the Loan Note Issuer has not entered into any Qualifying Swap Agreement.

If the Loan Note Issuer proposes to enter into a Qualifying Swap Agreement in respect of a Qualifying Swap Group, then the conditions for any such swap agreement to be a "Qualifying Swap Agreement" (which will include the provision of a Rating Confirmation) will need to be met.

The making and receipt of payments by the Loan Note Issuer under any Qualifying Swap Agreement, in respect of a Qualifying Swap Group for any Series, are or will be contemplated in the relevant Supplement and the relevant Loan Note Supplement and are more particularly described in the section entitled "*Series Securitisation Cashflows – Application of Available Funds*". Any collateral posted to the Loan Note Issuer pursuant to any such Qualifying Swap Agreement will not form part of the calculation of Available Funds and will not be available to make payments under the Loan Note Series of any Series in the relevant Qualifying Swap Group, other than pursuant to the terms of the relevant Qualifying Swap Agreement.

If a Qualifying Swap Transaction is entered into and a Series is identified as forming part of the relevant Qualifying Swap Group, Qualifying Swap Amounts referable to that Series, excluding Qualifying Swap Partial Termination Payments, Qualifying Swap Permitted Tax Credit Payments and Qualifying Swap Subordinated Termination Payments, will rank in priority to the payment of amounts to fund interest on the Most Senior Note Class in that Note Series. Qualifying Swap Partial Termination Payments and Qualifying Swap Permitted Tax Credit Payments will rank *pro rata* and *pari passu* with payments used to fund interest on the Most Senior Note Class in the relevant Note Series, with Qualifying Swap Subordinated Termination Payments ranking below all payments used to fund interest on the Notes.

THE SECURITY TRUST DEED AND CASH MANAGEMENT AGREEMENT

General

The Loan Notes issued by the Loan Note Issuer have been or will be, as the case may be, constituted by a Security Trust Deed and Cash Management Agreement dated 18 December 2014, as amended from time to time, between, *inter alios*, Citicorp Trustee Company Limited (the "**Security Trustee**"), the Loan Note Issuer, the Receivables Trustee, NCL as Servicer and Cash Manager, Citibank, N.A., London Branch as Calculation Agent and NPT as Transferor (the "**Security Trust Deed and Cash Management Agreement**" or "**STDCMA**"). The STDCMA has been (in the case of outstanding Loan Notes) and will be (in the case of future Loan Notes) varied and supplemented, from time to time, upon the issue of each series of Loan Notes (each a "**Loan Note Series**") by a loan note supplement (each a "**Loan Note Supplement**"). Under the STDCMA, the Security Trustee declares that it will hold secured property on the terms of the security trust set out in the STDCMA (as varied and supplemented by any Loan Note Supplement) for the secured creditors in respect of each Loan Note Series, and for each other person which from time to time becomes an additional secured creditor, in accordance with the terms of the STDCMA and the relevant Loan Note Supplement. Each Loan Note Supplement will create additional security in respect of the relevant Loan Note Series and will, together with the STDCMA, constitute the Loan Notes issued by the Loan Note Issuer in respect of such Loan Note Series. Together, the terms of the STDCMA and the terms of any Loan Note Supplement for a Loan Note Series will set out the following:

- (i) the constitution of the Loan Notes for the relevant Series;
- (ii) the applicable covenants of the Loan Note Issuer in relation to such Loan Notes;
- (iii) the security for the Loan Notes;
- (iv) the enforcement and post-enforcement procedures relating to such Loan Notes;
- (v) the appointment of the Cash Manager and its responsibilities;
- (vi) the appointment of the Calculation Agent and its responsibilities; and
- (vii) the appointment of the Security Trustee, its powers and responsibilities and the limitations on those responsibilities.

Each of the above items is summarised briefly below.

Constitution of the Loan Notes

The STDCMA, when supplemented by a Loan Note Supplement, sets out the terms and conditions of each Loan Note for the relevant Series. It also sets out the terms and conditions of such Loan Notes, and the conditions for the increase in the Principal Amount Outstanding (if applicable) and redemption (in whole or in part) of any Loan Note.

Covenants of the Loan Note Issuer

The STDCMA also contains positive and negative covenants made by the Loan Note Issuer in favour of the Security Trustee, which the Security Trustee will hold on trust for each holder of a Loan Note of a Series issued by the Loan Note Issuer (which, in respect of each Loan Note Series issued under the Programme, will be the Issuer or other entities to which certain Classes or Sub-Classes of Loan Notes may be issued from time to time) (each, a "**Loan Note Holder**"). One of the covenants is that the Loan Note Issuer will pay interest and repay principal on each Loan Note when due. Other covenants have been included to ensure, among other things, that the Loan Note Issuer remains bankruptcy remote and gives the Security Trustee access to all information and reports that it may need in order to discharge its responsibilities in relation to the holders of such Loan Notes.

Loan Note Security

Each Loan Note Supplement creates the security for the relevant Loan Note Series issued by the Loan Note Issuer. The STDCMA creates security for all Series of Loan Notes of which the Loan Note Issuer is issuer, comprising:

- (i) an assignment by way of first fixed security of the Loan Note Issuer's right, title and interest in and to, and the entire benefit of, the Loan Note Issuer Corporate Services Agreement and the Loan Note Issuer Account Bank Agreement; and
- (ii) a floating charge granted by the Loan Note Issuer over all of its undertaking and assets not otherwise secured under the STDCMA or any Loan Note Supplement in favour of the Security Trustee.

Each Loan Note Supplement in respect of a Loan Note Series will create separate security interests in respect of that Loan Note Series. The security created under the terms of each Loan Note Supplement includes an assignment by way of security of, or first fixed charge over, all of the Loan Note Issuer's right, title and interest:

- (i) as an Investor Beneficiary of the Receivables Trust in respect of the related Series;
- (ii) to any agreement or document relating to the related Series which the Loan Note Issuer has the benefit of or has any rights under;
- (iii) in respect of (A) funds standing to the credit of the relevant Series Ledger of the Loan Note Issuer Distribution Account; (B) any amounts representing or derived from Trust Property to which it is entitled as the Investor Beneficiary in respect of the related Series; and (C) all other sums of money which may now or hereafter from time to time be credited to any other ledgers or bank accounts in which the Loan Note Issuer may at any time with respect to the relevant Series have or acquire any right, title, interest or benefit together with (in each case) all interest accruing from time to time thereon and the debts represented thereby; and
- (iv) to any Permitted Investments in respect of the related Series acquired with any sums described above.

The above-described security created under the STDCMA and each Loan Note Supplement with respect to any Series is described as the "**Loan Note Security**".

Each Loan Note Series shall be secured on, and only on, such security as is specified in the STDCMA and the relevant Loan Note Supplement for the Series with recourse limited to such security.

Enforcement and Priority of Payments

The terms and conditions of the STDCMA also set out the general procedures by which the Security Trustee may take steps to enforce the Loan Note Security in respect of each Loan Note Series so that the Security Trustee may protect the interests of each of the Loan Note Holders (and any other secured parties) in accordance with the terms and conditions of each Loan Note. The STDCMA provides for a general discretion of the Security Trustee to enforce the security once it has become enforceable and also provides for the Security Trustee to be instructed by the Loan Note Holders (subject, in the case of the Issuer as Loan Note Holder in respect of the Loan Notes in each Loan Note Series issued under the Programme, to the terms of the Note Trust Deed and the relevant Note Trust Deed Supplement and the Note Conditions in respect of the related Note Series) to take action in relation to the acceleration of the relevant Loan Notes and the enforcement of the relevant security. The Security Trustee may consult the relevant Loan Note Holders prior to taking any enforcement action and the Note Trustee may consult the relevant Noteholders (in accordance with the Note Conditions) before permitting the Issuer to give any direction following such consultation (see "*Terms and Conditions of the Notes*"). The Security Trustee is not, however, obliged to act on the Note Trustee's directions unless it is indemnified and/or secured and/or prefunded to its satisfaction.

The STDCMA and each Loan Note Supplement together set out the priority in which the Security Trustee will pay out any monies that it receives under the Loan Notes constituted by the relevant Loan Note Supplement before and after the security is enforced. This is described further in "*The Loan Note Series*".

Appointment and Responsibilities of the Cash Manager

Pursuant to the STDCMA, the Loan Note Issuer has appointed NCL as Cash Manager, to provide calculational and information advisory services in respect of amounts received or to be received by the Loan Note Issuer in respect of any Investor Interest and NCL shall have full power and authority, acting alone or through any party properly designated by it thereunder, to do any and all things in connection with the provision of such calculational and information advisory services necessary for the Loan Note Issuer to comply with its obligations. The Cash Manager shall follow such instructions in regard to the exercise of its power and authority as the Loan Note Issuer may from time to time direct.

Without prejudice to the generality of the foregoing, the Cash Manager's chief responsibilities are to advise the Loan Note Issuer to make withdrawals and payments, from the Loan Note Issuer's bank accounts, in accordance with such instructions as set forth in the STDCMA and any Loan Note Supplement.

The Cash Manager may delegate its responsibilities under the STDCMA in the ordinary course of its business. Such delegation will not relieve the Cash Manager of its obligations under the STDCMA and, unless explicitly provided for in the STDCMA, will be at the cost of the Cash Manager. If any such delegation is to a party other than an affiliate of the Cash Manager, notification thereof will be given to the Rating Agencies.

The Cash Manager may not resign but the Loan Note Issuer may give notice (a "**Termination Notice**") to the Cash Manager terminating its appointment upon the occurrence and continuation of one of the following events (a "**Cash Manager Default**"):

- (i) any failure by the Cash Manager to give advice or notice to the Loan Note Issuer pursuant to an agreed schedule of collections and allocations or to advise the Loan Note Issuer to make any required drawing, withdrawal or payment pursuant to the Relevant Documents or the Series Documents on or before the date occurring five Business Days after the date such payment, withdrawal or drawing or such advice or notice is required to be made or given, as the case may be, under the terms of the STDCMA or any other Relevant Document or Series Document;
- (ii) failure on the part of the Cash Manager duly to observe or perform in any respect any other covenants or agreements of the Cash Manager set forth in the STDCMA or any other Relevant Document or Series Document which has a Material Adverse Effect on the interests of any Loan Note Holders in respect of any Loan Notes with Principal Amounts Outstanding of greater than zero and which continues unremedied for a period of 60 days after the date on which written notice of such failure, requiring the same to be remedied, shall have been given to the Cash Manager by the Loan Note Issuer, or to the Cash Manager and the Loan Note Issuer by Loan Note Holders holding more than 50 per cent. of the Principal Amount Outstanding of the Loan Notes adversely affected thereby and continues to have a Material Adverse Effect on the interests of such Loan Note Holders in respect of such Loan Notes for such period;
- (iii) delegation by the Cash Manager of its duties under the STDCMA to any other entity, except as permitted by the STDCMA, which has a Material Adverse Effect on the interests of the Beneficiaries in respect of any Outstanding Series;
- (iv) any relevant representation, warranty or certification made by the Cash Manager in the STDCMA or any Loan Note Supplement or in any certificate delivered pursuant hereto proves to have been incorrect when made, which has a Material Adverse Effect on the interests of the Loan Note Holders in respect of Loan Notes with Principal Amounts Outstanding of greater than zero and continues to be incorrect in any material respect for a period of 60 days after the date on which written notice of such breach of representation, warranty or certification, requiring the same to be remedied, shall have been given to the Cash Manager by the Loan Note Issuer or to the Cash Manager and the Loan Note Issuer by Loan Note Holders holding more than 50 per cent. or more of the Principal Amount Outstanding of the Loan Notes adversely affected thereby, and continues to have a Material Adverse Effect on the interests of such Loan Note Holders in respect of such Loan Notes for such period;
- (v) an order of the court is made for the winding-up, dissolution, administration or reorganisation (except for a solvent reorganisation) or similar proceedings of the Cash Manager and such order shall have remained in force undischarged or unstayed for a period of 60 days;

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- (vi) a receiver, administrator, administrative receiver, liquidator, trustee or similar officer is legally and validly appointed over the Cash Manager or relating to all of the Cash Manager's revenues and assets;
- (vii) the Cash Manager shall consent to or take any corporate action relating to the appointment of a receiver, administrator, administrative receiver, liquidator, trustee or similar officer of it or relating to all or substantially all of its revenues and assets or an order of the court is made for its winding-up, dissolution, administration or reorganisation (except for a solvent reorganisation) and such order shall have remained in force undischarged or unstayed for a period of 60 days; or
- (viii) a duly authorised officer of the Cash Manager shall admit in writing that the Cash Manager is unable to pay its debts as they fall due within the meaning of Section 123(1) of the Insolvency Act 1986 or the Cash Manager makes a general assignment for the benefit of or a composition with its creditors or voluntarily suspends payment of its obligations with a view to the general readjustment or rescheduling of its indebtedness.

If the Loan Note Issuer becomes entitled to terminate the appointment of the Cash Manager, it shall do so if requested by all of the Loan Note Holders and shall not do so without the prior agreement of all of the Loan Note Holders.

The Back-Up Cash Manager has been appointed by the Loan Note Issuer under the terms of the Back-Up Cash Management Agreement. Following delivery of a Termination Notice, the Back-Up Cash Manager shall be required to be appointed as the successor Cash Manager under the STDCMA and each Loan Note Supplement and assume the cash management responsibilities of the Cash Manager under the STDCMA as set out in the Back-Up Cash Management Agreement.

"Back-Up Cash Management Agreement" means the back-up cash management agreement entered into on 18 December 2014, and made between, *inter alios*, the Back-Up Cash Manager, the Cash Manager, the Transferor, the Loan Note Issuer and the Security Trustee.

"Series Documents" means, in relation to a Loan Note Series, the STDCMA, the relevant Loan Note Supplement, the Loan Note Certificates (as defined in the STDCMA) of such Loan Note Series (if any), any supplemental security document and any other relevant document creating or evidencing the rights and obligations of the Loan Note Issuer specific to such Loan Note Series and any other documents entered into in connection with such Loan Note Series.

Appointment and Responsibilities of the Calculation Agent

The Loan Note Issuer has appointed Citibank, N.A., London Branch as Calculation Agent under the STDCMA for the purposes of determining the interest rate for each Loan Note interest period (where applicable).

The Calculation Agent may resign its appointment upon not less than 90 days' notice in writing to the Loan Note Issuer (with a copy to the Security Trustee and the Cash Manager). The Loan Note Issuer may, with the consent of the Security Trustee, revoke the appointment of the Calculation Agent upon not less than two Business Days' written notice to the Calculation Agent (with a copy to the Security Trustee). The Security Trustee shall give such consent if it is so directed by the Loan Note Holders. In each case, the termination of the Calculation Agent's appointment will not be effective until a successor Calculation Agent has been appointed. The appointment of the Calculation Agent shall be terminated forthwith if certain insolvency events occur in relation to the Calculation Agent.

Appointment, Powers, Responsibilities and Liability of the Security Trustee

The STDCMA sets out the terms on which the Security Trustee is appointed and the terms relating to the indemnification of the Security Trustee, the remuneration it is entitled to receive and the extent of the Security Trustee's authority to act beyond its statutory powers as a trustee under English law. It also contains provisions limiting or excluding liability in certain circumstances. The Security Trustee is also given the ability to appoint a delegate or agent in the execution of any of its duties under the STDCMA. The STDCMA also sets out the circumstances in which the Security Trustee may resign or retire.

The STDCMA states that the Security Trustee is entitled to be indemnified and/or secured and/or prefunded and relieved from responsibility in certain circumstances including, without restriction, in relation to acting

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on a direction to enforce security or debt which it holds. The Security Trustee is also entitled to be paid its costs and expenses in priority to the claims of the Loan Note Holders.

The STDCMA provides that the Security Trustee is not responsible for any liability which may be suffered because any assets comprised in the security, or any deeds or documents of title to such assets, are inadequately insured or are held by custodians on behalf of the Security Trustee.

The STDCMA provides that the Security Trustee and its related companies are entitled to enter into business transactions with the other parties to the STDCMA or related companies of any of these without accounting for any profit resulting from those transactions.

The STDCMA provides that the Security Trustee is relieved of liability for making searches or other enquiries in relation to the assets comprising the security. The Security Trustee has no responsibility in relation to the legality and the enforceability of the trust arrangements and the connected security set out in the STDCMA. The Security Trustee will not be obliged to take any action which might result in its incurring personal liabilities under the STDCMA. The Security Trustee is not obliged to monitor or investigate the performance of any other person under the documents relating to the Loan Note Issuer or the documents relating to the Receivables Trust and shall be entitled to assume, until it has actual notice to the contrary, that all such persons are properly performing their duties and that no Trust Pay Out Event, Series Pay Out Event, Servicer Default, Event of Default or Loan Note Event of Default has occurred, unless it receives express notice to the contrary.

The STDCMA provides that the Security Trustee is not responsible for any deficiency which may arise because it is liable to tax in respect of the proceeds of security.

The STDCMA provides that the Security Trustee is not responsible for checking the calculations contained in or otherwise verifying any information coming into its possession in relation to the Receivables Trust.

Governing Law and Jurisdiction

The STDCMA and each Loan Note Supplement and all non-contractual obligations arising out of or in connection with them will be governed by English law and subject to the jurisdiction of the English courts.

THE LOAN NOTE SERIES

On the Closing Date in respect of each Series, the Loan Note Issuer will issue various Classes and/or Sub-Classes of Loan Notes which together will form the Loan Note Series within that Series. Each such Loan Note will correspond to a Class or Sub-Class of the Notes in the relevant Note Series being issued on the relevant Closing Date by the Issuer (unless a Loan Note of a particular Class or Sub-Class is being issued to another investor, in which case there will be no equivalent Class or Sub-Class in the relevant Note Series). The Issuer will assign by way of security its right, title and interest in the relevant Loan Notes in the Loan Note Series to the Note Trustee as security for the Issuer's obligations under the Notes. Each Loan Note held by the Issuer in the relevant Loan Note Series is expected to be redeemed on the applicable Scheduled Redemption Date, but may be subject to earlier mandatory redemption in certain circumstances as described below.

Each Loan Note in a Loan Note Series will be in registered form and will, in the case of Loan Notes issued to the Issuer under the Programme, bear interest at a rate equivalent to the related Class or Sub-Class of Notes or at a rate equivalent to that used to calculate the amounts payable by the Issuer under any related Swap Agreement, such that the amounts received by the Issuer under each Class or Sub-Class of the Loan Notes held by the Issuer should (where relevant, after application in accordance with any related Swap Agreement) be sufficient to enable the Issuer to pay the interest on the corresponding Class or Sub-Class of Notes. The Issuer will be the holder of the Loan Notes in the relevant Loan Note Series issued to it and, accordingly, prior to any enforcement of the security over such Loan Notes by the Note Trustee, the Issuer will have the right to receive all amounts of interest and principal due and payable in respect of the Loan Notes held by it in the relevant Loan Note Series. This right will be subject to the security granted by the Issuer under the terms of the Note Trust Deed and the relevant Note Trust Deed Supplement, and the Note Trustee will give an instruction that, prior to any enforcement of such security by the Note Trustee, the Issuer will have the right to receive all amounts of interest and principal due and payable in respect of the Loan Notes held by the Issuer in the relevant Loan Note Series. This instruction will automatically be revoked upon the occurrence of an Event of Default.

Details of the Loan Note Series which, as at the date of this Base Prospectus, have previously been issued by the Loan Note Issuer and remain outstanding are set out in "*Series Currently in Issue*". A Loan Note issued in respect of one Loan Note Series may differ from Loan Notes issued in respect of other Loan Note Series as to principal, interest and recourse to security, as set out in the Loan Note Supplement which constitutes the Loan Note Series of which that Loan Note forms part. See "*The Security Trust Deed and Cash Management Agreement*".

The aggregate issue proceeds of each Loan Note Series issued under the Programme will be set forth in the applicable Final Terms or Drawdown Prospectus for the relevant Series. Such proceeds will be paid to the Receivables Trustee by the Loan Note Issuer and will comprise a Contribution to the Receivables Trust. Such Contribution will increase the Aggregate Investor Interest of the Loan Note Issuer as an Investor Beneficiary of the Receivables Trust. The Aggregate Investor Interest of the Loan Note Issuer will be evidenced by annotation of the Trust Register. See "*The Receivables Trust – Beneficial Entitlement of the Loan Note Issuer to Collections*" and "*The Receivables Trust – General Legal Structure*".

The initial principal amount of the undivided beneficial interest calculated as allocated to Loan Note Issuer as Investor Beneficiary (and the relevant Series Investor Beneficiary), as a consequence of the Contribution made with the proceeds of the relevant Loan Note Series, will be equal to the relevant Series Initial Investor Interest for that Series. See "*Cashflows of the Loan Note Issuer*", below. See also "*Series Securitisation Cashflows – Beneficial Entitlement of the Loan Note Issuer to Trust Property, Rights of the Series Investor Beneficiary in Respect of each Series*" to find further information on the cash flows relating to the Series Investor Interest for each Series issued under the Programme.

As a Series Investor Beneficiary of the Receivables Trust, the Loan Note Issuer will be entitled to receive payment, at specified times and in respect of the relevant Series, of a portion of Finance Charge Collections and Principal Collections in respect of Receivables assigned by the Transferor to the Receivables Trustee as well as certain other amounts.

See also "*Series Securitisation Cashflows – Calculation and Distribution of Finance Charge Collections and Acquired Interchange to the Loan Note Issuer*", "*Series Investor Interest*" and "*Series Securitisation Cashflows – Calculation of Principal Collections to be Distributed to the Loan Note Issuer with respect to*

any Series" for further information on the cash flows relating to the Series Investor Interest utilised to pay interest on and to redeem the relevant Loan Note Series.

The ability of the Loan Note Issuer to meet its obligations to repay the principal of, and pay interest on, the Loan Notes of the relevant Loan Note Series will be entirely dependent on the receipt by it of funds from the Receivables Trust. See "*Risk Factors*" for more information on the rights associated with the receipt of such funds.

The Loan Note Issuer and the Security Trustee will have no recourse to NCL, NPT or any of their affiliates except to the extent that the Loan Note Issuer is able to benefit, through its interest in the Receivables Trust, from the rights of the Receivables Trustee against the Transferor and/or the Servicer under the Receivables Securitisation Deed and/or the Receivables Trust Deed and Servicing Agreement for any breach of representations or other obligations in respect of the Receivables.

Each Loan Note Series will be governed by English law.

Scope of Security and Limited Recourse

To secure the obligations of the Loan Note Issuer under and in respect of each Loan Note Series, the Loan Note Issuer will grant certain security interests in favour of the Security Trustee under the terms of the STDCMA and the relevant Loan Note Supplement (see "*The Security Trust Deed and Cash Management Agreement – Loan Note Security*"). The security for each Loan Note Series will be granted by the Loan Note Issuer in favour of the Security Trustee. It should be noted that, if the net proceeds of the enforcement of the security for any Loan Note Series, after meeting the expenses of the Security Trustee and any receiver, are insufficient to make all payments due on the Loan Notes of the relevant Loan Note Series, the assets of the Loan Note Issuer separately securing any other Loan Note Series will not be available for payment of that shortfall.

Cashflows of the Loan Note Issuer

The Loan Note Supplement for each Loan Note Series will set out how money is distributed to the holders of each of the Loan Notes in the relevant Loan Note Series. Payments will be made by the Loan Note Issuer from the account of the Loan Note Issuer (the "**Loan Note Issuer Distribution Account**") established pursuant to an account bank agreement dated 18 December 2014 between the Loan Note Issuer and the Loan Note Issuer Account Bank (the "**Loan Note Issuer Account Bank Agreement**") for the purpose of making and receiving payments under the Relevant Documents. Such payments will be made monthly and are due on each Distribution Date, which will also be the monthly Interest Payment Date in respect of each Loan Note Series issued under the Programme, but will be paid to the holders of each of the relevant Loan Notes one Business Day in advance on the relevant Transfer Date. The Interest Payment Dates of each Loan Note Series issued under the Programme correspond to the Interest Payment Dates of the corresponding Note Series (see "*Terms and Conditions of the Notes*").

The order of priority of payments and the relevant bank accounts and ledgers from which they are made will be the same regardless of whether the security in respect of the relevant Loan Note Series has been or is being enforced. See "*Series Securitisation Cashflows*" for the order of priority of the payments to be made to the Loan Note Issuer in respect of each Series issued under the Programme on each Transfer Date, as the characterisation of such payments under the relevant Supplement forms the basis for determining the equivalent payment to be made by the Loan Note Issuer in respect of such Series on such Transfer Date. All payments to or by the Loan Note Issuer (including in relation to receiving amounts from a Qualifying Swap Provider (other than Qualifying Swap Collateral) allocable to the relevant Series pursuant to a Qualifying Swap Agreement) in relation to the relevant Series will be made to or from the ledger established in the Loan Note Issuer Distribution Account with respect to the relevant Series (the "**Series Ledger**").

In respect of each Loan Note Series, on each Transfer Date, amounts described below transferred on or before such Transfer Date to the relevant Series Ledger shall be applied as follows in respect of amounts due on the following Distribution Date:

- (i) an amount equal to the Investor Aggregate Trustee Payment Amount for the relevant Series for such Transfer Date plus any Investor Aggregate Trustee Payment Amount for the relevant Series remaining unpaid from any previous Transfer Date shall be paid to the Receivables Trustee as

Additional Funds, identified as an Investor Aggregate Trustee Payment Amount referable to the relevant Series;

- (ii) in no order of priority between them but in proportion to the respective amounts due, (i) an amount equal to the Loan Note Issuer Costs Amount for the relevant Series for such Transfer Date plus any Loan Note Issuer Costs Amounts for the relevant Series remaining unpaid from any previous Transfer Date shall be retained in the Series Ledger of the Loan Note Issuer Distribution Account for payment to such person to whom such costs are owed, and (ii) an amount equal to the Issuer Costs Amount for the relevant Series for such Transfer Date plus any Issuer Costs Amounts for the relevant Series remaining unpaid from any previous Transfer Date shall be paid to the Issuer Distribution Account;
- (iii) in no order of priority between them but in proportion to the respective amounts due, amounts equal to: (i) the Loan Note Issuer Profit Amount for the relevant Series plus any Loan Note Issuer Profit Amounts for the relevant Series remaining unpaid from any previous Transfer Date will be retained in the Loan Note Issuer Distribution Account and (ii) the Issuer Profit Amount for the relevant Series plus any Issuer Profit Amounts for the relevant Series remaining unpaid on any previous Transfer Date shall be paid to the Issuer Distribution Account;
- (iv) an amount equal to the Investor Servicing Fee Amount referable to the relevant Series (exclusive of the Servicer Interchange Amount referable to the relevant Series) for such Transfer Date and any Investor Servicing Fee Amounts referable to the relevant Series (exclusive of the Servicer Interchange Amount referable to the relevant Series) remaining unpaid from any previous Transfer Date shall be paid to the Receivables Trustee as Additional Funds;
- (v) if the relevant Series is in a Qualifying Swap Group, an amount equal to any Qualifying Swap Amounts referable to the relevant Series that are due and payable on or around the immediately following Distribution Date, excluding any Qualifying Swap Partial Termination Payments, Qualifying Swap Permitted Tax Credit Payments or Qualifying Swap Subordinated Termination Payments, shall be paid to the relevant Qualifying Swap Providers and recorded on the relevant Series Ledger;
- (vi) in respect of Class A of the relevant Series, *pro rata* and *pari passu*, between them:
 - (a)
 - (A) if such Class is not divided into Sub-Classes, an amount equal to the Class Monthly Distribution Amount in respect of that Class shall be paid to the Issuer Distribution Account as payment of the Interest Amount in respect of the Loan Note of that Class and any Deferred Interest and Additional Interest due and unpaid on the Loan Note of that Class which is due and payable on the immediately following Distribution Date; or
 - (B) if such Class is divided into Sub-Classes, *pro rata* and *pari passu* in respect of each Sub-Class, an amount equal to the Class Monthly Distribution Amount in respect of that Sub-Class shall be paid to the Issuer Distribution Account as payment of the Interest Amount in respect of the Loan Note of that Sub-Class and any Deferred Interest and Additional Interest due and unpaid on the Loan Note of that Sub-Class which is due and payable on the immediately following Distribution Date; and
 - (b) if the relevant Series is in a Qualifying Swap Group, an amount equal to any Qualifying Swap Partial Termination Payments and Qualifying Swap Permitted Tax Credit Payments referable to the relevant Series that are due and payable on or around the immediately following Distribution Date shall be paid to the relevant Qualifying Swap Providers and recorded on the relevant Series Ledger;
- (vii) in respect of Class B of the relevant Series:
 - (a) if such Class is not divided into Sub-Classes, an amount equal to the Class Monthly Distribution Amount in respect of that Class shall be paid to the Issuer Distribution

Account as payment of the Interest Amount in respect of the Loan Note of that Class and any Deferred Interest and Additional Interest due and unpaid on the Loan Note of that Class which is due and payable on the immediately following Distribution Date; or

- (b) if such Class is divided into Sub-Classes, *pro rata* and *pari passu* in respect of each Sub-Class, an amount equal to the Class Monthly Distribution Amount in respect of that Sub-Class shall be paid to the Issuer Distribution Account as payment of the Interest Amount in respect of the Loan Note of that Sub-Class and any Deferred Interest and Additional Interest due and unpaid on the Loan Note of that Sub-Class which is due and payable on the immediately following Distribution Date;
- (viii) in respect of Class C of the relevant Series:
- (a) if such Class is not divided into Sub-Classes, an amount equal to the Class Monthly Distribution Amount in respect of that Class shall be paid to the Issuer Distribution Account as payment of the Interest Amount in respect of the Loan Note of that Class and any Deferred Interest and Additional Interest due and unpaid on the Loan Note of that Class which is due and payable on the immediately following Distribution Date; or
 - (b) if such Class is divided into Sub-Classes, *pro rata* and *pari passu* in respect of each Sub-Class, an amount equal to the Class Monthly Distribution Amount in respect of that Sub-Class shall be paid to the Issuer Distribution Account as payment of the Interest Amount in respect of the Loan Note of that Sub-Class and any Deferred Interest and Additional Interest due and unpaid on the Loan Note of that Sub-Class which is due and payable on the immediately following Distribution Date;
- (ix) in respect of Class D of the relevant Series:
- (a) if such Class is not divided into Sub-Classes, an amount equal to the Class Monthly Distribution Amount in respect of that Class shall be paid to the Issuer Distribution Account as payment of the Interest Amount in respect of the Loan Note of that Class and any Deferred Interest and Additional Interest due and unpaid on the Loan Note of that Class which is due and payable on the immediately following Distribution Date; or
 - (b) if such Class is divided into Sub-Classes, *pro rata* and *pari passu* in respect of each Sub-Class, an amount equal to the Class Monthly Distribution Amount in respect of that Sub-Class shall be paid to the Issuer Distribution Account as payment of the Interest Amount in respect of the Loan Note of that Sub-Class and any Deferred Interest and Additional Interest due and unpaid on the Loan Note of that Sub-Class which is due and payable on the immediately following Distribution Date;
- (x) if such Transfer Date is during the Revolving Period, the Controlled Accumulation Period or a Specified Class Controlled Accumulation Period for the relevant Series, in respect of Class A of the relevant Series:
- (a) if such Class is not divided into Sub-Classes, an amount equal to the amount (if any) of Additional Funds to be identified as Loss Make-Up (Default) and paid in respect of the Class Investor Interest in respect of that Class for the preceding Collection Period shall be paid to the Receivables Trustee and identified as such; or
 - (b) if such Class is divided into Sub-Classes, *pro rata* and *pari passu* in respect of each Sub-Class, an amount equal to the amount (if any) of Additional Funds to be identified as Loss Make-Up (Default) and paid in respect of the Class Investor Interest for that Sub-Class for the preceding Collection Period shall be paid to the Receivables Trustee and identified as such;
- (xi) if such Transfer Date is during the Revolving Period, the Controlled Accumulation Period or a Specified Class Controlled Accumulation Period for the relevant Series, in respect of Class A of the relevant Series:
- (a) if such Class is not divided into Sub-Classes, an amount equal to the amount (if any) of Additional Funds to be identified as Loss Make-Up (Charge-off) and paid in respect of the

- Class Investor Interest in respect of that Class for the preceding Collection Period shall be paid to the Receivables Trustee and identified as such; or
- (b) if such Class is divided into Sub-Classes, *pro rata* and *pari passu* in respect of each Sub-Class, an amount equal to the amount (if any) of Additional Funds to be identified as Loss Make-Up (Charge-off) and paid in respect of the Class Investor Interest for that Sub-Class for the preceding Collection Period shall be paid to the Receivables Trustee and identified as such;
- (xii) if such Transfer Date is during the Revolving Period, the Controlled Accumulation Period or a Specified Class Controlled Accumulation Period for the relevant Series, in respect of Class B of the relevant Series:
- (a) if such Class is not divided into Sub-Classes, an amount equal to the amount (if any) of Additional Funds to be identified as Loss Make-Up (Default) and paid in respect of the Class Investor Interest in respect of that Class for the preceding Collection Period shall be paid to the Receivables Trustee and identified as such; or
 - (b) if such Class is divided into Sub-Classes, *pro rata* and *pari passu* in respect of each Sub-Class, an amount equal to the amount (if any) of Additional Funds to be identified as Loss Make-Up (Default) and paid in respect of the Class Investor Interest for that Sub-Class for the preceding Collection Period shall be paid to the Receivables Trustee and identified as such;
- (xiii) if such Transfer Date is during the Revolving Period, the Controlled Accumulation Period or a Specified Class Controlled Accumulation Period for the relevant Series, in respect of Class B of the relevant Series:
- (a) if such Class is not divided into Sub-Classes, an amount equal to the amount (if any) of Additional Funds to be identified as Loss Make-Up (Charge-off) and paid in respect of the Class Investor Interest in respect of that Class for the preceding Collection Period shall be paid to the Receivables Trustee and identified as such; or
 - (b) if such Class is divided into Sub-Classes, *pro rata* and *pari passu* in respect of each Sub-Class, an amount equal to the amount (if any) of Additional Funds to be identified as Loss Make-Up (Charge-off) and paid in respect of the Class Investor Interest for that Sub-Class for the preceding Collection Period shall be paid to the Receivables Trustee and identified as such;
- (xiv) if such Transfer Date is during the Revolving Period, the Controlled Accumulation Period, or a Specified Class Controlled Accumulation Period for the relevant Series, in respect of Class C of the relevant Series:
- (a) if such Class is not divided into Sub-Classes, an amount equal to the amount (if any) of Additional Funds to be identified as Loss Make-Up (Default) and paid in respect of the Class Investor Interest in respect of that Class for the preceding Collection Period shall be paid to the Receivables Trustee and identified as such; or
 - (b) if such Class is divided into Sub-Classes, *pro rata* and *pari passu* in respect of each Sub-Class, an amount equal to the amount (if any) of Additional Funds to be identified as Loss Make-Up (Default) and paid in respect of the Class Investor Interest for that Sub-Class for the preceding Collection Period shall be paid to the Receivables Trustee and identified as such;
- (xv) if such Transfer Date is during the Revolving Period, the Controlled Accumulation Period or a Specified Class Controlled Accumulation Period for the relevant Series, in respect of Class C of the relevant Series:
- (a) if such Class is not divided into Sub-Classes, an amount equal to the amount (if any) of Additional Funds to be identified as Loss Make-Up (Charge-off) and paid in respect of the Class Investor Interest in respect of that Class for the preceding Collection Period shall be paid to the Receivables Trustee and identified as such; or

- (b) if such Class is divided into Sub-Classes, *pro rata* and *pari passu* in respect of each Sub-Class, an amount equal to the amount (if any) of Additional Funds to be identified as Loss Make-Up (Charge-off) and paid in respect of the Class Investor Interest for that Sub-Class for the preceding Collection Period shall be paid to the Receivables Trustee and identified as such;
- (xvi) if such Transfer Date is during the Revolving Period, the Controlled Accumulation Period or a Specified Class Controlled Accumulation Period for the relevant Series, in respect of Class D of the relevant Series:
 - (a) if such Class is not divided into Sub-Classes, an amount equal to the amount (if any) of Additional Funds to be identified as Loss Make-Up (Default) and paid in respect of the Class Investor Interest in respect of that Class for the preceding Collection Period shall be paid to the Receivables Trustee and identified as such; or
 - (b) if such Class is divided into Sub-Classes, *pro rata* and *pari passu* in respect of each Sub-Class, an amount equal to the amount (if any) of Additional Funds to be identified as Loss Make-Up (Default) and paid in respect of the Class Investor Interest for that Sub-Class for the preceding Collection Period shall be paid to the Receivables Trustee and identified as such;
- (xvii) if such Transfer Date is during the Revolving Period, the Controlled Accumulation Period or a Specified Class Controlled Accumulation Period for the relevant Series, in respect of Class D of the relevant Series:
 - (a) if such Class is not divided into Sub-Classes, an amount equal to the amount (if any) of Additional Funds to be identified as Loss Make-Up (Charge-off) and paid in respect of the Class Investor Interest in respect of that Class for the preceding Collection Period shall be paid to the Receivables Trustee and identified as such; or
 - (b) if such Class is divided into Sub-Classes, *pro rata* and *pari passu* in respect of each Sub-Class, an amount equal to the amount (if any) of Additional Funds to be identified as Loss Make-Up (Charge-off) and paid in respect of the Class Investor Interest for that Sub-Class for the preceding Collection Period shall be paid to the Receivables Trustee and identified as such;
- (xviii) in respect of Class E of the relevant Series:
 - (a) if such Class is not divided into Sub-Classes, an amount equal to the Class Monthly Distribution Amount in respect of that Class shall be paid to the Issuer Distribution Account as payment of the Interest Amount in respect of the Loan Note of that Class and any Deferred Interest and Additional Interest due and unpaid on the Loan Note of that Class which is due and payable on the immediately following Distribution Date; or
 - (b) if such Class is divided into Sub-Classes, *pro rata* and *pari passu* in respect of each Sub-Class, an amount equal to the Class Monthly Distribution Amount in respect of that Sub-Class shall be paid to the Issuer Distribution Account as payment of the Interest Amount in respect of the Loan Note of that Sub-Class and any Deferred Interest and Additional Interest due and unpaid on the Loan Note of that Sub-Class which is due and payable on the immediately following Distribution Date;
- (xix) if such Transfer Date is during the Revolving Period, the Controlled Accumulation Period or a Specified Class Controlled Accumulation Period for the relevant Series, in respect of Class E of the relevant Series:
 - (a) if such Class is not divided into Sub-Classes, an amount equal to the amount (if any) of Additional Funds to be identified as Loss Make-Up (Default) and paid in respect of the Class Investor Interest in respect of that Class for the preceding Collection Period shall be paid to the Receivables Trustee and identified as such; or
 - (b) if such Class is divided into Sub-Classes, *pro rata* and *pari passu* in respect of each Sub-Class, an amount equal to the amount (if any) of Additional Funds to be identified as Loss

Make-Up (Default) and paid in respect of the Class Investor Interest for that Sub-Class for the preceding Collection Period shall be paid to the Receivables Trustee and identified as such;

- (xx) if such Transfer Date is during the Revolving Period, the Controlled Accumulation Period or a Specified Class Controlled Accumulation Period for the relevant Series, in respect of Class E of the relevant Series:
 - (a) if such Class is not divided into Sub-Classes, an amount equal to the amount (if any) of Additional Funds to be identified as Loss Make-Up (Charge-off) and paid in respect of the Class Investor Interest in respect of that Class for the preceding Collection Period shall be paid to the Receivables Trustee and identified as such; or
 - (b) if such Class is divided into Sub-Classes, *pro rata and pari passu* in respect of each Sub-Class, an amount equal to the amount (if any) of Additional Funds to be identified as Loss Make-Up (Charge-off) and paid in respect of the Class Investor Interest for that Sub-Class for the preceding Collection Period shall be paid to the Receivables Trustee and identified as such;
- (xxi) in respect of Class F of the relevant Series:
 - (a) if such Class is not divided into Sub-Classes, an amount equal to the Class Monthly Distribution Amount in respect of that Class shall be paid to the Issuer Distribution Account as payment of the Interest Amount in respect of the Loan Note of that Class and any Deferred Interest and Additional Interest due and unpaid on the Loan Note of that Class which is due and payable on the immediately following Distribution Date; or
 - (b) if such Class is divided into Sub-Classes, *pro rata and pari passu* in respect of each Sub-Class, an amount equal to the Class Monthly Distribution Amount in respect of that Sub-Class shall be paid to the Issuer Distribution Account as payment of the Interest Amount in respect of the Loan Note of that Sub-Class and any Deferred Interest and Additional Interest due and unpaid on the Loan Note of that Sub-Class which is due and payable on the immediately following Distribution Date;
- (xxii) if such Transfer Date is during the Revolving Period, the Controlled Accumulation Period or a Specified Class Controlled Accumulation Period for the relevant Series, in respect of Class F of the relevant Series:
 - (a) if such Class is not divided into Sub-Classes, an amount equal to the amount (if any) of Additional Funds to be identified as Loss Make-Up (Default) and paid in respect of the Class Investor Interest in respect of that Class for the preceding Collection Period shall be paid to the Receivables Trustee and identified as such; or
 - (b) if such Class is divided into Sub-Classes, *pro rata and pari passu* in respect of each Sub-Class, an amount equal to the amount (if any) of Additional Funds to be identified as Loss Make-Up (Default) and paid in respect of the Class Investor Interest for that Sub-Class for the preceding Collection Period shall be paid to the Receivables Trustee and identified as such;
- (xxiii) if such Transfer Date is during the Revolving Period, the Controlled Accumulation Period or a Specified Class Controlled Accumulation Period for the relevant Series, in respect of Class F of the relevant Series:
 - (a) if such Class is not divided into Sub-Classes, an amount equal to the amount (if any) of Additional Funds to be identified as Loss Make-Up (Charge-off) and paid in respect of the Class Investor Interest in respect of that Class for the preceding Collection Period shall be paid to the Receivables Trustee and identified as such; or
 - (b) if such Class is divided into Sub-Classes, *pro rata and pari passu* in respect of each Sub-Class an amount equal to the amount (if any) of Additional Funds to be identified as Loss Make-Up (Charge-off) and paid in respect of the Class Investor Interest for that Sub-Class

for the preceding Collection Period shall be paid to the Receivables Trustee and identified as such;

- (xxiv) during the Revolving Period, the Controlled Accumulation Period or a Specified Class Controlled Accumulation Period for the relevant Series, an amount equal to the aggregate amount (if any) of Additional Funds to be identified as Loss Make-Up (Charge-off) and paid in respect of the Series Originator VFN Subordination portion of the Originator VFN Investor Interest for the relevant Series for the preceding Collection Period shall be paid to the Receivables Trustee and identified as such;
- (xxv) an amount (if any) equal to the amount deposited in the Loan Note Issuer Distribution Account (each such amount being hereafter referred to as a "**Group One Series Available Excess Amount**") shall be available to be paid to the relevant Investor Beneficiary (which may include the Loan Note Issuer) in respect of each Series in Group One. Such amount shall be payable only to the extent that there are amounts which the Cash Manager has, in accordance with the relevant Loan Note Supplement for such Series and acting on the advice of the Servicer, identified as Group One Series Finance Charge Shortfalls for the relevant Transfer Date in respect of each such Series. The Group One Series Available Excess Amount so available, when aggregated with the Group One Series Available Excess Amounts available to each other Series in Group One, is referred to as the "**Aggregate Group One Available Excess Amounts**".

Where, on any Transfer Date (i) the Loan Note Issuer has a Group One Series Available Excess Amount in respect of the relevant Series and (ii) the Aggregate Group One Series Finance Charge Shortfalls are greater than zero, then, in respect of each Series in Group One experiencing a Group One Series Finance Charge Shortfall (each, a "**Group One Shortfall Series**"), the Loan Note Issuer shall allocate the Group One Series Shared Excess Finance Charge Amount in respect of the relevant Series between each Group One Shortfall Series *pro rata* to the Group One Series Finance Charge Shortfall experienced by each of them by transferring the relevant Group One Series Shortfall Payment to the relevant Investor Beneficiary in respect of each Group One Shortfall Series.

Any amount of the Group One Series Available Excess Amount in respect of the relevant Series transferred by the Loan Note Issuer to any Investor Beneficiary in respect of any other Series as provided above in this paragraph (xxv) is referred to as "**Excess Finance Charges**";

- (xxvi) if the relevant Series is in a Qualifying Swap Group, an amount equal to any Qualifying Swap Subordinated Termination Payments referable to the relevant Series that are due and payable on or around such Transfer Date to the relevant Qualifying Swap Provider shall be paid to the relevant Qualifying Swap Provider and recorded on the relevant Series Ledger;
- (xxvii) an amount equal to the Issuer Junior Costs Amount for the relevant Series for such Transfer Date plus any Loan Note Issuer Junior Costs Amounts for the relevant Series remaining unpaid from any previous Transfer Date shall be retained by the Loan Note Issuer for distribution to the relevant parties; and
- (xxviii) an amount (if any) equal to any part of a Group One Series Available Excess Amount which is not applied in funding a transfer of Excess Finance Charges, making any Qualifying Swap Subordinated Termination Payments or making any payments in respect of Issuer Junior Costs Amounts shall be identified as "**Excess Spread**" and shall be paid to the Receivables Trustee as Additional Funds in respect of the relevant Series, identified as such,

provided that, for the avoidance of doubt, but subject to the provisions of the relevant Loan Note Supplement, where the full amount of any payment described above cannot be made due to any insufficiency in the funds credited to the Loan Note Issuer Distribution Account which are available to make such payment, that payment shall not be payable to that extent, **provided, however, that** such deficiency in payment shall be deferred to the immediately succeeding Transfer Date, if such deferral is expressly contemplated above or otherwise in the Relevant Documents, **further provided that**, for the avoidance of doubt, where the full amount of any payment of Loan Note Issuer Costs Amount for the relevant Series cannot be made due to any insufficiency in the funds credited to the Loan Note Issuer Distribution Account which are available to make such payment, that payment shall be made in the following order of priority: *first*, the full amount due to the Security Trustee and any Receiver or appointee

appointed pursuant to the Security Trust Deed and Cash Management Agreement, and *second, pro rata and pari passu*, to the Loan Note Issuer, the Receivables Trustee Account Bank, the Loan Note Issuer Account Bank, the Loan Note Issuer Corporate Services Provider, the Calculation Agent, the Cash Manager and the Back-Up Cash Manager pursuant to the Transaction Documents referable to the relevant Series.

On each Transfer Date on which a Group One Series Finance Charge Shortfall occurs in respect of any Series, the Loan Note Issuer will notify the amount of such Group One Series Finance Charge Shortfall to all Investor Beneficiaries in respect of other Series in Group One and will utilise any amounts transferred to the Loan Note Issuer by the Investor Beneficiaries in respect of such other Series in Group One by way of payments for its Supported Group One Series Finance Charge Shortfall (as defined in the Originator VFN Supplement) and Excess Finance Charges (as defined in the relevant Loan Note Supplement for such Series) and apply the same as payments for its Supported Group One Series Finance Charge Shortfall and Group One Series Excess Finance Charges.

"Aggregate Group One Series Finance Charge Shortfalls" means, in respect of any Transfer Date, the aggregate of all Group One Series Finance Charge Shortfalls for each Series in Group One.

"Group One Reallocation Series" means, on any Transfer Date, each Series in Group One in respect of which the relevant Investor Beneficiary has received a Group One Series Available Excess Amount.

"Group One Series Shared Excess Finance Charge Amount" means, in respect of any Group One Reallocation Series, an amount equal to the lesser of (A) the product of (1) a fraction the numerator of which is the Group One Series Available Excess Amount for the relevant Group One Reallocation Series and the denominator of which is the Aggregate Group One Available Excess Amounts and (2) the Aggregate Group One Series Finance Charge Shortfalls and (B) the Group One Series Available Excess Amount for the relevant Group One Reallocation Series.

"Group One Series Shortfall Payment" means, in respect of any Group One Reallocation Series, an amount for each Group One Shortfall Series equal to the product of (1) a fraction the numerator of which is the Group One Series Finance Charge Shortfall for the relevant Group One Shortfall Series and the denominator of which is the Aggregate Group One Series Finance Charge Shortfalls and (2) the Group One Series Shared Excess Finance Charge Amount for the relevant Group One Reallocation Series.

Interest and Payments

The interest amount in respect of each Class or Sub-Class of the Loan Notes in a Loan Note Series shall be the Class Monthly Finance Amount in respect of such Class or Sub-Class.

Scheduled Redemption of Loan Note Series

In respect of any Series issued under the Programme unless the Rapid Amortisation Period in respect of such Series has commenced prior to such date (see "*Mandatory Redemption of Loan Note Series during a Rapid Amortisation Period*" below), the Loan Notes in the relevant Loan Note Series will be redeemed on the relevant Series Scheduled Redemption Date or, in the case of any Specified Class of Loan Notes within that Loan Note Series (to the extent not redeemed during any previous Specified Class Rapid Amortisation Period for that Specified Class), the relevant Specified Class Scheduled Redemption Date, to the extent of the amount which the Receivables Trustee, acting on behalf of the Loan Note Issuer, has on that day deposited in the Loan Note Issuer Distribution Account for such purpose, in accordance with the provisions of the relevant Supplement and in respect of amounts owing under the relevant Series Investor Interest. See "*Series Securitisation Cashflows – Distributions of Principal Collections to the Loan Note Issuer*" and "*Series Securitisation Cashflows – Controlled Accumulation Period and Specified Class Controlled Accumulation Period*".

Mandatory Redemption of Loan Note Series during a Rapid Amortisation Period

In respect of any Specified Class within a Series issued under the Programme, if a Specified Class Rapid Amortisation Period in respect of that Specified Class commences prior to or on the relevant Specified Class Scheduled Redemption Date, then the principal amounts credited to the relevant Series Ledger in respect of the relevant Class Investor Interest for that Specified Class by the Receivables Trustee will, in accordance with the provisions of the relevant Supplement, be applied in redeeming the Loan Note of that Specified Class until the earlier of (A) redemption of an amount of that Loan Note equal to the relevant Amortising Specified Class Investor Interest or (B) the Series Final Redemption Date of the relevant Series.

In respect of any Series issued under the Programme, if the Rapid Amortisation Period in respect of such Series commences prior to or on the relevant Series Scheduled Redemption Date, then the principal amounts credited to the relevant Series Ledger by the Receivables Trustee will, in accordance with the provisions of the relevant Supplement, be applied as follows:

- (i) in respect of Class A:
 - (a) if such Class is not divided into Sub-Classes, principal amounts in respect of the Class Investor Interest for that Class will be applied in redeeming the Loan Note of that Class until the earlier of (A) redemption of that Loan Note in full or (B) the Series Final Redemption Date of the relevant Series; or
 - (b) if such Class is divided into Sub-Classes, *pro rata* and *pari passu* in respect of each Sub-Class, principal amounts in respect of the Class Investor Interest for that Sub-Class will be applied in redeeming the Loan Note of that Sub-Class until the earlier of (A) redemption of that Loan Note in full or (B) the Series Final Redemption Date of the relevant Series;
- (ii) in respect of Class B:
 - (a) if such Class is not divided into Sub-Classes, principal amounts in respect of the Class Investor Interest for that Class will be applied in redeeming the Loan Note of that Class until the earlier of (A) redemption of that Loan Note in full or (B) the Series Final Redemption Date of the relevant Series; or
 - (b) if such Class is divided into Sub-Classes, *pro rata* and *pari passu* in respect of each Sub-Class, principal amounts in respect of the Class Investor Interest for that Sub-Class will be applied in redeeming the Loan Note of that Sub-Class until the earlier of (A) redemption of that Loan Note in full or (B) the Series Final Redemption Date of the relevant Series;
- (iii) in respect of Class C:
 - (a) if such Class is not divided into Sub-Classes, principal amounts in respect of the Class Investor Interest for that Class will be applied in redeeming the Loan Note of that Class until the earlier of (A) redemption of that Loan Note in full or (B) the Series Final Redemption Date of the relevant Series; or
 - (b) if such Class is divided into Sub-Classes, *pro rata* and *pari passu* in respect of each Sub-Class, principal amounts in respect of the Class Investor Interest for that Sub-Class will be applied in redeeming the Loan Note of that Sub-Class until the earlier of (A) redemption of that Loan Note in full or (B) the Series Final Redemption Date of the relevant Series;
- (iv) in respect of Class D:
 - (a) if such Class is not divided into Sub-Classes, principal amounts in respect of the Class Investor Interest for that Class will be applied in redeeming the Loan Note of that Class until the earlier of (A) redemption of that Loan Note in full or (B) the Series Final Redemption Date of the relevant Series; or
 - (b) if such Class is divided into Sub-Classes, *pro rata* and *pari passu* in respect of each Sub-Class, principal amounts in respect of the Class Investor Interest for that Sub-Class will be applied in redeeming the Loan Note of that Sub-Class until the earlier of (A) redemption of that Loan Note in full or (B) the Series Final Redemption Date of the relevant Series;
- (v) in respect of Class E:
 - (a) if such Class is not divided into Sub-Classes, principal amounts in respect of the Class Investor Interest for that Class will be applied in redeeming the Loan Note of that Class until the earlier of (A) redemption of that Loan Note in full or (B) the Series Final Redemption Date of the relevant Series; or
 - (b) if such Class is divided into Sub-Classes, *pro rata* and *pari passu* in respect of each Sub-Class, principal amounts in respect of the Class Investor Interest for that Sub-Class will

be applied in redeeming the Loan Note of that Sub-Class until the earlier of (A) redemption of that Loan Note in full or (B) the Series Final Redemption Date of the relevant Series; and

- (vi) in respect of Class F:
 - (a) if such Class is not divided into Sub-Classes, principal amounts in respect of the Class Investor Interest for that Class will be applied in redeeming the Loan Note of that Class until the earlier of (A) redemption of that Loan Note in full or (B) the Series Final Redemption Date of the relevant Series; or
 - (b) if such Class is divided into Sub-Classes, *pro rata* and *pari passu* in respect of each Sub-Class, principal amounts in respect of the Class Investor Interest for that Sub-Class will be applied in redeeming the Loan Note of that Sub-Class until the earlier of (A) redemption of that Loan Note in full or (B) the Series Final Redemption Date of the relevant Series;

See "Series Securitisation Cashflows – Distributions of Principal Collections to the Loan Note Issuer" and "Series Securitisation Cashflows – Rapid Amortisation Period and Specified Class Rapid Amortisation Period".

Series Optional Amortisation

In respect of any Series issued under the Programme and in accordance with the provisions of the relevant Supplement, on any Series Optional Amortisation Date, the relevant Series Optional Amortisation Amount credited to the relevant Series Ledger by the Receivables Trustee and identified as being allocated to a Class Investor Interest (or a Put Class Investor Interest) forming part of such Series will be applied in redeeming the Loan Note of the corresponding Class or Sub-Class.

See "Series Securitisation Cashflows – Series Optional Amortisation".

Partial Amortisation

In respect of any Series issued under the Programme, on each Partial Amortisation Date, any Partial Amortisation Amount credited to the relevant Series Ledger by the Receivables Trustee will, in accordance with the provisions of the relevant Supplement, be applied as follows:

- (i) in respect of Class A:
 - (a) if such Class is not divided into Sub-Classes, Partial Amortisation Amounts identified as being allocable to the Class Investor Interest for that Class will be applied in redeeming the Loan Note of that Class in an amount equal to such Partial Amortisation Amount; or
 - (b) if such Class is divided into Sub-Classes, *pro rata* and *pari passu* in respect of each Sub-Class, Partial Amortisation Amounts identified as being allocable to the Class Investor Interest for that Sub-Class will be applied in redeeming the Loan Note of that Sub-Class in an amount equal to such Partial Amortisation Amount;
- (ii) in respect of Class B:
 - (a) if such Class is not divided into Sub-Classes, Partial Amortisation Amounts identified as being allocable to the Class Investor Interest for that Class will be applied in redeeming the Loan Note of that Class in an amount equal to such Partial Amortisation Amount; or
 - (b) if such Class is divided into Sub-Classes, *pro rata* and *pari passu* in respect of each Sub-Class, Partial Amortisation Amounts identified as being allocable to the Class Investor Interest for that Sub-Class will be applied in redeeming the Loan Note of that Sub-Class in an amount equal to such Partial Amortisation Amount;

- (iii) in respect of Class C:
 - (a) if such Class is not divided into Sub-Classes, Partial Amortisation Amounts identified as being allocable to the Class Investor Interest for that Class will be applied in redeeming the Loan Note of that Class in an amount equal to such Partial Amortisation Amount; or
 - (b) if such Class is divided into Sub-Classes, *pro rata* and *pari passu* in respect of each Sub-Class, Partial Amortisation Amounts identified as being allocable to the Class Investor Interest for that Sub-Class will be applied in redeeming the Loan Note of that Sub-Class in an amount equal to such Partial Amortisation Amount;
- (iv) in respect of Class D:
 - (a) if such Class is not divided into Sub-Classes, Partial Amortisation Amounts identified as being allocable to the Class Investor Interest for that Class will be applied in redeeming the Loan Note of that Class in an amount equal to such Partial Amortisation Amount; or
 - (b) if such Class is divided into Sub-Classes, *pro rata* and *pari passu* in respect of each Sub-Class, Partial Amortisation Amounts identified as being allocable to the Class Investor Interest for that Sub-Class will be applied in redeeming the Loan Note of that Sub-Class in an amount equal to such Partial Amortisation Amount;
- (v) in respect of Class E:
 - (a) if such Class is not divided into Sub-Classes, Partial Amortisation Amounts identified as being allocable to the Class Investor Interest for that Class will be applied in redeeming the Loan Note of that Class in an amount equal to such Partial Amortisation Amount; or
 - (b) if such Class is divided into Sub-Classes, *pro rata* and *pari passu* in respect of each Sub-Class, Partial Amortisation Amounts identified as being allocable to the Class Investor Interest for that Sub-Class will be applied in redeeming the Loan Note of that Sub-Class in an amount equal to such Partial Amortisation Amount; and
- (vi) in respect of Class F:
 - (a) if such Class is not divided into Sub-Classes, Partial Amortisation Amounts identified as being allocable to the Class Investor Interest for that Class will be applied in redeeming the Loan Note of that Class in an amount equal to such Partial Amortisation Amount; or
 - (b) if such Class is divided into Sub-Classes, *pro rata* and *pari passu* in respect of each Sub-Class, Partial Amortisation Amounts identified as being allocable to the Class Investor Interest for that Sub-Class will be applied in redeeming the Loan Note of that Sub-Class in an amount equal to such Partial Amortisation Amount.

See "*Series Securitisation Cashflows – Partial Amortisation*".

Loan Note Events of Default

For each Loan Note Series issued under the Programme, the occurrence and continuation of the following events shall constitute a "**Loan Note Event of Default**":

- (i) the Loan Note Issuer fails to pay any amount of principal on any Loan Note within the Loan Note Series within 7 days of the due date for its payment or fails to pay any amount of interest on any such Loan Note within 15 days of its due date;
- (ii) the Loan Note Issuer fails to perform or observe any of its other obligations under the Loan Note Series, the Loan Note Supplement relating to that Loan Note Series or, insofar as such obligation relates to that Loan Note Series, the Security Trust Deed and Cash Management Agreement and such default is materially prejudicial to the interests of the relevant Loan Note Holders and, except where the failure is incapable of remedy, it remains unremedied for 30 days after notice thereof is given to the Loan Note Issuer;

- (iii) the early termination, without replacement within 30 days, of any swap agreement relating to the relevant Series entered into by the Loan Note Issuer (excluding, for the avoidance of doubt, a Qualifying Swap Agreement), where such termination is materially prejudicial to the interests of the relevant Loan Note Holders;
- (iv) a secured party or encumbrancer takes possession of, or a receiver, administrative receiver, administrator, examiner, manager or other similar officer is legally and validly appointed over, the whole or any part of the business, assets and revenues of the Loan Note Issuer or an enforcement action is begun for unpaid rent or execution is levied against any of the assets of the Loan Note Issuer which is not frivolous or vexatious and, in each case, is not discharged within five business days;
- (v) an Insolvency Event occurs in relation to the Loan Note Issuer;
- (vi) any action, condition or thing at any time required to be taken, fulfilled or done in order:
 - (a) to enable the Loan Note Issuer lawfully to enter into, exercise its rights and perform and comply with its obligations under and in respect of the Loan Notes of that Loan Note Series and the documents relating to them; or
 - (b) to ensure that those obligations are legal, valid, binding and enforceable, except as that enforceability may be limited by applicable bankruptcy, insolvency, moratorium, reorganisation or other similar laws affecting the enforcement of the rights of creditors generally and general principles of equity,

is not taken, fulfilled or done and that the failure to do so is materially prejudicial to the interests of the relevant Loan Note Holders;
- (vii) it is or becomes unlawful for the Loan Note Issuer to perform or comply with any of its material obligations under or in respect of the Loan Notes of that Loan Note Series or the documents related to them; or
- (viii) (a) all or substantially all of the business, assets and revenues of the Loan Note Issuer is seized or otherwise appropriated by any person acting under the authority of any national, regional or local government, or (b) the Loan Note Issuer is prevented by any person acting under the authority of any national, regional or local government from exercising normal control over all or substantially all of its business, assets and revenues.

If a Loan Note Event of Default occurs in respect of a Loan Note Series then the Security Trustee shall be bound to deliver a Loan Note Enforcement Notice in respect of that Loan Note Series if it is indemnified and/or secured and/or prefunded to its satisfaction and it is instructed to do so by the Note Trustee as holder of the Security.

A "**Loan Note Enforcement Notice**" is a written notice to the Loan Note Issuer declaring the Loan Notes of the relevant Loan Note Series to be immediately due and payable. When it is given, each of the relevant Loan Notes will become immediately due and payable at its principal amount outstanding together with accrued and unpaid interest thereon without further action or formality. The Security Trustee shall notify the Issuer that it has served a Loan Note Enforcement Notice on the Loan Note Issuer as soon as possible. A declaration that the Loan Notes of the relevant Loan Note Series have become immediately due and payable will not, of itself, accelerate the timing or amount of redemption of the Notes of the corresponding Note Series.

SERIES CURRENTLY IN ISSUE

This section describes the Series which have been created and are, as at the date of this Base Prospectus, still outstanding.

Series VFN-P1

"**Series VFN-P1**" was created on 15 December 2017 (the date on which the Loan Note Issuer became the Series VFN-P1 Investor Beneficiary and issued the initial Series VFN-P1 Loan Notes). The Series VFN-P1 Loan Notes are Loan Notes issued in the form of variable funding notes. Further Loan Notes forming part of the Series may be issued from time to time. Series VFN-P1 is a member of Group One, is a relevant Series (for the purposes of certain cash settlement arrangements between, among others, the Transferor and the Receivables Trustee) and is not subordinated to any other Investor Beneficiary or Series.

In addition to issuing further Series VFN-P1 Loan Notes, the Loan Note Issuer (acting on the advice of the Servicer) may, subject to the conditions specified in the relevant Loan Note Supplement, require the holders of Series VFN-P1 Loan Notes to make further instalments of subscription price to the Loan Note Issuer thereunder in order to fund further contributions to the Receivables Trust by the Loan Note Issuer. Such issuance of further Series VFN-P1 Loan Notes and further instalments of subscription price will result in the principal amount outstanding under the Series VFN-P1 Loan Notes increasing (whether through the issue of further Series VFN-P1 Loan Notes or an increase of the principal amount outstanding of the then existing Series VFN-P1 Loan Notes), and such contributions will result in the Series VFN-P1 Investor Interest increasing, by a corresponding amount. The Loan Note Issuer may, on each Distribution Date, be required to repay all or part of some or all of the Series VFN-P1 Loan Notes, which the Loan Note Issuer may fund through the payments received by it in respect of the Series VFN-P1 Investor Interest or through other sources of funds available to it.

"**Series VFN-P1 Investor Beneficiary**" means the Loan Note Issuer, in its capacity as Investor Beneficiary in respect of Series VFN-P1.

Series VFN-P2

"**Series VFN-P2**" was created on 30 April 2020 (the date on which the Loan Note Issuer became the Series VFN-P2 Investor Beneficiary and issued the initial Series VFN-P2 Loan Notes). The Series VFN-P2 Loan Notes are Loan Notes issued in the form of variable funding notes. Further Loan Notes forming part of the Series may be issued from time to time. Series VFN-P2 is a member of Group One, is a relevant Series (for the purposes of certain cash settlement arrangements between, among others, the Transferor and the Receivables Trustee) and is not subordinated to any other Investor Beneficiary or Series.

In addition to issuing further Series VFN-P2 Loan Notes, the Loan Note Issuer (acting on the advice of the Servicer) may, subject to the conditions specified in the relevant Loan Note Supplement, require the holders of Series VFN-P2 Loan Notes to make further instalments of subscription price to the Loan Note Issuer thereunder in order to fund further contributions to the Receivables Trust by the Loan Note Issuer. Such issuance of further Series VFN-P2 Loan Notes and further instalments of subscription price will result in the principal amount outstanding under the Series VFN-P2 Loan Notes increasing (whether through the issue of further Series VFN-P2 Loan Notes or an increase of the principal amount outstanding of the then existing Series VFN-P2 Loan Notes), and such contributions will result in the Series VFN-P2 Investor Interest increasing, by a corresponding amount. The Loan Note Issuer may, on each Distribution Date, be required to repay all or part of some or all of the Series VFN-P2 Loan Notes, which the Loan Note Issuer may fund through the payments received by it in respect of the Series VFN-P2 Investor Interest or through other sources of funds available to it.

"**Series VFN-P2 Investor Beneficiary**" means the Loan Note Issuer, in its capacity as Investor Beneficiary in respect of Series VFN-P2.

Originator VFN Series

The "**Originator VFN Series**" and the Originator VFN Investor Interest were created, and the Loan Note Issuer issued the Originator VFN Loan Note to NewDay Partnership Transferor plc, on 18 December 2014. The "**Originator VFN Loan Note**" is a Loan Note in the form of a variable funding note with a scheduled redemption date which falls, and will be extended so as to continue to fall, one year later than the latest termination date of any other Series in Group One. The Originator VFN Series is a member of Group One

and is a relevant Series (for the purposes of certain cash settlement arrangements between, among others, the Transferor and the Receivables Trustee).

The Originator VFN Series operates to provide credit enhancement and support for shortfalls in available funds in respect of each Series in Group One with a Series Originator VFN Subordination of greater than zero.

"**Series Originator VFN Subordination**" means, in respect of any Series and on any date, an amount of the Originator VFN Investor Interest (or, as the case may be, the principal amount outstanding of the Originator VFN Loan Note) equal to that specified in the relevant Supplement (which amount, in the case of any Series issued under the Programme, will be set out in the applicable Final Terms or Drawdown Prospectus), as the same may be:

- (a) increased at any time by increases in the Originator VFN Investor Interest (or, as the case may be, the principal amount outstanding of the Originator VFN Loan Note) that are notionally allocated to the relevant Series Originator VFN Subordination by agreement between the Loan Note Issuer and the holder of the Originator VFN Loan Note or by the holders of the Originator VFN Loan Note directing that the notional Originator VFN Excess Amount be reduced and the relevant notional Series Originator VFN Subordination be increased by an equal amount; or
- (b) decreased at any time by decreases in the Originator VFN Investor Interest (or, as the case may be, the principal amount outstanding of the Originator VFN Loan Note) that are notionally allocated to the relevant Series Originator VFN Subordination by way of agreement between the Loan Note Issuer and the holder of the Originator VFN Loan Note or by the holders of the Originator VFN Loan Note directing that the notional Originator VFN Excess Amount be increased and the relevant notional Series Originator VFN Subordination be decreased by an equal amount, **provided that** either (i) such decrease does not result in the relevant Series Originator VFN Subordination being reduced below the level specified in the relevant Supplement (and, in the case of any Series issued under the Programme, in the applicable Final Terms or Drawdown Prospectus) and a Rating Confirmation has been obtained in respect of that reduction, or (ii) the Adjusted Investor Interest for the relevant Series has been reduced to zero.

See "*Series Securitisation Cashflows – The Originator VFN and the Series Originator VFN Subordination*" for further details. The total amount of credit enhancement provided by the Originator VFN Series will be the aggregate of each Series Originator VFN Subordination (the "**Originator VFN Subordination**"). Each Series only has access to the Originator VFN Series for the purposes of additional credit enhancement in an amount equal to the Series Originator VFN Subordination for such Series as reduced by, among other things, the Investor Default Amounts and Investor Dilution Losses allocated thereto, to the extent not reinstated from available funds for the Originator VFN Series (see below).

The amount of the Originator VFN Investor Interest available to provide credit enhancement to a Series at any time shall be the "**Available Series Originator VFN Subordination**" for that Series or, in aggregate for all Series, the "**Available Originator VFN Subordination**".

The Originator VFN Investor Interest less the Available Originator VFN Subordination is the Originator VFN Excess Amount. The Originator VFN Excess Amount and the Transferor Interest, taken together, must at all times be at least equal to the Minimum Transferor Interest.

Finance Charge Collections, Principal Collections and Investor Default Amounts are allocated to the Originator VFN Series *pari passu* with the allocation to other Series in Group One. The Originator VFN Series cannot enter a rapid amortisation period until such time as all other Series in Group One with a required Series Originator VFN Subordination of greater than zero have passed their Series termination date.

The Loan Note Issuer (acting on the advice of the Servicer) may request that the holder of the Originator VFN Loan Note makes further instalments of subscription price to the Loan Note Issuer thereunder in order to fund further contributions to the Receivables Trust by the Loan Note Issuer. Such further instalments of subscription price will, if made by the holder of the Originator VFN Loan Note (in its sole discretion), result in the principal amount outstanding under the Originator VFN Loan Note increasing, and such contributions will result in the Originator VFN Investor Interest increasing, by a corresponding amount. The Loan Note Issuer may, on each Distribution Date, repay all or part of the Originator VFN Series

(subject to this not causing the aggregate of the Originator VFN Excess Amount and the Transferor Interest to fall below the Minimum Aggregate Principal Receivables or the Minimum Transferor Interest, not causing a breach of the Transferor's undertaking in respect of Article 6 of the UK Securitisation Regulation and not resulting in any repayment of any Series Originator VFN Subordination whilst the corresponding Series has an Adjusted Investor Interest greater than zero), which the Loan Note Issuer may fund through the payments received by it in respect of the Originator VFN Investor Interest or through other sources of funds available to it.

Series 2020-1

"**Series 2020-1**" was created and the Loan Note Issuer became the Series 2020-1 Investor Beneficiary and issued the following loan notes (the "**Series 2020-1 Loan Notes**") to NewDay Partnership Funding 2020-1 plc (the "**Series 2020-1 Issuer**") on 8 October 2020:

- Class A3 £259,000,000 Series 2020-1 Loan Note;
- Class B £33,250,000 Series 2020-1 Loan Note;
- Class C £26,600,000 Series 2020-1 Loan Note; and
- Class D £12,600,000 Series 2020-1 Loan Note.

The aggregate proceeds of the Series 2020-1 Loan Notes were £331,450,000. Such proceeds were paid by the Loan Note Issuer to the Receivables Trustee as a Contribution to the Receivables Trust.

The Series 2020-1 Loan Notes are term loan notes with a final redemption date falling on the Interest Payment Date falling in November 2028. Series 2020-1 is a member of Group One, is a relevant Series (for the purposes of certain cash settlement arrangements between, among others, the Transferor and the Receivables Trustee) and is not subordinated to any other Investor Beneficiary or Series.

The Series 2020-1 Issuer issued the following notes (the "**Series 2020-1 Notes**") on 8 October 2020:

- Class A3 £259,000,000 Series 2020-1 Notes;
- Class B £33,250,000 Series 2020-1 Notes;
- Class C £26,600,000 Series 2020-1 Notes; and
- Class D £12,600,000 Series 2020-1 Notes.

The aggregate proceeds of the Series 2020-1 Notes were £331,450,000. Such proceeds were paid by the Series 2020-1 Issuer to the Loan Note Issuer as consideration for the subscription by the Series 2020-1 Issuer to the Series 2020-1 Loan Notes.

The Series 2020-1 Notes are term notes with a final redemption date falling on the Interest Payment Date falling in November 2028.

UNITED KINGDOM TAXATION TREATMENT OF THE NOTES**United Kingdom Taxation**

The following is a summary of the United Kingdom withholding taxation treatment at the date hereof in relation to payments of principal and interest in respect of the Notes to be issued under the Programme. It is based on the current law and the published practice of His Majesty's Revenue and Customs ("**HMRC**") as at the date of this Base Prospectus, which may be subject to change, sometimes with retrospective effect. The comments do not deal with other United Kingdom tax aspects of acquiring, holding or disposing of such Notes. The comments relate only to the position of persons who are absolute beneficial owners of the Notes. The following is a general guide for information purposes and should be treated with appropriate caution. It is not intended as tax advice and it does not purport to describe all of the tax considerations that may be relevant to a prospective purchaser. Noteholders who are in any doubt as to their tax position should consult their professional advisers. Noteholders who may be liable to taxation in jurisdictions other than the United Kingdom in respect of their acquisition, holding or disposal of the Notes are particularly advised to consult their professional advisers as to whether they are so liable (and if so under the laws of which jurisdictions), since the following comments relate only to certain United Kingdom taxation aspects of payments in respect of the Notes. In particular, Noteholders should be aware that they may be liable to taxation under the laws of other jurisdictions in relation to payments in respect of the Notes even if such payments may be made without withholding or deduction for or on account of taxation under the laws of the United Kingdom.

Interest on the Notes

The Notes will constitute "quoted Eurobonds" provided they are and continue to be listed on a recognised stock exchange. Whilst the Notes are and continue to be quoted Eurobonds, payments of interest on the Notes may be made without withholding or deduction for or on account of United Kingdom income tax.

Securities will be "listed on a recognised stock exchange" for this purpose if they are admitted to trading on an exchange designated as a "recognised stock exchange" for the purposes of section 987 of the Income Tax Act 2007 by an order made by the Commissioners for HMRC and either they are included in the United Kingdom official list (within the meaning of Part 6 of the Financial Services and Markets Act 2000) or they are officially listed, in accordance with provisions corresponding to those generally applicable in European Economic Area states, in a country outside the United Kingdom in which there is a recognised stock exchange.

The London Stock Exchange is a recognised stock exchange, and accordingly the Notes will constitute quoted Eurobonds provided they are and continue to be included in the United Kingdom official list and admitted to trading on the Main Market of that Exchange.

In all cases falling outside the exemption described above, interest on the Notes may fall to be paid under deduction of United Kingdom income tax at the basic rate (currently 20 per cent.) subject to such relief as may be available following a direction from HMRC pursuant to the provisions of any applicable double taxation treaty, or to any other exemption which may apply.

Other Rules Relating to United Kingdom Withholding Tax

Where interest has been paid under deduction of United Kingdom income tax, Noteholders who are not resident in the United Kingdom may be able to recover all or part of the tax deducted if there is an appropriate provision in any applicable double taxation treaty.

The references to "**interest**" above mean "interest" as understood in United Kingdom tax law. The statements above do not take any account of any different definitions of "interest" or "principal" which may prevail under any other law or which may be created by the terms and conditions of the Notes or any related documentation.

The above description of the United Kingdom withholding tax position assumes that there will be no substitution of the Issuer pursuant to Note Condition 17(g) (*Substitution*) and does not consider the tax consequences of any such substitution.

MATERIAL JERSEY TAX CONSIDERATIONS

Taxation of the Receivables Trustee in Jersey

The following summary of the anticipated tax treatment in Jersey of the Receivables Trustee is based on Jersey taxation law and practice in force at the date of this Base Prospectus. It does not constitute legal or tax advice and does not address all aspects of Jersey law and practice (including such law and practice as it applies to any land or building situated in Jersey). Prospective investors should consult their professional advisers on the implications of subscribing for, buying, holding, selling, redeeming or disposing of Notes under the laws of the jurisdictions in which they may be liable to taxation. Prospective investors should be aware that tax rules and practice and their interpretation may change.

The Receivables Trustee is regarded as resident for tax purposes in Jersey and on the basis that the Receivables Trustee is neither a financial services company nor a utility company for the purposes of the Income Tax (Jersey) Law 1961, as amended, the Receivables Trustee is subject to income tax in Jersey at a rate of zero per cent.

FOREIGN ACCOUNT TAX COMPLIANCE ACT

Pursuant to certain provisions of the Code, commonly known as FATCA, a "foreign financial institution" may be required to withhold on certain payments it makes ("**foreign passthru payments**") to persons that fail to meet certain certification, reporting, or related requirements. The Issuer may be a foreign financial institution for these purposes. A number of jurisdictions (including the United Kingdom and Jersey) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA ("**IGAs**"), which modify the way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or a relevant IGA from payments that it makes. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, such withholding would not apply prior to the date that is two years after the publication of the final regulations defining "foreign passthru payment" in the Federal Register and any Notes that are debt obligations for U.S. federal income tax purposes that are issued on or prior to the date that is six months after the date on which such final regulations are filed with the Federal Register are likely to be "grandfathered" for purposes of FATCA withholding unless materially modified after such date (including by reason of substitution of the Issuer). Potential investors should consult their own tax advisers regarding how these rules may apply to any investment in the Notes. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Notes, no person will be required to pay additional amounts to a holder of Notes as a result of the withholding.

CERTAIN U.S. FEDERAL INCOME TAX CONSIDERATIONS

The following discussion addresses certain U.S. federal income tax considerations relevant to acquiring, holding and disposing of the Notes.

This discussion does not address all aspects of U.S. federal tax law that may be relevant to a beneficial owner of Notes. In particular, it addresses only purchasers that purchase Notes from the Issuer either (i) at their issue price (as defined below) or (ii) if the Notes are issued in a further issuance with the same CUSIP, ISIN, Common Code or other identifying number as outstanding Notes ("**Additional Notes**"), and in each case hold the Notes as capital assets (generally, property held for investment) for U.S. federal income tax purposes. It does not address special U.S. federal income tax considerations that may be relevant to particular investors in light of their individual investment circumstances or to certain types of investors subject to special tax rules – e.g. financial institutions, insurance companies, regulated investment companies, real estate investment trusts, tax-exempt entities, dealers or traders in securities or currencies, U.S. expatriates, investors holding the Notes as part of a conversion transaction, hedge, integrated transaction or constructive sale transaction or as a position in a straddle for tax purposes, persons whose functional currency, for U.S. federal income tax purposes, is not the U.S. Dollar, persons required to accelerate the recognition of any item of gross income with respect to the Notes as a result of such income being recognised on an applicable financial statement, or investors for which interest on the Notes constitutes "business interest income". Further, this discussion does not address alternative minimum tax consequences, the Medicare tax on net investment income or any tax considerations to holders of interests in a Noteholder. In addition, this discussion does not address any U.S. federal non-income, state, local, non-U.S. or other tax considerations.

This discussion is based on the Code, the regulations promulgated thereunder and administrative and judicial authorities, all as in effect on the date of this Base Prospectus and all of which are subject to change, possibly on a retroactive basis. There are no authorities directly addressing transactions substantially identical to this transaction and no ruling on any of the consequences or issues discussed below will be sought from the U.S. Internal Revenue Service (the "**IRS**") in connection with this transaction. Prospective investors are urged to consult their own tax advisers about the U.S. federal income tax considerations applicable to an investment in the Notes, as well as the treatment of the investment under the laws of any state, local or non-U.S. taxing jurisdictions, in light of their particular circumstances.

For the purposes of this discussion, a "**U.S. Holder**" means a beneficial owner of Notes that is, for U.S. federal income tax purposes:

- (i) an individual who is a citizen or resident of the United States;
- (ii) a corporation created in or under the laws of the United States, any state, any political subdivision of any state or the District of Columbia;
- (iii) an estate the income of which is includible in gross income for U.S. federal income tax purposes without regard to source; and
- (iv) a trust if a court within the United States is able to exercise primary supervision over the administration of the trust and one or more United States Persons (as defined in the Code) have the authority to control all substantial decisions of the trust or the trust has in effect a valid election to be treated as a U.S. person.

A "**Non-U.S. Holder**" generally means a beneficial owner of Notes (other than an entity or arrangement treated as a partnership for U.S. federal income tax purposes) that is not a U.S. Holder.

If an entity or arrangement treated as a partnership for U.S. federal income tax purposes invests in the Notes, the U.S. federal income tax treatment of the partnership or a partner in the partnership will generally depend on the status of the partner and the activities of the partnership. Such an entity or arrangement should consult its own tax adviser as to the U.S. federal income tax consequences to itself and its partners of acquiring, holding and disposing of the Notes.

Tax Status of the Receivables Trustee, the Loan Note Issuer and the Issuer

It is presently contemplated that each of the Receivables Trustee, the Loan Note Issuer and the Issuer will conduct their respective activities, including activities undertaken on their behalf, such as servicing

activities, entirely outside of the United States. In that regard, assuming that the activities of each of the Receivables Trustee, the Loan Note Issuer and the Issuer are, as contemplated, conducted entirely outside of the United States, and assuming each of these entities makes no investments that are subject to withholding of U.S. federal income tax, Clifford Chance U.S. LLP ("**U.S. Tax Counsel**") is of the opinion that, although there is no authority addressing a transaction closely comparable to that contemplated herein, and hence the matter cannot be free from doubt, each of the Receivables Trustee, the Loan Note Issuer and the Issuer will not be treated as engaged in a trade or business within the United States for U.S. federal income tax purposes and that each of these entities will not be subject to U.S. federal income tax on its net income.

The determination of whether a person is engaged in a trade or business within the United States for U.S. federal income tax purposes is based on a highly factual analysis; there is no direct guidance as to which activities constitute being engaged in a trade or business within the United States for such purposes, and it is unclear how a court would construe the existing indirect authorities. A non-U.S. corporation that has income that is effectively connected, or deemed to be effectively connected, with the conduct of a trade or business within the United States would be subject to U.S. federal income tax, as well as U.S. federal branch profits tax, on such effectively connected income. Such income tax, if imposed, would be based on such effectively connected income computed in a manner generally analogous to that applied to the income of a domestic corporation, except that the non-U.S. corporation would be entitled to deductions and credits for a taxable year only if it timely filed a U.S. federal income tax return for that year. None of the Receivables Trustee, the Loan Note Issuer or the Issuer intends to file such tax returns, even as a protective measure. The maximum U.S. federal income tax rates are currently 21 per cent. of a corporation's effectively connected income and an additional 30 per cent. of the amount described below for the branch profits tax, resulting in an effective maximum potential marginal U.S. federal corporate income tax rate of 44.7 per cent. The branch profits tax generally is imposed each year on the portion of a corporation's after-tax effectively connected earnings and profits that is deemed repatriated from the United States.

Tax Treatment of the Notes

Unless indicated otherwise in a Drawdown Prospectus or Final Terms (as applicable), the Issuer will treat the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes (or any Sub-Class thereof) of each Series issued under the Programme as debt of the Issuer for U.S. federal income tax purposes. Unless indicated otherwise in a Drawdown Prospectus or Final Terms (as applicable), the Issuer also intends to treat the Class E Notes and the Class F Notes (or any Sub-Class thereof) of each Series issued under the Programme as debt of the Issuer for U.S. federal income tax purposes. However, the IRS could assert, and a court could ultimately hold, that any Class or Sub-Class of Notes, in particular the Class E Notes and the Class F Notes (due to their position in the Issuer's capital structure), are equity in the Issuer for U.S. federal income tax purposes. Each investor in the Notes, by acceptance of a Note, will agree or be deemed to agree to treat such Note as debt of the Issuer for U.S. federal income tax purposes.

Unless indicated otherwise in a Drawdown Prospectus or Final Terms (as applicable), U.S. Tax Counsel will render an opinion that, although there is no authority addressing the characterisation of securities with terms similar to the Notes under current law, and while the issue is not free from doubt, the Class A Notes, Class B Notes, Class C Notes and Class D Notes (and any Sub-Classes thereof) will, and the Class E Notes (and any Sub-Classes thereof) should, be treated as debt for U.S. federal income tax purposes. No opinion will be rendered as to the tax characterisation of the Class F Notes (and any Sub-Classes thereof). The opinion of U.S. Tax Counsel is not binding on the IRS, and no assurance can be given that the characterisation of the Notes as debt described above would prevail if the issue were challenged by the IRS. Prospective investors should consult with their own tax advisers as to the effect of a recharacterisation of the Notes as equity interests in the Issuer.

Notes that are classified as debt for U.S. federal income tax purposes will be subject to the rules discussed under "*Tax Treatment of Notes Classified as Debt*" below. Notes that are classified as equity in the Issuer for U.S. federal income tax purposes will be subject to the rules discussed under "*Tax Treatment of Notes Classified as Equity*" below. An investment in Notes characterised as equity may have materially adverse tax consequences for U.S. Holders.

Tax Treatment of Notes Classified as Debt

Payments of Interest and Accrual of OID. A Class or Sub-Class of Notes may be treated as having been issued with original issue discount ("**OID**") for U.S. federal income tax purposes, in which case the OID

will be taxed as described below. Subject to the discussion below on Notes denominated in a Foreign Currency, to the extent not subject to the OID rules, interest on the Notes will be taxable to a U.S. Holder as ordinary income at the time it is received or accrued, in accordance with the U.S. Holder's regular method of accounting for U.S. federal income tax purposes.

The total amount of OID on a Note issued with OID is calculated as the excess of its stated redemption price at maturity over its issue price. The issue price for the Notes is the price at which a substantial portion of the relevant Class or Sub-Class of Notes are first sold to the public. However, in the case of Additional Notes (as defined above), their issue price will be equal to the issue price of the outstanding Notes of the relevant Class or Sub-Class. In general, the stated redemption price at maturity of a Note is the sum of all payments made on the Note other than payments of "qualified stated interest". Qualified stated interest is interest that (i) is payable at least annually in cash or property (other than debt instruments of the Issuer) over the entire life of the Note and (ii) is based on a single fixed rate or qualifying variable rate – or certain combinations of fixed and qualifying variable rates. It is possible that the IRS could take the position that the possibility of Deferred Interest may prevent all interest payments on the Notes subject to such deferral from being classified as qualified stated interest. However, it is expected that under the relevant regulations this position would not prevail if advanced by the IRS and the Issuer intends to take the position that stated interest on Notes subject to such deferral constitutes qualified stated interest. If the deferral of an interest payment actually occurs, solely for purposes of the OID rules, the Notes would be treated as retired and reissued at a price equal to their fair market value at that time and the remaining interest payments would likely not be considered qualified stated interest, in which case they would be added to the stated redemption price at maturity of the Notes for purposes of calculating OID on the deemed reissued Notes.

If any of the Notes are issued at a discount of an amount equal to or greater than 0.25 per cent. of that Note's stated redemption price at maturity multiplied by the Note's weighted average maturity (rather than its stated maturity), then that Note will be deemed to bear OID. For these purposes, the weighted average maturity of a Note is computed based on the number of full years each amount included in the stated redemption price at maturity is scheduled to be outstanding.

Special OID rules apply to a debt instrument that is scheduled to pay interest at different rates during its term, such as a debt instrument that pays interest at a fixed rate for an initial period followed by a "qualified floating rate" for a subsequent period. Under these rules, a "fixed rate substitute" (generally the value as of the issue date of each rate that is not a fixed rate) is determined with respect to the debt instrument. If the difference between the debt instrument's initial fixed rate and its fixed rate substitute is sufficiently large, then the debt instrument will be treated as having been issued with OID. In this event, to the extent the fixed rate substitute exceeds the initial fixed rate, a U.S. Holder generally will be required to recognise OID in income in advance of the receipt of cash attributable to that income or, to the extent the initial fixed rate exceeds the fixed rate substitute, a U.S. Holder generally will be able to defer the inclusion of a portion of the stated interest paid at the initial fixed rate in such U.S. Holder's income and may be required to accrue a portion of each payment of stated interest under the OID rules rather than the U.S. Holder's normal method of accounting. If any Class or Sub-Class of Notes having these characteristics is not treated as having OID as a result of this rule, all stated interest on such Class or Sub-Class of Notes will be taken into income when received or accrued in accordance with a U.S. Holder's regular method of accounting for U.S. federal income tax purposes. Prospective investors in the Notes should consult their own tax advisers concerning the application of these rules to their particular circumstances.

Subject to the discussion below on Notes denominated in a Foreign Currency, a U.S. Holder – including a U.S. Holder that utilises the cash method of accounting for U.S. federal income tax purposes – of a Note issued with OID generally would be required to accrue such OID on the relevant Note for U.S. federal income tax purposes on a constant-yield basis. This would require the inclusion of OID in income in advance of the receipt of cash attributable to that income. The OID provisions of the Code require a prepayment assumption be used to accrue OID on debt instruments on which payments may be accelerated due to prepayments of other obligations securing those debt instruments. However, no regulations have been issued interpreting those provisions, and the manner in which those provisions would apply to the Notes is unclear.

Solely for purposes of the OID rules, the Issuer will assume that the Notes will be retired no later than the Step-Up Date. Notwithstanding the preceding sentence, if the Notes are not retired on or before the Step-Up Date then the Issuer will treat such Notes as having been reissued on the Step-Up Date solely for purposes of applying the OID rules. If any Notes are deemed retired and reissued, then such deemed reissued Notes may be treated as issued with OID.

Interest payments on a Note generally will constitute foreign source income for U.S. federal income tax purposes. Subject to generally applicable limitations and restrictions, any non-U.S. withholding tax imposed on interest payments on a Note may give rise to a tax credit or deduction for U.S. Holders. These rules are extremely complex and recent changes to the foreign tax credit rules introduced additional requirements and limitations. Prospective investors should consult their own tax advisers concerning the application of these rules to their particular circumstances.

Foreign Currency Considerations. With respect to Notes that are denominated in a currency other than U.S. Dollars (a "**Foreign Currency**"), to the extent the class of such Notes is not issued with OID, interest on such Notes will be accounted for differently by U.S. Holders that use the cash method of accounting and those that use the accrual method of accounting for U.S. federal income tax purposes. A U.S. Holder that uses the cash method of accounting for such purposes must include as ordinary income the U.S. Dollar value of the Foreign Currency interest paid when received. The U.S. Dollar value of Foreign Currency interest received is determined using the spot rate of the Foreign Currency on the date of receipt, regardless of whether the payment is converted into U.S. Dollars on that date. A cash method U.S. Holder of a Note issued without OID will therefore generally not have exchange gain or loss on receipt of a Foreign Currency interest payment, but may have exchange gain or loss upon disposing of Foreign Currency received at a later date.

An accrual method U.S. Holder of a Note denominated in a Foreign Currency and a U.S. Holder of a Note denominated in a Foreign Currency that bears OID, regardless of the method of accounting used, will be required to include in income the U.S. Dollar value of Foreign Currency interest or OID, as the case may be, accrued during the accrual period. A U.S. Holder may determine the amount of income recognised with respect to such interest or OID using either of two methods. Under the first method, the U.S. Dollar value of accrued interest or OID is determined using the average rate of exchange for the interest accrual period (or, with respect to an accrual period that spans two taxable years, the partial period within each taxable year). The U.S. Holder will recognise exchange gain or loss to the extent the U.S. Dollar value of the Foreign Currency on the date the payments are actually received differs from the value at which the associated income was accrued. Under the second method, a U.S. Holder can elect to accrue interest at the rate of exchange on the last day of an accrual period (with respect to an accrual period that spans two taxable years, the last day of each partial period in each taxable year is used) or, if the last day of an accrual period is within five Business Days of the receipt, the spot rate on the date of receipt. An election to accrue interest or OID at the spot rate will generally apply to all debt instruments not denominated in U.S. Dollars that held by the U.S. Holder, and is irrevocable without the consent of the IRS.

U.S. Holders should consult their own tax advisers regarding the method to measure the U.S. Dollar value of payments and the treatment of payments received in a currency other than the U.S. Dollar.

Pre-Issuance Accrued Interest

If a portion of the price paid for a Note is allocable to interest that accrued prior to the date the Note is issued ("**pre-issuance accrued interest**"), the Issuer intends to take the position that, on the first interest payment date, a portion of the interest received in an amount equal to any pre-issuance accrued interest will be treated as a return of the pre-issuance accrued interest and not as a payment of interest on the Note. In determining the issue price of a Note and the amount paid for a Note, there will be excluded an amount equal to the pre-issuance accrued interest. Amounts treated as a return of pre-issuance accrued interest should not be taxable when received. U.S. Holders should consult their tax advisers with regard to the tax treatment of the pre-issuance accrued interest on a Note.

Market Discount

An Additional Note generally will be treated as purchased at a market discount (a "**Market Discount Note**") if the Note's stated redemption price at maturity or, in the case of an Additional Note issued with OID, the Additional Note's adjusted issue price, exceeds the purchase price by more than a specified de minimis amount. For this purpose, the adjusted issue price of an Additional Note generally equals its issue price, increased by the amount of any OID that has accrued on the Additional Note and decreased by the amount of any payments previously made on the Additional Note that were not qualified stated interest payments.

A U.S. Holder generally will be required to treat a partial principal payment on, and any gain recognised on the maturity or disposition of, a Market Discount Note as ordinary income to the extent that the payment

or gain does not exceed the accrued market discount on the Note. Alternatively, a U.S. Holder of a Market Discount Note may elect to include market discount in income currently over the life of the Note. This election applies to all debt instruments with market discount acquired by the electing U.S. Holder on or after the first day of the first taxable year to which the election applies. This election may not be revoked without the consent of the IRS. A U.S. Holder of a Market Discount Note that does not elect to include market discount in income currently will generally be required to defer deductions for interest on borrowings incurred to purchase or carry a Market Discount Note that is in excess of the interest and OID on the Note includible in the U.S. Holder's income, to the extent that this excess interest expense does not exceed the portion of the market discount allocable to the days on which the Market Discount Note was held by the U.S. Holder.

Market discount will accrue on a straight-line basis unless the U.S. Holder elects to accrue the market discount using a constant-yield method. This election applies only to the Market Discount Note with respect to which it is made and is irrevocable.

Foreign Currency Considerations. Market discount on a Note that is denominated in, or determined by reference to, a Foreign Currency, will be accrued in the Foreign Currency. If the U.S. Holder elects to include market discount in income currently, the accrued market discount will be translated into U.S. Dollars at the average exchange rate for the accrual period (or portion thereof within the U.S. Holder's taxable year). Upon the receipt of an amount attributable to accrued market discount, the U.S. Holder may recognise U.S. source exchange gain or loss (which will be taxable as ordinary income or loss) determined in the same manner as for accrued interest or OID. A U.S. Holder that does not elect to include market discount in income currently will recognise, upon the disposition or maturity of the Note, the U.S. Dollar value of the amount accrued, calculated at the spot rate on that date, and no part of this accrued market discount will be treated as exchange gain or loss.

Prospective purchasers are urged to consult their tax advisers if such purchasers purchase a Note at a discount from the Note's issue price.

Amortisable Bond Premium and Acquisition Premium

Amortisable Bond Premium. If a U.S. Holder purchases a Note for an amount that is greater than the sum of all amounts payable on the Note after the purchase date other than qualified stated interest, the U.S. Holder will be considered to have purchased the Note with amortisable bond premium equal to this excess. The U.S. Holder may elect to amortise this premium, using a constant-yield method, over the remaining term of the Note. Special rules may limit the amount of bond premium that can be amortised during certain accrual periods in the case of Notes that are subject to optional redemption. A U.S. Holder may generally use the amortisable bond premium allocable to an accrual period to offset qualified stated interest required to be included in the U.S. Holder's income with respect to the Note in that accrual period. A U.S. Holder who elects to amortise bond premium must reduce the U.S. Holder's tax basis in the Note by the amount of the premium amortised in any year. An election to amortise bond premium applies to all taxable debt obligations held by the U.S. Holder on or after the first day of the taxable year in which the election is made and may be revoked only with the permission of the IRS.

If Notes are eligible for, and a U.S. Holder makes, a constant-yield election (as described under "*Election to Treat All Interest as OID*" below) for a Note with amortisable bond premium, such election will result in a deemed election to amortise bond premium for all of the U.S. Holder's debt instruments with amortisable bond premium and may be revoked only with the permission of the IRS with respect to debt instruments held or acquired after the election.

Acquisition Premium. A U.S. Holder that purchases a Note issued with OID for an amount less than or equal to the sum of all amounts payable on the Note after the purchase date other than payments of qualified stated interest, but in excess of its adjusted issue price (any such excess being "**acquisition premium**") and that does not make the election described below under "*Election to Treat All Interest as OID*" to treat all interest as OID, is required to reduce the daily portions of OID by a fraction, the numerator of which is the excess of the U.S. Holder's adjusted tax basis in the Note immediately after its purchase over the Note's adjusted issue price, and the denominator of which is the excess of the sum of all amounts payable on the Note after the purchase date, other than payments of qualified stated interest, over the Note's adjusted issue price.

Foreign Currency Considerations. Amortisable bond premium or acquisition premium, as applicable, on a Note denominated in a Foreign Currency will be computed in units of the Foreign Currency, and any such amortisable bond premium or acquisition premium that is taken into account currently will reduce interest income or the daily portions of OID, as applicable, in units of the Foreign Currency. On the date amortisable bond premium or acquisition premium offsets interest income or daily portions of OID, as applicable, a U.S. Holder may recognise U.S. source exchange gain or loss (taxable as ordinary income or loss) measured by the difference between the spot rate in effect on that date and on the date the Notes were acquired by the U.S. Holder. A U.S. Holder that does not elect to take amortisable bond premium into account currently will recognise a loss when the Note matures.

Election to Treat All Interest as OID

A U.S. Holder may make an election to include in gross income all interest that accrues on any Note (including stated interest, OID, *de minimis* OID, market discount, *de minimis* market discount and unstated interest, as adjusted by any amortisable bond premium or acquisition premium) in accordance with a constant-yield method based on the compounding of interest, and may revoke such election only with the permission of the IRS (a "**constant-yield election**"). U.S. Holders considering this election are urged to consult their tax advisers regarding the application of the election in their particular circumstances, and in particular if the Note has amortisable bond premium or market discount.

Disposition or Retirement

Upon the sale, exchange or retirement of a Note – including pursuant to a redemption by the Issuer prior to its maturity date and periodic payments of principal on a Note – a U.S. Holder will recognise gain or loss equal to the difference between the amount realised and the U.S. Holder's adjusted tax basis in the relevant Note. The amount realised does not include any amount attributable to accrued but unpaid qualified stated interest, which will be treated like a payment of interest as described above, or any amount paid for pre-issuance accrued interest. In general, a U.S. Holder's adjusted tax basis in a Note will be equal to the amount the U.S. Holder paid for such Note, plus any OID (and market discount if an election has been made to include such discount in income currently) included in the U.S. Holder's income with respect to the Note, and less the amount of any payments received by the U.S. Holder that are not payments of qualified stated interest, and any acquisition premium or amortisable bond premium previously amortised. Subject to the discussion above on Market Discount Notes and the discussion below on Notes denominated in a Foreign Currency, gain or loss on the sale, exchange or retirement of a Note generally will be capital gain or loss and will be long-term capital gain or loss if the Note was held for more than one year. Long-term capital gains of non-corporate U.S. Holders are generally taxed at preferential rates. The deductibility of capital losses is subject to limitations. Generally, gain or loss recognised by a U.S. Holder on the sale, exchange or retirement of a Note will be U.S. source gain or loss.

Foreign Currency Considerations. The amount realised on the sale, exchange, redemption or retirement of a Note denominated in a Foreign Currency is treated as currency exchange gain or loss to the extent attributable to fluctuations in exchange rates between the time the Note was acquired and the date of disposition. This exchange gain or loss will equal the difference between the U.S. Dollar value of the U.S. Holder's purchase price for the Note (or, if less, the principal amount of the Note) on the date of disposition or receipt of redemption proceeds, as applicable, and the U.S. Dollar value of that amount on the date the U.S. Holder acquired the Note. This exchange gain or loss will be realised only to the extent of the total gain or loss realised by a U.S. Holder on the disposition or retirement of the Note and will be treated as ordinary income or loss. Aggregate gain or loss in excess of exchange gain or loss on a Note will generally be treated as U.S. source capital gain or loss.

U.S. Holders should consult their own tax advisers regarding the method to measure the U.S. Dollar value of payments and the treatment of any payments received in a currency other than the U.S. Dollar.

Potential Consequences of a Deemed Exchange

Under certain circumstances, the modification or application of certain terms of the Notes including, in certain circumstances, a substitution of the Issuer by the Note Trustee, a Class Reset, a Basic Terms Modification or a Reference Rate Modification may result in a deemed exchange of "old" Notes for "new" Notes for U.S. federal income tax purposes. As a result of the occurrence of such a deemed exchange, a U.S. Holder may recognise gain or loss, treated in the manner described above, under "*Disposition or Retirement*", and "new" Notes deemed received in a deemed exchange may be treated as issued with, or

with different amount of, OID. Prospective U.S. Holders should consult their own tax advisers regarding the application of these rules in their particular circumstances.

Tax Treatment of Notes Classified as Equity

Investment in a Passive Foreign Investment Company. Because of the nature of the income of the Issuer, the Issuer will constitute a passive foreign investment company for U.S. federal income tax purposes ("PFIC"). Accordingly, except as provided below under "*Controlled Foreign Corporation Status*", Notes treated as equity for U.S. federal income tax purposes will be subject to the PFIC rules discussed below.

In general, U.S. Holders treated as shareholders of a PFIC will be subject to adverse tax rules on any gain realised on a disposition of Notes (including gain realised on a pledge of the Notes that would not otherwise be a taxable event for U.S. federal income tax purposes) and on certain interest payments. Such amounts will be allocated to each day in the U.S. Holder's holding period in a Note. Amounts allocable to the year of the gain or interest payment are taxable as ordinary income and amounts allocable to prior years are subject to tax at the highest rates that could be assessed in such year against a corporate or non-corporate investor, as applicable. In addition, the tax owed on amounts allocated to a prior year are subject to an interest charge calculated from the due date for the return for such prior year until the due date of the year of the gain or interest payment. Interest payments will be subject to these rules to the extent the interest payments for a particular taxable year exceed 125 per cent. of the average amount of interest payments (or other payments treated like distributions for U.S. federal income tax purposes) received by the U.S. Holder during the prior three years (or, if shorter, over the U.S. Holder's holding period in the Notes).

U.S. Holders may elect to be subject to different rules, which may mitigate the consequences discussed above, if they are eligible to make either of two elections that can be made with respect to investment in certain PFICs. It is uncertain whether either election would be available to a U.S. Holder of the Notes.

The first election is to treat the Issuer as a "qualified electing fund" ("QEF"). If a U.S. Holder is able to and makes a QEF election with respect to a Note with its tax return for the first taxable year in which it is a U.S. Holder, the U.S. Holder generally would be required to include its *pro rata* share of the Issuer's ordinary income and net capital gains in income for each taxable year and pay tax on it, even if such income and gain were not distributed to the U.S. Holder. For purposes of calculating any deemed distribution of earnings of the Issuer under the PFIC rules, the amount of such earnings is determined in the functional currency of the Issuer, and translated into U.S. Dollars at the average exchange rate for the taxable year of the Issuer. Amounts which are included in the income of the U.S. Holder upon receipt are translated into U.S. Dollars at the spot rate on the date of receipt. U.S. Holders may recognise exchange gain or loss attributable to fluctuations in exchange rates between the times of deemed and actual payment by the Issuer. Any such currency gain or loss will be treated as ordinary income from the same source as the associated income inclusion.

In some cases, an electing U.S. Holder might be entitled to defer tax on such income or gains until the U.S. Holder receives corresponding payments, but would have to pay an interest charge on such deferred tax liabilities. Losses of the Issuer would not, however, be deductible by the U.S. Holder. If the Issuer later distributed the income or gain on which a U.S. Holder had already paid tax, the U.S. Holder would not be taxed on such payments again. A U.S. Holder's tax basis in such a Note would be increased by the amounts included in income under this regime and decreased by the amount of non-taxable distributions received. In general, a U.S. Holder making a QEF election would recognise capital gain or loss on a disposition of its Notes in an amount equal to the difference, if any, between the amount realised upon such disposition and the tax basis in such Notes. Once made, a QEF election cannot be revoked without the consent of the IRS.

The QEF election would be effective only if certain required information is made available by the Issuer to investors. The Issuer, however, does not intend to provide investors with this information and, accordingly, no assurance can be given to investors that any QEF election made with respect to the Notes would be effective.

A second election that can sometimes be made with respect to an interest in a PFIC is a mark-to-market election. This election would be available if the Notes are regularly traded on an exchange that the IRS determined to be qualified for these purposes. Although the Issuer believes that each Class or Sub-Class of Notes will be listed on a qualified exchange, the Notes will only be considered to be regularly traded for any calendar year during which they are traded, other than in *de minimis* quantities, on at least 15 days

during each calendar quarter. No assurance can be made, and no representation is being given, that the Notes would be eligible for the mark-to-market election.

If a U.S. Holder properly makes the mark-to-market election, it would be required to recognise each year as ordinary income an amount equal to the excess, if any, of the fair market value of the Notes at the close of the year over the U.S. Holder's adjusted tax basis in the Notes. For this purpose, a U.S. Holder's adjusted tax basis would generally be the U.S. Holder's cost for the Notes, increased by the amount previously included in the U.S. Holder's income pursuant to this mark-to-market election and decreased by any amount previously allowed to the U.S. Holder as a deduction pursuant to this election. If, at the close of the year, the U.S. Holder's adjusted tax basis exceeded the fair market value of the Notes, then the U.S. Holder could deduct any of this excess ordinary income, but only to the extent of net mark-to-market gains previously included in income. Any gain from the actual sale of the Notes would be treated as ordinary income, and any loss would be treated as ordinary loss to the extent of net mark-to-market gains previously included in income.

Regardless of whether any election is made with respect to Notes that are treated as interests in a PFIC, a U.S. Holder would have additional U.S. tax form filing requirements as a result of the investment. Because the Issuer does not expect the QEF election to be available to an investor to mitigate the effect of the PFIC provisions, and it is unclear whether the mark-to-market election would be available either, U.S. Holders should consult their own tax advisers with respect to the potentially materially adverse tax consequences arising under the PFIC provisions discussed above.

Controlled Foreign Corporation Status. If (i) a U.S. Holder is treated as owning, directly or through attribution, 10 per cent. or more of the combined voting power or the total value of the Issuer (i.e. is a "United States Shareholder" as defined in the Code), and (ii) 50 per cent. or more of the Issuer's combined voting power or total value is treated as being owned by United States Shareholders (as defined in the Code), then the U.S. Holder would be subject to the Controlled Foreign Corporation rules, and not the PFIC rules, with respect to the Notes. Very generally, the U.S. Holder would be required to include as ordinary income its *pro rata* share of the earnings and profits of the Issuer for each taxable year during which it held Notes. U.S. Holders would also be subject to additional U.S. tax form filing requirements. U.S. Holders that might be subject to these rules should consult their own tax advisers about their application to their particular circumstances. The attribution rules are complex and could result in a U.S. Holder being treated as a United States Shareholder in unexpected circumstances, or in the Issuer being treated as a Controlled Foreign Corporation in situations that would be hard for a U.S. Holder to determine. U.S. Holders that might be subject to these rules should consult their own tax advisers about the application of these rules to their particular circumstances, including the application of the rules in situations where it may not be possible to determine definitively whether the Controlled Foreign Corporation or PFIC rules are applicable.

Reporting Requirements

There are a number of different reporting requirements that might apply to the acquisition, ownership and disposition of Notes. For example, there are special reporting rules that apply to certain acquisitions of interests in non-U.S. corporations, that apply to persons deemed to be engaged in "**Reportable Transactions**" with respect to their investments in non-U.S. corporations and that apply to investments in PFICs and controlled foreign corporations. The penalty for failing to properly comply with these reporting requirements can be very significant and may be materially adverse to an investor. U.S. Holders should consult their own tax advisers regarding any filing requirements that may be applicable to their acquisition, ownership and disposition of Notes.

Non-U.S. Holders

Subject to the discussion of backup withholding below and FATCA above, an investment in the Notes by Non-U.S. Holders generally will not give rise to any U.S. federal income tax to the Non-U.S. Holders, unless the income received on, or any gain recognised on the sale or other disposition of, their Notes is:

- (i) treated as effectively connected with the conduct of a trade or business in the United States; or
- (ii) in the case of gain recognised by an individual, the individual is present in the United States for 183 days or more and certain conditions are met.

CERTAIN U.S. FEDERAL INCOME TAX CONSIDERATIONS

Non-U.S. Holders should consult their own tax advisers about the U.S. federal income tax consequences of an investment in the Notes.

Information Reporting and Backup Withholding

Information reporting may apply to payments received on or in connection with the Notes unless the recipient establishes, if required, that it is not subject to the information reporting rules (such as, for example, by establishing that it is a corporation or non-U.S. Person for U.S. federal income tax purposes). Payments that are subject to these information reporting rules may be subject to backup withholding if the recipient does not provide its U.S. taxpayer identification number and otherwise comply with the backup withholding rules. Any amounts deducted and withheld would be allowed as a credit against such recipient's U.S. federal income tax, and may give rise to a refund, provided a timely return containing the required information is filed with the IRS.

ERISA AND CERTAIN OTHER U.S. CONSIDERATIONS

The U.S. Employee Retirement Income Security Act of 1974, as amended ("**ERISA**"), and Section 4975 of the Code impose requirements on: (i) "employee benefit plans" (as defined in Section 3(3) of ERISA) subject to Part 4 of Subtitle B of Title I of ERISA, such as pension plans, retirement plans, profit-sharing plans, 401(k) plans, health and welfare plans, medical plans, certain voluntary employees' beneficiary associations, (ii) "plans" (as defined in Section 4975(e)(1) of the Code) subject to Section 4975 of the Code, such as individual retirement accounts or annuities, health savings accounts and "Keogh" plans, and (iii) certain look-through entities that are subject to Part 4 of Subtitle B of Title I of ERISA or Section 4975 of the Code, such as tax-exempt group trusts, common or collective trust funds of banks, collective investment funds, certain insurance company general or separate accounts whose underlying assets include the assets of employee benefit plans and other funds and investment vehicles that are treated as holding "plan assets" because of plans' investment in the entities. Such plans and entities are referred to herein as "**Plans**" and their assets, to the extent subject to Part 4 of Subtitle B of Title I of ERISA or Section 4975 of the Code, are called "**Plan Assets**". ERISA also imposes general fiduciary requirements on persons who are fiduciaries of Plans subject thereto for the investment of Plan Assets, including those of investment prudence and diversification and the requirement that a Plan's investments be made in accordance with the documents governing the Plan. There may also be federal, state or local laws of the United States or non-U.S. laws that are substantially similar to the provisions of Section 406 of ERISA or Section 4975 of the Code ("**Similar Law**").

Section 406 of ERISA and Section 4975 of the Code prohibit a broad range of transactions involving Plan Assets and persons (referred to as "parties in interest" within the meaning of Section 3(14) of ERISA and "disqualified persons" within the meaning of Section 4975(e)(2) of the Code and collectively, "**Parties in Interest**") who have specified relationships with a Plan or its Plan Assets, unless a statutory or administrative exemption is available. Parties in Interest that participate in a non-exempt prohibited transaction may be subject to a penalty imposed under ERISA or an excise tax imposed under Section 4975 of the Code. In addition, Plan fiduciaries who cause a plan to engage in a non-exempt prohibited transaction may be subject to liability under ERISA. The details of these prohibited transaction rules are contained in Section 406 of ERISA and Section 4975 of the Code.

Any fiduciary or other Plan investor considering whether to purchase the Class A Notes, the Class B Notes, the Class C Notes or the Class D Notes (or any Sub-Classes thereof) of any Series issued under the Programme (individually or collectively, as the context may require, the "**ERISA Debt Notes**") with Plan Assets should determine whether that purchase, if permitted, is consistent with its fiduciary duties and whether that purchase would constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code because any of the Issuer, the Programme Arranger, the Co-Arranger, the Dealers, the Paying Agents, the Receivables Trustee, the Loan Note Issuer, the Servicer, the Note Trustee, the Security Trustee or any of their respective affiliates (the "**ERISA Transaction Parties**") may be or might become a Party in Interest with respect to the investing Plan and may be deemed to be benefiting from the issuance of the ERISA Debt Notes. If an ERISA Transaction Party is a Party in Interest with respect to the prospective Plan investor, the Issuer suggests that any fiduciary or other Plan investor considering whether to purchase or hold the ERISA Debt Notes consult with its counsel regarding the availability of exemptive relief under ERISA or Section 4975 of the Code or under U.S. Department of Labor (the "**DOL**") prohibited transaction class exemptions, or any other prohibited transactions exemption. Certain exemptions ("**prohibited transaction class exemptions**" or "**PTCEs**") from the prohibited transaction rules could be applicable, depending on the type of Plan involved and the circumstances of the fiduciary's decision to acquire the ERISA Debt Notes. Included among these exemptions are: PTCE 84-14 (relating to transactions effected by a "qualified professional asset manager"); PTCE 90-1 (relating to transactions involving insurance company pooled separate accounts); PTCE 91-38 (relating to transactions involving bank collective investment funds); PTCE 95-60 (relating to transactions involving insurance company general accounts) and PTCE 96-23 (relating to transactions effected by an "in-house asset manager"). There is also a statutory exemption that may be available under Section 408(b)(17) of ERISA and Section 4975(d)(20) of the Code to a Party in Interest that is a service provider to a Plan investing in the ERISA Debt Notes for "adequate consideration", provided such service provider (i) is not the fiduciary with respect to the Plan's assets used to acquire the ERISA Debt Notes or an affiliate of such fiduciary and (ii) is not an affiliate of the employer sponsoring the Plan. A purchaser of the ERISA Debt Notes should be aware, however, that even if the conditions specified in one or more of the above-referenced exemptions are met, the scope of the exemptive relief provided by the exemption might not cover all acts that might be construed as prohibited transactions. Moreover, a Plan that purchases ERISA Debt Notes that are Non-Sterling Notes may also be deemed to be purchasing any rights the Plan has to participate in the receipt of

payments under a currency Swap Agreement in respect of such ERISA Debt Notes that are Non-Sterling Notes (any such participation rights, the "**Currency Swap Rights**"), in which case both the acquisition, holding and disposition of the relevant Non-Sterling Notes and corresponding Currency Swap Rights could give rise to a non-exempt prohibited transaction under Section 406 of ERISA and/or Section 4975 of the Code. However, the same administrative and statutory prohibited transaction class exemptions that would permit a Plan to acquire, hold and dispose of the ERISA Debt Notes should also permit a Plan's acquisition, holding and disposition of the Currency Swap Rights.

In addition, under DOL regulation at 29 C.F.R. § 2510-3.101, as modified by Section 3(42) of ERISA (the "**Plan Asset Regulation**"), the purchase with Plan Assets of "equity interests" in the Issuer could, in certain circumstances, cause the relevant Loan Note Series and other assets of the Issuer to be deemed Plan Assets of the investing Plan. This could happen, for example, if Plans acquired 25% or more of the value of any class of equity interests in the Issuer, disregarding equity interests held by (i) persons, other than Plans, that have discretionary authority or control over the assets of the entity, or that provide investment advice with respect to such assets for a fee, directly or indirectly, or (ii) any "affiliates" of the foregoing (as defined in paragraph (f)(3) of the Plan Asset Regulation). If the assets of the Issuer were Plan Assets, the Issuer and its assets would be subject to the fiduciary responsibility provisions and the prohibited transaction provisions of Section 406 of ERISA and Section 4975 of the Code.

Thus, if the underlying assets of the Issuer are deemed to be Plan Assets, the obligations and other responsibilities of Plan sponsors, Plan fiduciaries and Plan administrators, and of Parties in Interest, under Parts 1 and 4 of Subtitle B of Title I of ERISA and Section 4975 of the Code, as applicable, may be expanded, and there may be an increase in their liability under these and other provisions of ERISA and the Code (except to the extent (if any) that a favourable statutory or administrative exemption or exception applies). In addition, various providers of fiduciary or other services to the Issuer, and any other parties with authority or control with respect to the entity, could be deemed to be Plan fiduciaries or otherwise Parties in Interest by virtue of their provision of such services (and there could be an improper delegation of authority to such providers).

Under the Plan Asset Regulation, when a Plan's interest in an entity relates solely to separate property of an entity (such as a Currency Swap Right), such separate property is treated as a separate entity for purposes of the ERISA 25% calculation. It is possible that a Plan's investment in ERISA Debt Notes that are Non-Sterling Notes could also be treated as an investment in any Currency Swap Right corresponding to such ERISA Debt Notes that are Non-Sterling Notes. This is far from clear. However, even if a Plan were treated as investing in a Currency Swap Right, and somehow if the ERISA 25% threshold were equalled or exceeded with respect to any Currency Swap Rights, their terms are fixed, and each of the Issuer and the Transferor is not exercising any fiduciary discretion with respect to such Currency Swap Rights. Each Plan that purchases any ERISA Debt Notes will be deemed to acknowledge that (i) it directs the Issuer to enter into the Swap Agreement in respect of any ERISA Debt Notes that are Non-Sterling Notes on its behalf and (ii) each of the Issuer and the Transferor are not acting as its fiduciaries with respect to any such Swap Agreement.

Equity Notes

The Issuer believes that the Class E Notes and the Class F Notes (or any Sub-Classes thereof) of any Series issued under the Programme (individually or collectively, as the context may require, the "**ERISA Equity Notes**") should be treated as equity for the purposes of ERISA.

Each purchaser and subsequent transferee of the ERISA Equity Notes and any corresponding Currency Swap Rights (or any interest therein) will be deemed to have represented, agreed and acknowledged, on each day from the date on which the purchaser or transferee acquires the ERISA Equity Notes and any related Currency Swap Rights (or any interest therein) to and including the date on which the purchaser or transferee disposes of such ERISA Equity Notes and any related Currency Swap Rights, either that: (a) it is not (and is not deemed for purposes of ERISA or the Code to be) a Plan; or (b) (i) it is a governmental, church or non-U.S. plan which is subject to any Similar Law and (ii) its purchase, holding and disposition of such ERISA Equity Notes and any corresponding Currency Swap Rights does not and will not constitute, result in or otherwise involve a violation of any applicable Similar Law.

Debt Notes

The Issuer believes that the ERISA Debt Notes should be treated as debt of the Issuer for purposes of ERISA. Each purchaser and subsequent transferee of the ERISA Debt Notes and any corresponding Currency Swap Rights (or any interest therein) will be deemed to have represented, agreed and acknowledged on each day from the date on which the purchaser or transferee acquires the ERISA Debt Notes and any related Currency Swap Rights (or any interest therein) to and including the date on which the purchaser or transferee disposes of such ERISA Debt Notes and any related Currency Swap Rights, either that: (a) it is not (and is not deemed for purposes of ERISA or the Code to be) a Plan or a governmental, church or non-U.S. plan which is subject to any Similar Law; or (b) its purchase, holding and disposition of such ERISA Debt Notes and any corresponding Currency Swap Rights does not and will not constitute, result in or otherwise involve a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code or a violation of any applicable Similar Law.

Without limiting the foregoing, the ERISA Debt Notes and any corresponding Currency Swap Rights (or any interest therein) may not be purchased or held by any Plan, or any person investing Plan Assets, if any of the ERISA Transaction Parties: (a) has investment or administrative discretion with respect to the Plan Assets used to effect the purchase; (b) has authority or responsibility to give, or regularly gives, investment advice with respect to the Plan Assets, for a fee and pursuant to an agreement or understanding that the advice (i) will serve as a primary basis for investment decisions for the Plan Assets and (ii) will be based on the particular investment needs of that Plan; or (c) is an employer maintaining or contributing to that Plan, unless a prohibited transaction class exemption is applicable. Each purchaser or holder of the ERISA Debt Notes and any corresponding Currency Swap Rights (or any interest therein) will be deemed to have represented by its purchase and holding of the ERISA Debt Notes and any corresponding Currency Swap Rights that it is not subject to the foregoing limitation.

In addition, each purchaser and subsequent transferee of the ERISA Debt Notes and any corresponding Currency Swap Rights (or any interest therein) that is a Plan, including any fiduciary purchasing on behalf of such a Plan ("**Plan Fiduciary**"), will be deemed to have represented, agreed and acknowledged by its investment that: (x) none of the ERISA Transaction Parties has through this Base Prospectus provided any investment advice within the meaning of Section 3(21) of ERISA to the Plan or Plan Fiduciary, in connection with the decision to purchase or acquire such ERISA Debt Notes and any corresponding Currency Swap Rights; and (y) the information provided in this Base Prospectus will not by itself make an ERISA Transaction Party a fiduciary to the Plan.

Accordingly, the Issuer suggests that prospective investors, whether or not subject to Part 4 of Subtitle B of Title I of ERISA or Section 4975 of the Code, consult with their own legal and other advisers concerning the impact of ERISA and the Code and, particularly in the case of employee benefit plans not subject to ERISA, any Similar Law considerations, as applicable.

SUBSCRIPTION AND SALE

Pursuant to an English law governed dealer agreement dated on or about the date of this Base Prospectus (as amended, restated or otherwise modified from time to time) between the Programme Arranger, the Co-Arranger, Citigroup (as Dealer) and any other Dealer that may in the future become a party thereto, the Receivables Trustee, the Loan Note Issuer, the Originator, the Servicer, the Transferor, JerseyCo and the Issuer (the "**Dealer Agreement**"), the parties thereto have agreed the terms of distribution of the Notes issued under the Programme and the terms on which a Dealer will accede to the Dealer Agreement either in general or in respect of a given Note Series issued under the Programme. The relevant Dealers will enter into an English law governed subscription agreement, supplemental to the Dealer Agreement, with the Co-Arranger, the Receivables Trustee, the Loan Note Issuer, the Originator, the Servicer, the Transferor, JerseyCo and the Issuer (a "**Subscription Agreement**") in order to record the terms on which the relevant Dealers and, if applicable, the Transferor (in its capacity as a retained note purchaser) will subscribe for the Notes of each Note Series.

The Issuer, the Loan Note Issuer, the Receivables Trustee, the Transferor, the Servicer and JerseyCo have agreed to indemnify the Dealers against certain liabilities and the Issuer has agreed to pay certain costs and expenses in connection with the issue of Notes under the Programme.

Neither this Base Prospectus nor any Final Terms or Drawdown Prospectus constitutes, nor may be used for the purpose of, an offer or a solicitation by anyone to subscribe for or purchase any Notes in or from any country or jurisdiction where such an offer or solicitation is not authorised or is unlawful.

Each Dealer which underwrites, markets or sells any Notes pursuant to the Dealer Agreement is subject to the selling restrictions set out below pursuant to the terms of the Dealer Agreement. Many of the restrictions set out below will be applicable to the Dealers and the Noteholders as a matter of law, irrespective of the contractual arrangements under which the Dealers may underwrite, market or sell any Notes. Investors who are in any doubt about the selling restrictions applicable to them in any applicable jurisdiction (whether or not listed below) should seek their own independent legal advice.

General

No action to permit public offering

Each Dealer will acknowledge that, other than with respect to the admission of the Notes to listing, trading and/or quotation by the London Stock Exchange, no action has been or will be taken in any jurisdiction by the Issuer that would permit a public offering of the Notes, or possession or distribution of any offering material in relation thereto, in any country or jurisdiction where action for that purpose is required.

Dealers' compliance with applicable laws

Each Dealer will undertake to the Issuer and the Transferor that it and its agents will comply with all applicable laws and regulations in each country or jurisdiction in which it purchases, offers, sells or delivers Notes or has in its possession or distributes this Base Prospectus or any Final Terms or Drawdown Prospectus or any related offering material, in all cases at its own expense.

United States

No registration under Securities Act

The Notes have not been and will not be registered under the Securities Act or any state securities laws and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

Compliance by the Issuer and the Transferor with United States securities laws

The Issuer, the Loan Note Issuer, the Originator, the Servicer, the Receivables Trustee and the Transferor will each represent, warrant and undertake to each Dealer that neither it nor any of its Affiliates (including any person acting on behalf of it or any of its Affiliates, other than the Dealers or any of their Affiliates or agents) has offered or sold, or will offer or sell, any Notes in any circumstances which would require the registration of any of the Notes under the Securities Act or qualification of the Note Trust Deed as an

indenture under the Trust Indenture Act and, in particular, the Issuer and the Transferor will each represent, warrant and undertake that:

- (i) *No directed selling efforts*: the Issuer and its Affiliates will not engage in any directed selling efforts within the meaning of Rule 902 under the Securities Act with respect to the Notes of any Note Series;
- (ii) *Offering restrictions*: it and its Affiliates have complied and will comply with the offering restrictions requirement of Regulation S with respect to the Notes of any Note Series;
- (iii) *Use of proceeds*: the Issuer shall use the net proceeds from the issue of the Notes of any Note Series in the manner specified in this Base Prospectus and/or the applicable Final Terms or Drawdown Prospectus;
- (iv) *No integration*: before the completion of the placement of the Notes of any Note Series, it will not, and will not permit any person acting on its behalf to, offer, sell or solicit offers to buy or otherwise negotiate in respect of any security (as defined in the Securities Act) the offering of which security would be integrated with the sale of the Notes in a manner that would require the registration of any of the Notes under the Securities Act; and
- (v) *No general solicitation or general advertising*: the Issuer and its Affiliates will not engage in any general solicitation in the United States by means of general advertising or in any other manner with respect to the Notes of any Note Series.

Dealers' compliance with United States securities laws

Each Dealer will severally represent and undertake to the Issuer and the Transferor that:

- (a) *Compliance with Regulations S offering restrictions*: it has not offered and sold the Regulation S Notes or any Note Series, and will not offer and sell the Regulation S Notes or any Note Series:
 - (i) *Original distribution*: as part of their distribution, at any time; and
 - (ii) *Outside original distribution*: otherwise, until 40 days after the later of the commencement of the offering of the Notes and the relevant Closing Date (the "**Distribution Compliance Period**"),

within the United States or to, or for the account or benefit of any U.S. Person, except in accordance with Rule 903 or 904 of Regulation S and, at or prior to confirmation of sale of the Regulation S Notes, it will have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration that purchases any Notes from it during the Distribution Compliance Period a confirmation or notice in substantially the following form:

"The Securities covered hereby have not been registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons, (a) as part of their distribution at any time or (b) otherwise until 40 days after the later of the commencement of the offering and the relevant Closing Date, except in either case in accordance with Regulation S. Terms used above have the meanings given to them by Regulation S."

- (b) *No directed selling efforts*: neither it nor any of its Affiliates (including any person acting on behalf of such Dealer or any of its Affiliates) has engaged or will engage in any directed selling efforts with respect to the Notes of any Note Series, and it and its Affiliates (including any person acting on behalf of the Dealer or any of its Affiliates) have complied and will comply with the offering restrictions requirement of Regulation S; and
- (c) *No general solicitation or general advertising*: neither it nor any of its Affiliates (including any person acting on behalf of such Dealer or any of its Affiliates) will engage in any general solicitation in the United States by means of general advertising or in any other manner with respect to the Notes of any Note Series.

In addition, until the expiration of the Distribution Compliance Period, an offer or sale of the Notes of any Note Series within the United States by any dealer (whether or not participating in the offering) may violate

the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with Rule 144A or pursuant to another available exemption from registration under the Securities Act.

Each Dealer will represent and undertake to the Issuer and the Transferor that it will offer and sell the Notes of any Note Series within the United States or to, or for the account or benefit of, U.S. Persons, only to persons it reasonably believes to be QIBs who can represent that they are QIBs and will agree to notify future transferees of the related transfer restrictions on such Notes. In connection with any Rule 144A Notes, the Dealer Agreement provides that each Dealer will arrange for offers, sales and resales of Rule 144A Notes to be made through its U.S. broker dealer affiliate only to QIBs in reliance on Rule 144A.

Prohibition of Sales to United Kingdom Retail Investors

Each Dealer will represent and agree that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available the Notes of any Note Series to any retail investor in the United Kingdom. For the purposes of this provision, the expression "retail investor" means a person who is one (or more) of the following:

- (i) a retail client as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of UK domestic law by virtue of the EUWA;
- (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in point (8) of Article 2(1) of UK MiFIR; or
- (iii) not a qualified investor as defined in Article 2 of the UK Prospectus Regulation.

Prohibition of Sales to European Economic Area Retail Investors

Each Dealer will represent and agree that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available the Notes of any Note Series to any retail investor in the European Economic Area. For the purposes of this provision, the expression "retail investor" means a person who is one (or more) of the following:

- (i) a retail client as defined in point (11) of Article 4(1) of EU MiFID II;
- (ii) a customer within the meaning of the provisions of Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of EU MiFID II; or
- (iii) not a qualified investor as defined in Article 2 of the EU Prospectus Regulation.

United Kingdom

Each Dealer will represent and agree with the Issuer and each other Dealer that:

Financial promotion: it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of the Notes of any Note Series in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and

General compliance: it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes of any Note Series in, from or otherwise involving the United Kingdom.

Jersey

Each Dealer will be required to represent, warrant and undertake, to the Issuer and each other Dealer that it has not circulated, and will not circulate, in Jersey any offer for the subscription, sale or exchange of the Notes of any Note Series.

France

Each Dealer will represent and agree with the Issuer that it has not offered or sold directly or indirectly, nor may this Base Prospectus or any Final Terms or Drawdown Prospectus or any other offering material relating to the Notes of any Note Series be distributed, to the public in France except an offer of the Notes to the public in France will be made only in compliance with the EU Prospectus Regulation and the applicable laws, regulations and procedures in France and formalities required by French laws and regulations to permit the offering and sale of the Notes in France. For the purpose of this provision only the expression "**the public in France**" does not include (a) providers of investment services in relation to portfolio management for the account of third parties (*personnes fournissant le service d'investissement de gestion de portefeuille pour compte de tiers*), and/or (b) qualified investors (*investisseurs qualifiés*), other than individuals, investing for their own account, all as defined in, and in accordance with, articles L.411-1, L.411-2 and D.411-1 of the French *Code monétaire et financier* and other applicable regulations.

Sweden

Each Dealer will represent and agree with the Issuer that it will not, directly or indirectly, offer for subscription or purchase or issue invitations to subscribe for or buy the Notes of any Note Series or distribute any draft or final document in relation to any such offer, invitation or sale in Sweden except in circumstances that will not result in a requirement to prepare a prospectus pursuant to the provisions of the Swedish Financial Instruments Trading Act (*lag (1991: 980) om handel med finansiella instrument*).

Italy

Each Dealer will represent to and agree with the Issuer that the offering of the Notes of any Note Series has not been registered pursuant to Italian securities legislation and, accordingly, no Notes may be offered, sold or delivered, and no copies of this Base Prospectus nor any Final Terms or Drawdown Prospectus nor any other document relating to the Notes may be distributed in the Republic of Italy except:

- (a) to "**qualified investors**", as referred to in Article 100 of Legislative Decree No. 58 of 24 February 1998, as amended ("**Decree No. 58**"), and defined in article 34-ter, paragraph 1, letter (b) of CONSOB Regulation no. 11971 of 14 May 1999, as amended ("**Regulation No. 11971**");
- (b) that the Notes may be offered, sold or delivered or copies of this Base Prospectus or any Final Terms or Drawdown Prospectus may be distributed in an offer to the public in the period commencing on the date of publication of this Base Prospectus, **provided that** this Base Prospectus has been approved in another Member State of the European Economic Area and notified to CONSOB, all in accordance with the EU Prospectus Regulation, and ending on the date which is 12 months after the date of approval of this Base Prospectus; and
- (c) in any other circumstances where an express exemption from compliance with the solicitation restrictions applies, as provided under Decree No. 58 or Regulation No. 11971.

Germany

Each Dealer will represent and agree that it has not offered or sold and that it will not offer or sell the Notes of any Note Series in the Federal Republic of Germany other than in accordance with the German Securities Prospectus Act (*Wertpapierprospektgesetz*) and any other applicable laws in the Federal Republic of Germany governing the issue, sale and offering of securities.

Switzerland

The Notes of any Note Series may not be publicly offered, sold or advertised, directly or indirectly, in, into or from Switzerland and will not be listed on the SIX Swiss Exchange or on any other exchange or regulated trading facility in Switzerland. None of this Base Prospectus, any Final Terms or Drawdown Prospectus or any other offering or marketing material relating to the Notes constitutes a prospectus as such term is understood pursuant to article 652a or article 1156 of the Swiss Code of Obligations or a listing prospectus within the meaning of the listing rules of the SIX Swiss Exchange or any other regulated trading facility in Switzerland or a simplified prospectus or a prospectus as such term is defined in the Swiss Collective Investment Scheme Act, and none of this Base Prospectus, any Final Terms or Drawdown Prospectus or any other offering or marketing material relating to the Notes may be publicly distributed or otherwise made publicly available in Switzerland.

None of this Base Prospectus, any Final Terms or Drawdown Prospectus or any other offering or marketing material relating to the offering, the Issuer or the Notes have been or will be filed with or approved by any Swiss regulatory authority. The Notes are not subject to supervision by any Swiss regulatory authority, e.g., the Swiss Financial Markets Supervisory Authority FINMA and investors in the Notes will not benefit from protection or supervision by such authority.

Japan

- (a) The Notes of any Note Series have not been, and will not be, registered in Japan pursuant to Article 4, Paragraph 1 of the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the "**FIEA**") in reliance upon an exemption from the registration requirements since the offering constitutes the small number private placement as provided for in "*ha*" of Article 2, Paragraph 3, Item 2 of the FIEA. Any investor must be aware that a transferor of the Notes who is a resident of Japan must not transfer or resell the Notes except where such transferor transfers or resells all the Notes en bloc to one transferee.
- (b) Each Dealer will represent, warrant and undertake that it will not offer or sell any Notes, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan or to others for re-offering or resale, directly or indirectly, in Japan or to any resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and other relevant laws and regulation of Japan.
- (c) As used in paragraphs (a) and (b) above, "**resident of Japan**" means any person resident in Japan, including any corporation or other entity organised under the laws of Japan.

TRANSFER RESTRICTIONS AND INVESTOR REPRESENTATIONS**Offers and Sales by Purchasers of Notes**

The Notes (including interests therein represented by a Book-Entry Interest) may only be offered, sold, resold, delivered or transferred: (i) within the United States or to, or for, the account or benefit of, U.S. persons that are QIBs in reliance on Rule 144A (the "**Rule 144A Notes**"); or (ii) outside the United States to persons who are not U.S. persons in an offshore transaction in reliance on Rule 903 or 904 of Regulation S (the "**Regulation S Notes**"); or (iii) otherwise within the United States following the expiration of the Distribution Compliance Period, pursuant to an applicable exemption from the registration requirements of the Securities Act and in accordance with any applicable securities law of any state of the United States.

Investor Representations and Restrictions on Resale

By its purchase of Notes, each purchaser of such Notes (each initial purchaser, together with each subsequent transferee, are referred to herein as the "**Purchaser**", which term for the purposes of this section will be deemed to include any interests in the Notes, including Book-Entry Interests) will be deemed to have represented, agreed and acknowledged that:

- (i) in respect of the Rule 144A Notes:
 - (a) It (a) is a QIB, (b) is acting for its own account, or for the account of one or more QIBs, (c) will provide notice of the transfer restrictions described herein to any subsequent transferee, (d) is aware, and each Beneficial Owner of the Rule 144A Notes has been advised, that the sale of the Rule 144A Notes to it is being made in reliance on Rule 144A, and (e) acknowledges that neither the Issuer nor the Dealers (or any person representing them) has made any representation to it with respect to the Issuer or sale of the Notes, other than the information contained in this Base Prospectus upon which it is relying in making its investment decision with respect to the Notes, and understands and agrees that any information provided to it prior to the delivery of this Base Prospectus is superseded by the information herein.
 - (b) (i) The Rule 144A Notes are being offered in a transaction not involving any public offering in the United States within the meaning of the Securities Act, such Notes have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and may not be offered, sold, pledged or otherwise transferred except (a) in accordance with Rule 144A to a person that it, and any person acting on its behalf, reasonably believes is a QIB purchasing for its own account or for the account of one or more QIBs, (b) in an offshore transaction in accordance with Rule 903 or Rule 904 of Regulation S, or (c) to the Issuer or an affiliate thereof, in each case in accordance with any applicable securities laws of any state or other jurisdiction of the United States and (ii) it will, and each subsequent holder of the Rule 144A Notes is required to, notify any purchaser of the Rule 144A Notes from it of the resale restrictions on the Notes.
 - (c) For ERISA Debt Notes and any corresponding Currency Swap Rights, either: (i) it is not (and is not deemed for purposes of ERISA or the Code to be) a Plan or a governmental, church or non-U.S. plan which is subject to any Similar Law; or (ii) its purchase, holding and disposition of such ERISA Debt Notes and any corresponding Currency Swap Rights does not and will not constitute, result in or otherwise involve a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code or a violation of any applicable Similar Law. Any purported purchase or transfer of such ERISA Debt Notes and any corresponding Currency Swap Rights that does not comply with the foregoing shall be null and void *ab initio*. Without limiting the foregoing, if it is, or is using the assets of, a Plan to make an investment in the ERISA Debt Notes and any corresponding Currency Swap Rights, it will be deemed to have represented, agreed and acknowledged by its investment that no ERISA Transaction Party: (i) has investment or administrative discretion with respect to the Plan Assets used to effect the purchase; (ii) has authority or responsibility to give, or regularly gives, investment advice with respect to the Plan Assets, for a fee and pursuant to an agreement or understanding that the advice (A) will serve as a primary basis for investment decisions for the Plan Assets and (B) will be based on the

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particular investment needs of that Plan; or (iii) is an employer maintaining or contributing to that Plan, unless a prohibited transaction class exemption is applicable. If it is, or is using the assets of, a Plan to make an investment in the ERISA Debt Notes and any corresponding Currency Swap Rights, it will be deemed to have represented, agreed and acknowledged by its investment that: (i) none of the ERISA Transaction Parties has through this Base Prospectus provided any investment advice within the meaning of Section 3(21) of ERISA to the Plan, or Plan Fiduciary, in connection with the decision to purchase or acquire such ERISA Debt Notes and any corresponding Currency Swap Rights; and (ii) the information provided in this Base Prospectus will not by itself make an ERISA Transaction Party a fiduciary to the Plan.

- (d) For ERISA Equity Notes and any corresponding Currency Swap Rights, either: (i) it is not (and is not deemed for purposes of ERISA or the Code to be) a Plan; or (ii) (A) it is a governmental, church or non-U.S. plan which is subject to any Similar Law and (B) its purchase, holding and disposition of such ERISA Equity Notes and any corresponding Currency Swap Rights does not and will not constitute, result in or otherwise involve a violation of any applicable Similar Law.
- (e) It understands that the Note Certificates in respect of the Rule 144A Notes, unless the Issuer determines otherwise in accordance with applicable law, will bear a legend in or substantially in the following form:

In the case of the ERISA Debt Notes and any corresponding Currency Swap Rights:

THE NOTES REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**") OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES. THE HOLDER HEREOF, BY PURCHASING THE NOTES REPRESENTED HEREBY (OR A BENEFICIAL INTEREST THEREIN), AGREES FOR THE BENEFIT OF THE ISSUER THAT THE NOTES REPRESENTED HEREBY MAY BE REOFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY IN COMPLIANCE WITH THE SECURITIES ACT AND OTHER APPLICABLE LAWS AND ONLY (1) TO A PERSON THAT THE HOLDER AND ANY PERSON ACTING ON ITS BEHALF REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER (WITHIN THE MEANING OF RULE 144A) UNDER THE SECURITIES ACT) PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF ANOTHER QUALIFIED INSTITUTIONAL BUYER WHOM THE HOLDER HAS INFORMED, IN EACH CASE, THAT THE REOFFER, RESALE, PLEDGE OR OTHER TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A UNDER THE SECURITIES ACT, (2) TO A PERSON THAT IS NOT A U.S. PERSON (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT) AND THAT IS ACQUIRING THE NOTES REPRESENTED HEREBY (OR A BENEFICIAL INTEREST THEREIN) IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH RULE 903 OR 904 OF REGULATION S UNDER THE SECURITIES ACT, (3) TO THE ISSUER OR ITS AFFILIATES.

EACH PURCHASER AND SUBSEQUENT TRANSFEREE OF THE NOTES AND ANY CORRESPONDING CURRENCY SWAP RIGHTS (OR ANY INTEREST THEREIN) WILL BE DEEMED TO HAVE REPRESENTED, AGREED AND ACKNOWLEDGED, ON EACH DAY FROM THE DATE ON WHICH THE PURCHASER OR TRANSFEREE ACQUIRES SUCH NOTES AND ANY CORRESPONDING CURRENCY SWAP RIGHTS (OR ANY INTEREST THEREIN) TO AND INCLUDING THE DATE ON WHICH THE PURCHASER OR TRANSFEREE DISPOSES OF SUCH NOTES AND ANY CORRESPONDING CURRENCY SWAP RIGHTS, EITHER THAT: (A) IT IS NOT (AND IS NOT DEEMED FOR PURPOSES OF ERISA OR THE CODE TO BE) (I) AN "**EMPLOYEE BENEFIT PLAN**" (AS DEFINED IN SECTION 3(3) OF THE U.S. EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("**ERISA**")) THAT IS SUBJECT TO PART 4 OF SUBTITLE B OF TITLE I OF ERISA, (II) A "**PLAN**" (AS DEFINED IN SECTION 4975(e)(1) OF THE U.S. INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE

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"**CODE**") THAT IS SUBJECT TO SECTION 4975 OF THE CODE, (III) AN ENTITY WHOSE UNDERLYING ASSETS INCLUDE, OR ARE DEEMED FOR PURPOSES OF ERISA OR THE CODE TO INCLUDE, "**PLAN ASSETS**" BY REASON OF SUCH PLAN INVESTMENT IN THE ENTITY (EACH, A "**PLAN**") OR (IV) A GOVERNMENTAL, CHURCH OR NON-U.S. PLAN WHICH IS SUBJECT TO ANY FEDERAL, STATE OR LOCAL LAW OF THE UNITED STATES OR NON-U.S. LAW THAT IS SUBSTANTIALLY SIMILAR TO THE PROVISIONS OF SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE ("**SIMILAR LAW**"); OR (B) ITS PURCHASE, HOLDING AND DISPOSITION OF SUCH NOTES AND ANY CORRESPONDING CURRENCY SWAP RIGHTS DOES NOT AND WILL NOT CONSTITUTE, RESULT IN OR OTHERWISE INVOLVE A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE OR A VIOLATION OF ANY APPLICABLE SIMILAR LAW. ANY PURPORTED PURCHASE OR TRANSFER OF THE NOTES REPRESENTED HEREBY AND ANY CORRESPONDING CURRENCY SWAP RIGHTS THAT DOES NOT COMPLY WITH THE FOREGOING SHALL BE NULL AND VOID *AB INITIO*.

WITHOUT LIMITING THE FOREGOING, THE NOTES REPRESENTED HEREBY AND ANY CORRESPONDING CURRENCY SWAP RIGHTS MAY NOT BE PURCHASED OR HELD BY ANY PLAN, OR ANY PERSON INVESTING ASSETS OF ANY PLAN, IF ANY OF THE ISSUER, THE PROGRAMME ARRANGER, THE CO-ARRANGER, THE DEALERS, THE PAYING AGENTS, THE RECEIVABLES TRUSTEE, THE LOAN NOTE ISSUER, THE SERVICER, THE NOTE TRUSTEE, THE SECURITY TRUSTEE OR ANY OF THEIR RESPECTIVE AFFILIATES: (X) HAS INVESTMENT OR ADMINISTRATIVE DISCRETION WITH RESPECT TO THE PLAN ASSETS USED TO EFFECT THE PURCHASE; (Y) HAS AUTHORITY OR RESPONSIBILITY TO GIVE, OR REGULARLY GIVES, INVESTMENT ADVICE WITH RESPECT TO THE PLAN ASSETS, FOR A FEE AND PURSUANT TO AN AGREEMENT OR UNDERSTANDING THAT THE ADVICE (I) WILL SERVE AS A PRIMARY BASIS FOR INVESTMENT DECISIONS FOR THE PLAN ASSETS AND (II) WILL BE BASED ON THE PARTICULAR INVESTMENT NEEDS OF THAT PLAN; OR (Z) IS AN EMPLOYER MAINTAINING OR CONTRIBUTING TO THAT PLAN, UNLESS A PROHIBITED TRANSACTION CLASS EXEMPTION IS APPLICABLE. EACH PURCHASER OR HOLDER OF THE NOTES AND ANY CORRESPONDING CURRENCY SWAP RIGHTS (OR ANY INTEREST THEREIN) WILL BE DEEMED TO HAVE REPRESENTED, AGREED AND ACKNOWLEDGED BY ITS PURCHASE AND HOLDING OF THE NOTES AND ANY CORRESPONDING CURRENCY SWAP RIGHTS THAT IT IS NOT SUBJECT TO THE FOREGOING LIMITATION.

IN ADDITION, EACH PURCHASER AND SUBSEQUENT TRANSFEREE OF THE NOTES AND ANY CORRESPONDING CURRENCY SWAP RIGHTS THAT IS A PLAN, INCLUDING ANY FIDUCIARY PURCHASING SUCH NOTES AND ANY CORRESPONDING CURRENCY SWAP RIGHTS ON BEHALF OF A PLAN ("**PLAN FIDUCIARY**"), WILL BE DEEMED TO HAVE REPRESENTED, AGREED AND ACKNOWLEDGED BY ITS INVESTMENT THAT: (A) NONE OF THE ISSUER, THE PROGRAMME ARRANGER, THE CO-ARRANGER, THE DEALERS, THE PAYING AGENTS, THE RECEIVABLES TRUSTEE, THE LOAN NOTE ISSUER, THE SERVICER, THE NOTE TRUSTEE, THE SECURITY TRUSTEE OR THEIR RESPECTIVE AFFILIATES (EACH, AN "**ERISA TRANSACTION PARTY**") HAS THROUGH THE BASE PROSPECTUS PROVIDED ANY INVESTMENT ADVICE WITHIN THE MEANING OF SECTION 3(21) OF ERISA TO THE PLAN OR PLAN FIDUCIARY, IN CONNECTION WITH THE DECISION TO PURCHASE OR ACQUIRE SUCH NOTES AND ANY CORRESPONDING CURRENCY SWAP RIGHTS; AND (B) THE INFORMATION PROVIDED IN THE BASE PROSPECTUS WILL NOT BY ITSELF MAKE AN ERISA TRANSACTION PARTY A FIDUCIARY TO THE PLAN.

THE HOLDER OF THE NOTES REPRESENTED HEREBY AND EACH OWNER OF A BENEFICIAL INTEREST THEREIN AGREES OR IS DEEMED TO AGREE TO

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TREAT SUCH NOTES AS INDEBTEDNESS FOR UNITED STATES FEDERAL INCOME TAX PURPOSES.

[[*INSERT FOR NOTES ISSUED WITH AN ORIGINAL ISSUE DISCOUNT*] THE NOTES REPRESENTED HEREBY WILL BE TREATED AS ISSUED WITH ORIGINAL ISSUE DISCOUNT ("**OID**") FOR PURPOSES OF SECTION 1271 *ET SEQ.* OF THE CODE. FOR INFORMATION REGARDING THE CLOSING DATE, ISSUE PRICE, YIELD TO MATURITY AND THE AMOUNT OF OID, PLEASE CONTACT THE SERVICER.]

In the case of the ERISA Equity Notes and any corresponding Currency Swap Rights:

THE NOTES REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**") OR ANY SECURITIES LAW OF ANY STATE OF THE UNITED STATES. THE HOLDER HEREOF, BY PURCHASING THE NOTES REPRESENTED HEREBY (OR A BENEFICIAL INTEREST THEREIN), AGREES FOR THE BENEFIT OF THE ISSUER THAT THE NOTES REPRESENTED HEREBY MAY BE REOFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY IN COMPLIANCE WITH THE SECURITIES ACT AND OTHER APPLICABLE LAWS AND ONLY (1) PURSUANT TO RULE 144A UNDER THE SECURITIES ACT TO A PERSON THAT THE HOLDER AND ANY PERSON ACTING ON ITS BEHALF REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER (WITHIN THE MEANING OF RULE 144A) PURCHASING FOR ITS OWN ACCOUNT OR A PERSON PURCHASING FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER WHOM THE HOLDER HAS INFORMED, IN EACH CASE, THAT THE REOFFER, RESALE, PLEDGE OR OTHER TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, (2) IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH RULE 903 OR 904 OF REGULATION S UNDER THE SECURITIES ACT, (3) PURSUANT TO AN EXEMPTION FROM REGISTRATION PROVIDED BY RULE 144 UNDER THE SECURITIES ACT (IF AVAILABLE) OR (4) TO THE ISSUER OR ITS AFFILIATES.

EACH PURCHASER AND SUBSEQUENT TRANSFEREE OF THE NOTES AND ANY CORRESPONDING CURRENCY SWAP RIGHTS (OR ANY INTEREST THEREIN) WILL BE DEEMED TO HAVE REPRESENTED, AGREED AND ACKNOWLEDGED, ON EACH DAY FROM THE DATE ON WHICH THE PURCHASER OR TRANSFEREE ACQUIRES SUCH NOTES AND ANY CORRESPONDING CURRENCY SWAP RIGHTS (OR ANY INTEREST THEREIN) TO AND INCLUDING THE DATE ON WHICH THE PURCHASER OR TRANSFEREE DISPOSES OF SUCH NOTES AND ANY CORRESPONDING CURRENCY SWAP RIGHTS, EITHER THAT: (A) IT IS NOT (AND IS NOT DEEMED FOR PURPOSES OF ERISA OR THE CODE TO BE) (I) AN "**EMPLOYEE BENEFIT PLAN**" (AS DEFINED IN SECTION 3(3) OF THE U.S. EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("**ERISA**")) THAT IS SUBJECT TO PART 4 OF SUBTITLE B OF TITLE I OF ERISA, (II) A "**PLAN**" (AS DEFINED IN SECTION 4975 (e)(1) OF THE U.S. INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "**CODE**")) THAT IS SUBJECT TO SECTION 4975 OF THE CODE, (III) AN ENTITY WHOSE UNDERLYING ASSETS INCLUDE, OR ARE DEEMED FOR PURPOSES OF ERISA OR THE CODE TO INCLUDE, "**PLAN ASSETS**" BY REASON OF SUCH PLAN INVESTMENT IN THE ENTITY (EACH, A "**PLAN**") OR (IV) A GOVERNMENTAL, CHURCH OR NON-U.S. PLAN WHICH IS SUBJECT TO ANY FEDERAL, STATE OR LOCAL LAW OF THE UNITED STATES OR NON-U.S. LAW THAT IS SUBSTANTIALLY SIMILAR TO THE PROVISIONS OF SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE ("**SIMILAR LAW**"); OR (B) (I) IT IS A GOVERNMENTAL, CHURCH OR NON-U.S. PLAN WHICH IS SUBJECT TO ANY SIMILAR LAW AND (II) ITS PURCHASE, HOLDING AND DISPOSITION OF SUCH NOTES AND ANY CORRESPONDING CURRENCY SWAP RIGHTS DOES NOT AND WILL NOT CONSTITUTE, RESULT IN OR OTHERWISE INVOLVE A VIOLATION OF ANY APPLICABLE SIMILAR LAW. ANY PURPORTED PURCHASE OR TRANSFER OF THE NOTES REPRESENTED HEREBY AND ANY

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CORRESPONDING CURRENCY SWAP RIGHTS THAT DOES NOT COMPLY WITH THE FOREGOING SHALL BE NULL AND VOID *AB INITIO*.

[THE HOLDER OF THE NOTES REPRESENTED HEREBY AND EACH OWNER OF A BENEFICIAL INTEREST HEREIN AGREES OR IS DEEMED TO AGREE TO TREAT SUCH NOTES AS INDEBTEDNESS FOR UNITED STATES FEDERAL INCOME TAX PURPOSES.]

[[*INSERT FOR NOTES ISSUED WITH AN ORIGINAL ISSUE DISCOUNT*] THE NOTES REPRESENTED HEREBY WILL BE TREATED AS ISSUED WITH ORIGINAL ISSUE DISCOUNT ("**OID**") FOR PURPOSES OF SECTION 1271 *ET SEQ.* OF THE CODE. FOR INFORMATION REGARDING THE CLOSING DATE, ISSUE PRICE, YIELD TO MATURITY AND THE AMOUNT OF OID, PLEASE CONTACT THE SERVICER.]

- (f) It understands that the Issuer, the Registrar, the Paying Agents, the Programme Arranger, the Co-Arranger, the Dealers and their affiliates, and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of the acknowledgements, representations or agreements deemed to have been made by it by its purchase of Rule 144A Notes is no longer accurate, it shall promptly notify the Issuer and the relevant Dealers. If it is acquiring any Rule 144A Notes for the account of one or more QIBs, it represents that it has sole investment discretion with respect to each of those accounts and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account.
 - (g) It understands that the Rule 144A Notes will be represented by a Rule 144A Global Note Certificate. Before any interest in a Rule 144A Global Note Certificate may be offered, sold, pledged or otherwise transferred to a person who takes delivery in the form of an interest in the Regulation S Global Note, it will be required to provide the Registrar with a written certification as to compliance with applicable securities laws.
- (ii) in respect of the Regulation S Notes:
- (a) It understands that the Regulation S Notes have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and that, prior to the expiration of the Distribution Compliance Period, it will not offer, sell, pledge or otherwise transfer Regulation S Notes except (i) in accordance with Rule 144A to a person that it and any person acting on its behalf reasonably believes is a QIB purchasing for its own account, or for the account of one or more QIBs or (ii) in an offshore transaction in accordance with Rule 903 or Rule 904 of Regulation S, in each case in accordance with any applicable securities laws of any state of the United States.
 - (b) For ERISA Debt Notes and any corresponding Currency Swap Rights, either: (i) it is not (and is not deemed for purposes of ERISA or the Code to be) a Plan or a governmental, church or non-U.S. plan which is subject to any Similar Law; or (ii) its purchase, holding and disposition of such ERISA Debt Notes and any corresponding Currency Swap Rights does not and will not constitute, result in or otherwise involve a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code or a violation of any applicable Similar Law. Any purported purchase or transfer of such ERISA Debt Notes and any corresponding Currency Swap Rights that does not comply with the foregoing shall be null and void *ab initio*. Without limiting the foregoing, if it is, or is using the assets of, a Plan to make an investment in the ERISA Debt Notes and any corresponding Currency Swap Rights, it will be deemed to have represented, agreed and acknowledged by its investment that no ERISA Transaction Party: (i) has investment or administrative discretion with respect to the Plan Assets used to effect the purchase; (ii) has authority or responsibility to give, or regularly gives, investment advice with respect to the Plan Assets, for a fee and pursuant to an agreement or understanding that the advice (A) will serve as a primary basis for investment decisions for the Plan Assets and (B) will be based on the particular investment needs of that Plan; or (iii) is an employer maintaining or contributing to that Plan, unless a prohibited transaction class exemption is applicable. If it is, or is

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using the assets of, a Plan to make an investment in the ERISA Debt Notes and any corresponding Currency Swap Rights, it will be deemed to have represented, agreed and acknowledged by its investment that: (i) none of the ERISA Transaction Parties has through this Base Prospectus provided any investment advice within the meaning of Section 3(21) of ERISA to the Plan, or Plan Fiduciary, in connection with the decision to purchase or acquire such ERISA Debt Notes and any corresponding Currency Swap Rights; and (ii) the information provided in this Base Prospectus will not by itself make an ERISA Transaction Party a fiduciary to the Plan.

- (c) For ERISA Equity Notes and any corresponding Currency Swap Rights, either: (i) it is not (and is not deemed for purposes of ERISA or the Code to be) a Plan; or (ii) (A) it is a governmental, church or non-U.S. plan which is subject to any Similar Law and (B) its purchase, holding and disposition of such ERISA Equity Notes and any corresponding Currency Swap Rights does not and will not constitute, result in or otherwise involve a violation of any applicable Similar Law.
- (d) It understands that the Regulation S Notes, unless otherwise determined by the Issuer in accordance with applicable law, will bear a legend in or substantially in the following form:

In the case of the ERISA Debt Notes and any corresponding Currency Swap Rights:

THE NOTES REPRESENTED BY THIS REGULATION S GLOBAL NOTE CERTIFICATE HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933 (THE "**SECURITIES ACT**") OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS UNTIL 40 DAYS AFTER THE LATER OF THE COMMENCEMENT OF THE OFFERING AND THE RELEVANT CLOSING DATE, EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES. TERMS USED ABOVE HAVE THE MEANINGS GIVEN TO THEM BY REGULATION S.

EACH PURCHASER AND SUBSEQUENT TRANSFEREE OF THE NOTES AND ANY CORRESPONDING CURRENCY SWAP RIGHTS (OR ANY INTEREST THEREIN) WILL BE DEEMED TO HAVE REPRESENTED, AGREED AND ACKNOWLEDGED, ON EACH DAY FROM THE DATE ON WHICH THE PURCHASER OR TRANSFEREE ACQUIRES SUCH NOTES AND ANY CORRESPONDING CURRENCY SWAP RIGHTS (OR ANY INTEREST THEREIN) TO AND INCLUDING THE DATE ON WHICH THE PURCHASER OR TRANSFEREE DISPOSES OF SUCH NOTES AND ANY CORRESPONDING CURRENCY SWAP RIGHTS, EITHER THAT: (A) IT IS NOT (AND IS NOT DEEMED FOR PURPOSES OF ERISA OR THE CODE TO BE) (I) AN "**EMPLOYEE BENEFIT PLAN**" (AS DEFINED IN SECTION 3(3) OF THE U.S. EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("**ERISA**")) THAT IS SUBJECT TO PART 4 OF SUBTITLE B OF TITLE I OF ERISA, (II) A "**PLAN**" (AS DEFINED IN SECTION 4975(e)(1) OF THE U.S. INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "**CODE**")) THAT IS SUBJECT TO SECTION 4975 OF THE CODE, (III) AN ENTITY WHOSE UNDERLYING ASSETS INCLUDE, OR ARE DEEMED FOR PURPOSES OF ERISA OR THE CODE TO INCLUDE, "**PLAN ASSETS**" BY REASON OF SUCH PLAN INVESTMENT IN THE ENTITY (EACH, A "**PLAN**") OR (IV) A GOVERNMENTAL, CHURCH OR NON-U.S. PLAN WHICH IS SUBJECT TO ANY FEDERAL, STATE OR LOCAL LAW OF THE UNITED STATES OR NON-U.S. LAW THAT IS SUBSTANTIALLY SIMILAR TO THE PROVISIONS OF SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE ("**SIMILAR LAW**"); OR (B) ITS PURCHASE, HOLDING AND DISPOSITION OF SUCH NOTES AND ANY CORRESPONDING CURRENCY SWAP RIGHTS DOES NOT AND WILL NOT CONSTITUTE, RESULT IN OR OTHERWISE INVOLVE A NON-EXEMPT

TRANSFER RESTRICTIONS AND INVESTOR REPRESENTATIONS

PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE OR A VIOLATION OF ANY APPLICABLE SIMILAR LAW. ANY PURPORTED PURCHASE OR TRANSFER OF THE NOTES REPRESENTED HEREBY AND ANY CORRESPONDING CURRENCY SWAP RIGHTS THAT DOES NOT COMPLY WITH THE FOREGOING SHALL BE NULL AND VOID *AB INITIO*.

WITHOUT LIMITING THE FOREGOING, THE NOTES REPRESENTED HEREBY AND ANY CORRESPONDING CURRENCY SWAP RIGHTS MAY NOT BE PURCHASED OR HELD BY ANY PLAN, OR ANY PERSON INVESTING ASSETS OF ANY PLAN, IF ANY OF THE ISSUER, THE PROGRAMME ARRANGER, THE CO-ARRANGER, THE DEALERS, THE PAYING AGENTS, THE RECEIVABLES TRUSTEE, THE LOAN NOTE ISSUER, THE SERVICER, THE NOTE TRUSTEE, THE SECURITY TRUSTEE OR ANY OF THEIR RESPECTIVE AFFILIATES: (X) HAS INVESTMENT OR ADMINISTRATIVE DISCRETION WITH RESPECT TO THE PLAN ASSETS USED TO EFFECT THE PURCHASE; (Y) HAS AUTHORITY OR RESPONSIBILITY TO GIVE, OR REGULARLY GIVES, INVESTMENT ADVICE WITH RESPECT TO THE PLAN ASSETS, FOR A FEE AND PURSUANT TO AN AGREEMENT OR UNDERSTANDING THAT THE ADVICE (I) WILL SERVE AS A PRIMARY BASIS FOR INVESTMENT DECISIONS FOR THE PLAN ASSETS AND (II) WILL BE BASED ON THE PARTICULAR INVESTMENT NEEDS OF THAT PLAN; OR (Z) IS AN EMPLOYER MAINTAINING OR CONTRIBUTING TO THAT PLAN, UNLESS A PROHIBITED TRANSACTION CLASS EXEMPTION IS APPLICABLE. EACH PURCHASER OR HOLDER OF THE NOTES AND ANY CORRESPONDING CURRENCY SWAP RIGHTS (OR ANY INTEREST THEREIN) WILL BE DEEMED TO HAVE REPRESENTED, AGREED AND ACKNOWLEDGED BY ITS PURCHASE AND HOLDING OF THE NOTES AND ANY CORRESPONDING CURRENCY SWAP RIGHTS THAT IT IS NOT SUBJECT TO THE FOREGOING LIMITATION.

IN ADDITION, EACH PURCHASER AND SUBSEQUENT TRANSFEREE OF THE NOTES AND ANY CORRESPONDING CURRENCY SWAP RIGHTS THAT IS A PLAN, INCLUDING ANY FIDUCIARY PURCHASING SUCH NOTES AND ANY CORRESPONDING CURRENCY SWAP RIGHTS ON BEHALF OF A PLAN ("**PLAN FIDUCIARY**"), WILL BE DEEMED TO HAVE REPRESENTED, AGREED AND ACKNOWLEDGED BY ITS INVESTMENT THAT: (A) NONE OF THE ISSUER, THE PROGRAMME ARRANGER, THE CO-ARRANGER, THE DEALERS, THE PAYING AGENTS, THE RECEIVABLES TRUSTEE, THE LOAN NOTE ISSUER, THE SERVICER, THE NOTE TRUSTEE, THE SECURITY TRUSTEE OR THEIR RESPECTIVE AFFILIATES (EACH, AN "**ERISA TRANSACTION PARTY**") HAS THROUGH THE BASE PROSPECTUS PROVIDED ANY INVESTMENT ADVICE WITHIN THE MEANING OF SECTION 3(21) OF ERISA TO THE PLAN OR PLAN FIDUCIARY, IN CONNECTION WITH THE DECISION TO PURCHASE OR ACQUIRE SUCH NOTES AND ANY CORRESPONDING CURRENCY SWAP RIGHTS; AND (B) THE INFORMATION PROVIDED IN THE BASE PROSPECTUS WILL NOT BY ITSELF MAKE AN ERISA TRANSACTION PARTY A FIDUCIARY TO THE PLAN.

In the case of the ERISA Equity Notes and any corresponding Currency Swap Rights:

THE NOTES REPRESENTED BY THIS REGULATION S GLOBAL NOTE CERTIFICATE HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933 (THE "**SECURITIES ACT**") OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS UNTIL 40 DAYS AFTER THE LATER OF THE COMMENCEMENT OF THE OFFERING AND THE RELEVANT CLOSING DATE, EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN ACCORDANCE WITH ANY

TRANSFER RESTRICTIONS AND INVESTOR REPRESENTATIONS

APPLICABLE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES.

EACH PURCHASER AND SUBSEQUENT TRANSFEREE OF THE NOTES AND ANY CORRESPONDING CURRENCY SWAP RIGHTS (OR ANY INTEREST THEREIN) WILL BE DEEMED TO HAVE REPRESENTED, AGREED AND ACKNOWLEDGED, ON EACH DAY FROM THE DATE ON WHICH THE PURCHASER OR TRANSFEREE ACQUIRES SUCH NOTES AND ANY CORRESPONDING CURRENCY SWAP RIGHTS (OR ANY INTEREST THEREIN) TO AND INCLUDING THE DATE ON WHICH THE PURCHASER OR TRANSFEREE DISPOSES OF SUCH NOTES AND ANY CORRESPONDING CURRENCY SWAP RIGHTS, EITHER THAT: (A) IT IS NOT (AND IS NOT DEEMED FOR PURPOSES OF ERISA OR THE CODE TO BE) (I) AN "**EMPLOYEE BENEFIT PLAN**" (AS DEFINED IN SECTION 3(3) OF THE U.S. EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("**ERISA**")) THAT IS SUBJECT TO PART 4 OF SUBTITLE B OF TITLE I OF ERISA, (II) A "**PLAN**" (AS DEFINED IN SECTION 4975(e)(1) OF THE U.S. INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "**CODE**")) THAT IS SUBJECT TO SECTION 4975 OF THE CODE, (III) AN ENTITY WHOSE UNDERLYING ASSETS INCLUDE, OR ARE DEEMED FOR PURPOSES OF ERISA OR THE CODE TO INCLUDE, "**PLAN ASSETS**" BY REASON OF SUCH PLAN INVESTMENT IN THE ENTITY (EACH, A "**PLAN**") OR (IV) A GOVERNMENTAL, CHURCH OR NON-U.S. PLAN WHICH IS SUBJECT TO ANY FEDERAL, STATE OR LOCAL LAW OF THE UNITED STATES OR NON-U.S. LAW THAT IS SUBSTANTIALLY SIMILAR TO THE PROVISIONS OF SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE ("**SIMILAR LAW**"); OR (B) (I) IT IS A GOVERNMENTAL, CHURCH OR NON-U.S. PLAN WHICH IS SUBJECT TO ANY SIMILAR LAW AND (II) ITS PURCHASE, HOLDING AND DISPOSITION OF SUCH NOTES AND ANY CORRESPONDING CURRENCY SWAP RIGHTS DOES NOT AND WILL NOT CONSTITUTE, RESULT IN OR OTHERWISE INVOLVE A VIOLATION OF ANY APPLICABLE SIMILAR LAW. ANY PURPORTED PURCHASE OR TRANSFER OF THE NOTES REPRESENTED HEREBY AND ANY CORRESPONDING CURRENCY SWAP RIGHTS THAT DOES NOT COMPLY WITH THE FOREGOING SHALL BE NULL AND VOID *AB INITIO*.

- (e) It understands that the Issuer, the Registrar, the Paying Agents, the Programme Arranger, the Co-Arranger, the relevant Dealers and their affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.
- (f) It understands that the Regulation S Notes will be represented by a Regulation S Global Note Certificate. Prior to the expiration of the Distribution Compliance Period, before any interest in the Regulation S Note represented by a Regulation S Global Note Certificate may be offered, sold, pledged or otherwise transferred to a person who takes delivery in the form of an interest in a Rule 144A Note represented by a Rule 144A Global Note Certificate, it will be required to provide the Registrar with a written certification as to compliance with applicable securities laws.

Prospective purchasers are hereby notified that sellers of the Notes may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A.

Because of the foregoing restrictions, purchasers of Notes are advised to consult legal counsel prior to making any offer, resale, pledge or transfer of such Notes.

LISTING AND GENERAL INFORMATION

- (a) The Issuer has made an application (i) to the FCA to admit the Notes to the Official List and (ii) to the London Stock Exchange to admit the Notes to trading on the London Stock Exchange's Main Market. Each Class or Sub-Class of Notes in each Note Series intended to be admitted to listing on the Official List of the FCA and admitted to trading on the London Stock Exchange's Main Market will be so admitted to listing and trading upon submission to the FCA and the London Stock Exchange of this Base Prospectus, the applicable Final Terms or Drawdown Prospectus and any other information required by the FCA and the London Stock Exchange, subject in each case to the issue of the relevant Notes. Prior to official listing, dealings will be permitted by the London Stock Exchange in accordance with its rules. Transactions will normally be effected for delivery on the second working day in London after the date of the transaction.
- (b) However, Notes may be issued pursuant to the Programme which will be admitted to listing, trading and/or quotation by such other listing authority, stock exchange and/or quotation system as the Issuer and the relevant Dealer(s) may agree.
- (c) Application has been made for the Notes to be accepted for clearance through Euroclear, Clearstream, Luxembourg and/or DTC (as applicable). The appropriate common code and the International Securities Identification Number ("ISIN"). CUSIP number ("CUSIP"), Financial Instrument Short Name ("FISN") and Classification of Financial Instruments ("CFI") code (as applicable) in relation to each Class or Sub-Class of Notes of each Note Series will be specified in the applicable Final Terms or Drawdown Prospectus. The relevant Final Terms or Drawdown Prospectus, as applicable, shall specify any other clearing system which has accepted any of the relevant Notes for clearance together with any further appropriate information.
- (d) The establishment and update of the Programme was authorised by a resolution of the board of the Issuer passed on 27 June 2023. The Issuer has obtained or will obtain from time to time all necessary consents, approvals and authorisations in connection with the issue and performance of its obligations with respect to the Notes.
- (e) Since 19 May 2023 (being the date of incorporation of the Issuer), there has been (i) no material adverse change in the financial position or prospects of the Issuer and (ii) no significant change in the financial performance or financial position of the Issuer.
- (f) Since the date of the Loan Note Issuer's audited financial statements for the period ending 31 December 2022, there has been (i) no material adverse change in the financial position or prospects of the Loan Note Issuer and (ii) no significant change in the financial performance or financial position of the Loan Note Issuer.
- (g) Since the date of the Receivables Trustee's audited financial statements for the period ending 31 December 2021, there has been (i) no material adverse change in the financial position or prospects of the Receivables Trustee and (ii) no significant change in the financial performance or financial position of the Receivables Trustee.
- (h) For so long as the Notes are admitted to the Official List and to trading on the London Stock Exchange's Main Market, the Issuer shall maintain a Paying Agent in the United Kingdom.
- (i) The credit ratings included or referred to in this Base Prospectus have been issued by Fitch and DBRS, each of which is established and operating in the European Union and registered under the CRA Regulation.
- (j) Since the date of its incorporation, the Issuer has not entered into any contracts or arrangements not being in the ordinary course of its business which could result in the Issuer being under an obligation or entitlement that is material to the Issuer's ability to meet its obligations to Noteholders in respect of the Notes.
- (k) There are no, nor have there been any, governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) since 19 May 2023 (being the date of incorporation of the Issuer) which may have, or have had in the recent past, significant effects upon the financial position or profitability of the Issuer.

- (l) The Loan Note Issuer will make available to investors via the Bloomberg service and/or on the website www.newday.co.uk (and/or any other replacement website or service designated by the Servicer (on behalf of the Loan Note Issuer) and notified to Noteholders): (i) post-issuance information in relation to the Securitised Portfolio; and (ii) post-issuance transaction information in the form of monthly investor reports containing material information relevant to Noteholders including confirmation of ongoing retention for the purposes of the UK Securitisation Regulation. The website and the contents thereof do not form part of this Base Prospectus.
- (m) The monthly Servicer's reports produced on behalf of the Loan Note Issuer will contain information as required by the Receivables Trust Deed and Servicing Agreement and each relevant Supplement, including, but not limited to, information in respect of the Receivables, a confirmation of the Transferor's retained economic interest in the securitisation as required by Article 6 of the UK Securitisation Regulation and details with respect to the rates of interest, Note principal and interest payments and other payments by the Issuer.
- (n) Other than as outlined in paragraphs (l) and (m) above, neither the Issuer nor the Loan Note Issuer (nor any member of the NewDay Group) intends to provide post-issuance transaction information regarding the Notes or the Securitised Portfolio.
- (o) The Issuer confirms that the Receivables comprised in the Securitised Portfolio ultimately backing the issue of the Notes have characteristics that demonstrate capacity to produce funds to service any payments due and payable on the Notes. Investors are advised to review carefully any disclosure in this Base Prospectus, and any Final Terms or Drawdown Prospectus, together with any amendments or supplements thereto.
- (p) The Legal Entity Identifier ("LEI") code of the Issuer is 213800DPNY6FV46KEI56.
- (q) The securitisation described in this Base Prospectus is not currently the subject of an STS notification (as defined in the UK Securitisation Regulation), and is not and will not be the subject of an STS notification (as defined in the EU Securitisation Regulation), and thus does not appear on any list of STS securitisations.

Documents Available for Inspection

For so long as the Notes of any Note Series remain outstanding, copies of the following documents may be inspected (i) at the Specified Office of the Principal Paying Agent during usual business hours on any weekday, apart from public holidays and (ii) online at <https://www.newday.co.uk/investors/securitisation/>:

- (i) the current Base Prospectus in relation to the Programme;
- (ii) the Master Framework Agreement;
- (iii) the Receivables Securitisation Deed;
- (iv) the Receivables Trust Deed and Servicing Agreement;
- (v) each Supplement for an outstanding Series issued under the Programme;
- (vi) the Beneficiaries Deed;
- (vii) the Security Trust Deed and Cash Management Agreement;
- (viii) the Indemnity Deed;
- (ix) the Master Cash Settlement Agreement;
- (x) each Loan Note Supplement for an outstanding Loan Note Series issued under the Programme;
- (xi) any Swap Agreement for an outstanding Note Series issued under the Programme;
- (xii) any Qualifying Swap Agreement;
- (xiii) the Paying Agency and Agent Bank Agreement;

- (xiv) any Final Terms or Drawdown Prospectus relating to an outstanding Note Series issued under the Programme;
- (xv) the Back-Up Cash Management Agreement;
- (xvi) the Note Trust Deed;
- (xvii) each Note Trust Deed Supplement for an outstanding Note Series issued under the Programme;
- (xviii) the Issuer Master Framework Agreement;
- (xix) the Issuer Account Bank Agreement;
- (xx) the Issuer Swap Collateral Account Bank Agreement;
- (xxi) the Loan Note Issuer Account Bank Agreement;
- (xxii) the Receivables Trustee Account Bank Agreement;
- (xxiii) the Issuer Corporate Services Agreement;
- (xxiv) the Loan Note Issuer Corporate Services Agreement;
- (xxv) the Holdings Corporate Services Agreement;
- (xxvi) the Receivables Trustee Corporate Services Agreement;
- (xxvii) the memorandum and articles of association of the Issuer;
- (xxviii) the memorandum and articles of association of the Loan Note Issuer;
- (xxix) the memorandum and articles of association of the Receivables Trustee; and
- (xxx) any other documents incorporated herein by reference.

This Base Prospectus will be made available in electronic form on the website of the Main Market of the London Stock Exchange at <http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html>.

INDEX OF APPENDICES

The appendices are an integral part of this Base Prospectus.

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**APPENDIX A
FORM OF FINAL TERMS**

PROHIBITION OF SALES TO UK RETAIL INVESTORS – THE NOTES ARE NOT INTENDED TO BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE AND SHOULD NOT BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO ANY RETAIL INVESTORS IN THE UNITED KINGDOM ("**UK**"). FOR THESE PURPOSES, A RETAIL INVESTOR MEANS A PERSON WHO IS ONE (OR MORE) OF: (I) A RETAIL CLIENT AS DEFINED IN POINT (8) OF ARTICLE 2 OF REGULATION (EU) NO 2017/565 AS IT FORMS PART OF UK DOMESTIC LAW BY VIRTUE OF THE EUROPEAN UNION (WITHDRAWAL) ACT 2018 (THE "**EUWA**"); (II) A CUSTOMER WITHIN THE MEANING OF THE PROVISIONS OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (THE "**FSMA**") AND ANY RULES OR REGULATIONS MADE UNDER THE FSMA TO IMPLEMENT DIRECTIVE (EU) 2016/97, WHERE THAT CUSTOMER WOULD NOT QUALIFY AS A PROFESSIONAL CLIENT, AS DEFINED IN POINT (8) OF ARTICLE 2(1) OF REGULATION (EU) NO 600/2014 AS IT FORMS PART OF UK DOMESTIC LAW BY VIRTUE OF THE EUWA ("**UK MIFIR**"); OR (III) NOT A QUALIFIED INVESTOR AS DEFINED IN ARTICLE 2 OF REGULATION (EU) 2017/1129 AND ANY REGULATORY OR IMPLEMENTING TECHNICAL STANDARDS AND OTHER DELEGATED OR IMPLEMENTING ACTS ADOPTED UNDER THAT REGULATION, IN EACH CASE TO THE EXTENT THAT THEY FORM PART OF UK DOMESTIC LAW BY VIRTUE OF THE EUWA. CONSEQUENTLY, NO KEY INFORMATION DOCUMENT REQUIRED BY REGULATION (EU) NO 1286/2014 AS IT FORMS PART OF UK DOMESTIC LAW BY VIRTUE OF THE EUWA (THE "**UK PRIIPS REGULATION**") FOR OFFERING OR SELLING THE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO RETAIL INVESTORS IN THE UK HAS BEEN PREPARED AND THEREFORE OFFERING OR SELLING THE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO ANY RETAIL INVESTOR IN THE UK MAY BE UNLAWFUL UNDER THE UK PRIIPS REGULATION.

PROHIBITION OF SALES TO EEA RETAIL INVESTORS – 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 EUROPEAN ECONOMIC AREA ("**EEA**"). FOR THESE PURPOSES, A RETAIL INVESTOR MEANS A PERSON WHO IS ONE (OR MORE) OF: (I) A RETAIL CLIENT AS DEFINED IN POINT (11) OF ARTICLE 4(1) OF DIRECTIVE 2014/65/EU ("**EU MIFID II**"); (II) A CUSTOMER WITHIN THE MEANING OF DIRECTIVE (EU) 2016/97, WHERE THAT CUSTOMER WOULD NOT QUALIFY AS A PROFESSIONAL CLIENT AS DEFINED IN POINT (10) OF ARTICLE 4(1) OF EU MIFID II; OR (III) NOT A QUALIFIED INVESTOR AS DEFINED IN ARTICLE 2 OF REGULATION (EU) 2017/1129. CONSEQUENTLY, NO KEY INFORMATION DOCUMENT REQUIRED BY REGULATION (EU) NO 1286/2014 (THE "**EU 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 EU PRIIPS REGULATION.

UK MIFIR PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET – SOLELY FOR THE PURPOSES OF EACH RELEVANT MANUFACTURER'S PRODUCT APPROVAL PROCESS, THE TARGET MARKET ASSESSMENT IN RESPECT OF THE NOTES HAS LED TO THE CONCLUSION THAT: (I) THE TARGET MARKET FOR THE NOTES IS ELIGIBLE COUNTERPARTIES, AS DEFINED IN THE FCA HANDBOOK CONDUCT OF BUSINESS SOURCEBOOK ("**COBS**"), AND PROFESSIONAL CLIENTS, AS DEFINED IN REGULATION (EU) NO 600/2014 AS IT FORMS PART OF UK DOMESTIC LAW BY VIRTUE OF THE EUWA ("**UK MIFIR**"), ONLY; AND (II) ALL CHANNELS FOR DISTRIBUTION OF THE NOTES TO ELIGIBLE COUNTERPARTIES AND PROFESSIONAL CLIENTS ARE APPROPRIATE. ANY PERSON SUBSEQUENTLY OFFERING, SELLING OR RECOMMENDING THE NOTES (A "**DISTRIBUTOR**") SHOULD TAKE INTO CONSIDERATION THE MANUFACTURERS' TARGET MARKET ASSESSMENT. HOWEVER, A DISTRIBUTOR SUBJECT TO THE FCA HANDBOOK PRODUCT INTERVENTION AND PRODUCT GOVERNANCE SOURCEBOOK (THE "**UK MIFIR PRODUCT GOVERNANCE RULES**") 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.

EU MIFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET – SOLELY FOR THE PURPOSES OF EACH RELEVANT MANUFACTURER'S PRODUCT APPROVAL PROCESS, THE TARGET MARKET ASSESSMENT IN RESPECT OF THE NOTES HAS LED TO THE CONCLUSION THAT: (I) THE TARGET MARKET FOR THE NOTES IS ELIGIBLE COUNTERPARTIES AND PROFESSIONAL CLIENTS, EACH AS DEFINED IN EU MIFID II, ONLY; AND (II) ALL CHANNELS FOR DISTRIBUTION OF THE NOTES TO ELIGIBLE COUNTERPARTIES AND PROFESSIONAL CLIENTS ARE APPROPRIATE. ANY DISTRIBUTOR SHOULD TAKE INTO CONSIDERATION THE MANUFACTURERS' TARGET MARKET ASSESSMENT. HOWEVER, A DISTRIBUTOR SUBJECT TO EU 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.

[THE CLASS [•] NOTES WILL BE PURCHASED BY [AN AFFILIATE OF] [•]. THE CLASS [•] NOTES [AND THE CLASS [•] NOTES] WILL BE OFFERED TO POTENTIAL INVESTORS IN ACCORDANCE WITH THESE FINAL TERMS AND THE BASE PROSPECTUS.]²

[[•] (THE "**DIRECT INVESTOR**"), AS POTENTIAL HOLDER OF THE SERIES 202[•]-[•] CLASS [•] LOAN NOTE, AS FURTHER DESCRIBED IN THE BASE PROSPECTUS AS SUPPLEMENTED BY THESE FINAL TERMS, MAKES NO REPRESENTATION OR WARRANTY AND ACCEPTS NO RESPONSIBILITY AS TO THE ACCURACY OR COMPLETENESS OF THE INFORMATION DISCLOSED IN THIS DRAWDOWN PROSPECTUS.]³

[DIRECT INVESTOR - CLASS [•] LOAN NOTE HOLDER – SERIES 202[•]-[•] IS SUB-DIVIDED INTO [•] CLASSES, BEING [CLASS [•], CLASS [•], CLASS [•], CLASS [•] AND CLASS [•]]. [THERE WILL BE NO CLASS [•] WITHIN SERIES 202[•]-[•]]. THE LOAN NOTE ISSUER, AS THE SERIES 202[•]-[•] INVESTOR BENEFICIARY, WILL HOLD [•] NOTIONAL CLASSES OF THE SERIES 202[•]-[•] INVESTOR INTEREST, BEING THE CLASS [•] INVESTOR INTEREST, THE CLASS [•] INVESTOR INTEREST, THE CLASS [•] INVESTOR INTEREST, THE CLASS [•] INVESTOR INTEREST AND THE CLASS [•] INVESTOR INTEREST, AND THE LOAN NOTE ISSUER WILL ISSUE [•] CLASSES OF 202[•]-[•] LOAN NOTES, BEING THE CLASS [•] LOAN NOTE, THE CLASS [•] LOAN NOTE, THE CLASS [•] LOAN NOTE, THE CLASS [•] LOAN NOTE AND THE CLASS [•] LOAN NOTE.

THE CLASS [•] LOAN NOTE IS EXPECTED TO BE PURCHASED BY THE DIRECT INVESTOR, AND THE REMAINING CLASSES OF THE LOAN NOTES WILL BE PURCHASED BY THE ISSUER. THE ISSUER WILL USE THE PROCEEDS OF THE ISSUANCE OF THE SERIES 202[•]-[•] NOTES, COMPRISING THE [CLASS [•] NOTES, THE CLASS [•] NOTES, THE CLASS [•] NOTES AND THE CLASS [•] NOTES], TO SUBSCRIBE FOR THE CORRESPONDING CLASSES OF THE SERIES 202[•]-[•] LOAN NOTES WHICH IT WILL HOLD AND WILL GRANT SECURITY OVER ITS INTEREST IN SUCH SERIES 202[•]-[•] LOAN NOTES IN FAVOUR OF THE NOTE TRUSTEE. AS A RESULT OF THE PURCHASE OF THE CLASS [•] LOAN NOTE BY THE DIRECT INVESTOR, THE ISSUER WILL NOT BE THE HOLDER OF ALL OF THE 202[•]-[•] LOAN NOTES [AND, WHILST THE CLASS [•] LOAN NOTE REMAINS OUTSTANDING, THE ISSUER WILL NOT BE THE PRIORITY SECURED CREDITOR FOR SERIES 202[•]-[•] NOR WILL THE ISSUER BE THE HOLDER OF THE MOST SENIOR CLASS OF LOAN NOTES FOR SERIES 202[•]-[•]]. INVESTORS IN THE NOTES SHOULD ACCORDINGLY CONSIDER THE SECTIONS OF THE BASE PROSPECTUS IN LIGHT OF THE ISSUANCE BY THE LOAN NOTE ISSUER OF THE CLASS [•] LOAN NOTE TO THE DIRECT INVESTOR ON THE CLOSING DATE AND THAT, ACCORDINGLY, NO CLASS [•] NOTES WILL BE ISSUED BY THE ISSUER [AND ALSO THAT THERE WILL BE NO CLASS [•] INVESTOR INTEREST, NO CLASS [•] LOAN NOTE AND NO CLASS [•] NOTES]. INVESTORS IN THE NOTES SHOULD ALSO NOTE THAT, AS A RESULT OF THE ISSUANCE OF THE CLASS [•] LOAN NOTE TO THE DIRECT INVESTOR, THE DIRECT INVESTOR AND/OR ITS AFFILIATES WILL BECOME CREDITORS OF THE LOAN NOTE ISSUER, [WHILE AT THE SAME TIME [•] IS ACTING AS [AN ARRANGER, JOINT LEAD MANAGER AND DEALER] FOR THE PURPOSES OF THE SERIES 202[•]-[•] ISSUANCE]. IN ADDITION, THE DIRECT INVESTOR

² *If applicable.*

³ *To be included if an entity other than the Issuer acquires one or more Classes of Loan Notes.*

AND/OR ITS AFFILIATES IN THEIR CAPACITY AS HOLDER OF THE CLASS [•] LOAN NOTE (I) ARE AND WILL BE REPRESENTING THEIR OWN INTERESTS AS SUCH IN CONNECTION WITH ANY CONSENTS OR AMENDMENTS THAT MAY BE SOUGHT FROM THEM IN SUCH CAPACITY AND NOTHING HEREIN SHALL IMPOSE ANY OBLIGATION ON THE DIRECT INVESTOR AND/OR ITS AFFILIATES IN SUCH CAPACITY TO GRANT SUCH CONSENTS OR AMENDMENTS AND (II) NOTHING HEREIN SHALL PREVENT OR RESTRICT THE DIRECT INVESTOR AND/OR ITS AFFILIATES IN SUCH CAPACITY FROM EXERCISING ANY POWER, DISCRETION, RIGHT OR REMEDY OR MAKING ANY DECISION OR DETERMINATION IN SUCH CAPACITY. FOR THE AVOIDANCE OF DOUBT, NEITHER THE CLASS [•] LOAN NOTE NOR ANY OTHER SERIES 202[•]-[•] LOAN NOTES ARE OFFERED OR SOLD HEREBY.]⁴

⁴ *To be included if an entity other than the Issuer acquires one or more Classes of Loan Notes.*

FINAL TERMS DATED [•]
 (to the base prospectus of the Issuer dated [•] 2023 (the "**Base Prospectus**")
NEWDAY PARTNERSHIP MASTER ISSUER PLC
 (incorporated in England and Wales with limited liability under registered number 14879901)
 (the "**Issuer**")

Issue of
 [[•][€][£][•] Series 20[•]-[•], Class A[1/2/3/•] Notes]
 [[•][€][£][•] Series 20[•]-[•], Class B[1/2/3/•] Notes]
 [[•][€][£][•] Series 20[•]-[•], Class C[1/2/3/•] Notes]
 [[•][€][£][•] Series 20[•]-[•], Class D[1/2/3/•] Notes]
 [[•][€][£][•] Series 20[•]-[•], Class E[1/2/3/•] Notes]
 [[•][€][£][•] Series 20[•]-[•], Class F[1/2/3/•] Notes]
 (the "**Notes**")

under the NewDay Partnership Master Issuer plc asset-backed note programme
 (ultimately backed by trust property in the Receivables Trust)

NEWDAY PARTNERSHIP TRANSFEROR PLC
 Transferor

NEWDAY CARDS LTD
 Cash Manager and Servicer

NEWDAY PARTNERSHIP LOAN NOTE ISSUER LTD
 Loan Note Issuer

| The Issuer will issue: | [Class A[1/2/3/•] Notes] | [Class B[1/2/3/•] Notes] | [Class C[1/2/3/•] Notes] | [Class D[1/2/3/•] Notes] | [Class E[1/2/3/•] Notes] | [Class F[1/2/3/•] Notes] |
|---------------------------|---|---|---|---|---|--|
| Initial Principal Amount | [[•][€][£][•] | [[•][€][£][•] | [[•][€][£][•] | [[•][€][£][•] | [[•][€][£][•] | [[•][€][£][•] |
| Interest Reference Rate | [•] | [•] | [•] | [•] | [•] | [•] |
| Margin | [•] | [•] | [•] | [•] | [•] | [•] |
| Interest Payment Dates | [The 15 th day of each calendar month, beginning on [•] 20[•]] | [The 15 th day of each calendar month, beginning on [•] 20[•]] | [The 15 th day of each calendar month, beginning on [•] 20[•]] | The 15 th day of each calendar month, beginning on [•] 20[•] | The 15 th day of each calendar month, beginning on [•] 20[•] | The 15 th day of each calendar month beginning on [•] 20[•] |
| Scheduled Redemption Date | [•] | [•] | [•] | [•] | [•] | [•] |
| Final Redemption Date | [•] | [•] | [•] | [•] | [•] | [•] |
| Price to public | [•] (or [•]%) | [•] (or [•]%) | [•] (or [•]%) | [•] (or [•]%) | [•] (or [•]%) | [•] (or [•]%) |

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") or with any securities regulatory authority of any state or other jurisdiction of the United States and may not be offered, sold or delivered within the United States or to, or for the account or benefit of, "**U.S. persons**" (as defined in Regulation S of the Securities Act ("**Regulation S**")) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The Notes may only be offered, sold or delivered to non-U.S. persons in "offshore transactions" in reliance on Regulation S (the "**Regulation S Notes**") [or to persons that are "qualified institutional buyers" in reliance on Rule 144A under the Securities Act ("**Rule 144A**") (the "**Rule 144A Notes**")].

This document constitutes Final Terms for the purposes of Regulation (EU) 2017/1129 and any regulatory or implementing technical standards and other delegated or implementing acts adopted under that Regulation, in each case to the extent that they form part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "**EUWA**"), and is supplemental to and must be read in conjunction with the Base Prospectus. This document is not a prospectus for the purposes of Section 12(a)(2) or any other provision or rule under the Securities Act. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus is available for viewing at the specified offices of each Dealer or the Principal Paying Agent and copies may be obtained from the specified offices of each Dealer or the Principal Paying Agent.

The Base Prospectus, its supplements and the Final Terms will be made available in electronic form on the website of the London Stock Exchange's main market at <http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html>.

[If issued under these Final Terms, Regulation S Notes of each Class or Sub-Class of Notes will be represented on issue by a permanent global note certificate (a "**Regulation S Global Note Certificate**") and such Notes will be registered in the name of a nominee for, and the Regulation S Global Note Certificate will be deposited with a Common Depositary for, Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking, *société anonyme* ("**Clearstream, Luxembourg**").] [If issued under these Final Terms, Rule 144A Notes of each Class or Sub-Class of Notes will be represented on issue by a permanent global note certificate (a "**Rule 144A Global Note Certificate**") and such Notes [if denominated in U.S. dollars, will be registered in the name of a nominee of, and the Rule 144A Global Note Certificate will be deposited with [•], as custodian for, The Depository Trust Company ("**DTIC**") / [or, if denominated in Sterling, will be registered in the name of a nominee for, and the Rule 144A Global Note Certificate will be deposited with a Common

APPENDIX A FORM OF FINAL TERMS

Depository for, Euroclear and Clearstream, Luxembourg]. Ownership interests in the Notes represented by [the Regulation S Global Note Certificates] [and/or] [the Rule 144A Global Note Certificates] will be shown on, and transfers thereof will only be effected through, records maintained by [Euroclear, Clearstream, Luxembourg [,]] [DTC], and [their]/[its] participants. Individual note certificates will be issued in respect of the [Regulation S Notes] [and/or] [Rule 144A Notes] only in the limited circumstances described in the Base Prospectus. In each case, purchasers and transferees of Notes will be deemed to have made certain representations and agreements. See "*Subscription and Sale*" and "*Transfer Restrictions and Investor Representations*" in the Base Prospectus.]

Arranger[s]

[●]

Dealer[s]

[●]

Co-Arranger

NewDay Cards Ltd

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TRANSACTION FEATURES

These Final Terms supplement the disclosure in the Base Prospectus. The Notes will, to the extent not described in these Final Terms, be as described by the applicable provisions of the Base Prospectus. Unless otherwise indicated, words and expressions defined in the Base Prospectus shall have the same meanings below.

| Class of Notes | Initial Principal Amount | [£ Equivalent Initial Principal Amount] |
|--------------------|--------------------------|---|
| [A[1/2/3/•]] | [\$][€][£][•] | £[•] |
| [B[1/2/3/•]] | [\$][€][£][•] | £[•] |
| [C[1/2/3/•]] | [\$][€][£][•] | £[•] |
| [D[1/2/3/•]] | [\$][€][£][•] | £[•] |
| [E[1/2/3/•]] | [\$][€][£][•] | £[•] |
| [F[1/2/3/•]] | [\$][€][£][•] | £[•] |
| | | £[*] |

SERIES OF NOTES ISSUED⁵

| | | | | | | |
|--|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| Series Number: | Series 20[*]-[*] | | | | | |
| Class of Notes: | [A[1/2/3/•]] | [B[1/2/3/•]] | [C[1/2/3/•]] | [D[1/2/3/•]] | [E[1/2/3/•]] | [F[1/2/3/•]] |
| Senior Class: | [Yes/No] | [Yes/No] | [Yes/No] | [Yes/No] | [Yes/No] | [Yes/No] |
| Expected Ratings: | [•] | [•] | [•] | [•] | [•] | [•] |
| Rating Agencies (if any): | [•] | [•] | [•] | [•] | [•] | [•] |
| Issue Date: | [•] | [•] | [•] | [•] | [•] | [•] |
| Issue Price: | [•] per cent | [•] per cent | [•] per cent | [•] per cent. | [•] per cent. | [•] per cent. |
| Net Proceeds: | [•] | [•] | [•] | [•] | [•] | [•] |
| Specified Currency: | [•] | [•] | [•] | [•] | [•] | [•] |
| Minimum Denomination: | [•] | [•] | [•] | [•] | [•] | [•] |
| Specified Denomination(s): | [•] | [•] | [•] | [•] | [•] | [•] |
| Interest Rate Calculations: | Note Condition [8([•])] | Note Condition [8([•])] | Note Condition [8([•])] | Note Condition [8([•])] | Note Condition [8([•])] | Note Condition [8([•])] |
| Fixed or Floating Designation: | [Fixed/Floating] Rate Notes | [Fixed/Floating] Rate Notes | [Fixed/Floating] Rate Notes | [Fixed/Floating] Rate Notes | [Fixed/Floating] Rate Notes | [Fixed/Floating] Rate Notes |
| Series Scheduled Redemption Date: ... | [•] | | | | | |
| Series Final Redemption Date: ... | [•] | | | | | |
| Series Termination Long Stop Date: | [•] | | | | | |
| Fixed Rate (if applicable): | [•] | [•] | [•] | [•] | [•] | [•] |
| Margin (if applicable): | [•] | [•] | [•] | [•] | [•] | [•] |
| Step-Up Date (if applicable): | [•] | [•] | [•] | [•] | [•] | [•] |

⁵ Where an identical convention applies to all note classes, this need only be stated once.

TRANSACTION FEATURES

| | | | | | | |
|---|--|--|--|--|--|--|
| SONIA/SOFR/EURIBOR/TERM SOFR ... | [SONIA/SOFR/EURIBOR/Term SOFR /Not applicable] | [SONIA/SOFR/EURIBOR/Term SOFR /Not applicable] | [SONIA/SOFR/EURIBOR/Term SOFR /Not applicable] | [SONIA/SOFR/EURIBOR/Term SOFR /Not applicable] | [SONIA/SOFR/EURIBOR/Term SOFR /Not applicable] | [SONIA/SOFR/EURIBOR/Term SOFR /Not applicable] |
| Day Count Fraction: ... | [Actual/Actual (ISDA)/ Actual/360 / Actual/365 (fixed)/ 30/360/ 360/36030E/360 / Eurobond Basis/ Actual/Actual (ICMA/[•])]] | [Actual/Actual (ISDA)/ Actual/360 / Actual/365 (fixed)/ 30/360/ 360/360 Eurobond Basis/ Actual/Actual (ICMA/[•])]] | [Actual/Actual (ISDA)/ Actual/360 / Actual/365 (fixed)/ 30/360/ 360/360 Eurobond Basis/ Actual/Actual (ICMA/[•])]] | [Actual/Actual (ISDA)/ Actual/360 / Actual/365 (fixed)/ 30/360/ 360/360 Eurobond Basis/ Actual/Actual (ICMA/[•])]] | [Actual/Actual (ISDA)/ Actual/360 / Actual/365 (fixed)/ 30/360/ 360/360 Eurobond Basis/ Actual/Actual (ICMA/[•])]] | [Actual/Actual (ISDA)/ Actual/360 / Actual/365 (fixed)/ 30/360/ 360/360 Eurobond Basis/ Actual/Actual (ICMA/[•])]] |
| Floating Rate Commencement Date (if applicable): | [•] | [•] | [•] | [•] | [•] | [•] |
| Interest Payment Dates: | Interest will be payable monthly in arrear on the 15th day of each calendar month commencing on the First Interest Payment Date, subject to the Business Day Convention. | Interest will be payable monthly in arrear on the 15th day of each calendar month commencing on the First Interest Payment Date, subject to the Business Day Convention. | Interest will be payable monthly in arrear on the 15th day of each calendar month commencing on the First Interest Payment Date, subject to the Business Day Convention. | Interest will be payable monthly in arrear on the 15th day of each calendar month commencing on the First Interest Payment Date, subject to the Business Day Convention. | Interest will be payable monthly in arrear on the 15th day of each calendar month commencing on the First Interest Payment Date, subject to the Business Day Convention. | Interest will be payable monthly in arrear on the 15th day of each calendar month commencing on the First Interest Payment Date, subject to the Business Day Convention. |
| First Interest Payment Date: | The Interest Payment Date falling in [•] | The Interest Payment Date falling in [•] | The Interest Payment Date falling in [•] | The Interest Payment Date falling in [•] | The Interest Payment Date falling in [•] | The Interest Payment Date falling in [•] |
| First Collection Period End Date: | [•] | [•] | [•] | [•] | [•] | [•] |
| Business Day Convention: | [Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/No Adjustment] | [Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/No Adjustment] | [Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/No Adjustment] | [Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/No Adjustment] | [Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/No Adjustment] | [Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/No Adjustment] |
| Interest Determination Date: | [•] | [•] | [•] | [•] | [•] | [•] |
| Screen Rate Determination (if applicable): | [SONIA/SOFR/Not Applicable] | [SONIA/SOFR/Not Applicable] | [SONIA/SOFR/Not Applicable] | [SONIA/SOFR/Not Applicable] | [SONIA/SOFR/Not Applicable] | [SONIA/SOFR/Not Applicable] |
| "D" for the purposes of SONIA/SOFR: | [360/365 /[•] Not Applicable] | [360/365 /[•] Not Applicable] | [360/365 /[•] Not Applicable] | [360/365 /[•] Not Applicable] | [360/365 /[•] Not Applicable] | [360/365 /[•] Not Applicable] |
| Index Determination: .. | [Applicable / Not Applicable] | [Applicable / Not Applicable] | [Applicable / Not Applicable] | [Applicable / Not Applicable] | [Applicable / Not Applicable] | [Applicable / Not Applicable] |
| Calculation Method (if applicable): | [Weighted Average/Compounded Daily] | [Weighted Average/Compounded Daily] | [Weighted Average/Compounded Daily] | [Weighted Average/Compounded Daily] | [Weighted Average/Compounded Daily] | [Weighted Average/Compounded Daily] |
| Observation Method (if applicable): | [Lag/Lock-out/Shift] | [Lag/Lock-out/Shift] | [Lag/Lock-out/Shift] | [Lag/Lock-out/Shift] | [Lag/Lock-out/Shift] | [Lag/Lock-out/Shift] |
| Observation Look-back Period (if applicable): | [[•]/[5] [London/New York] Business Days/Not Applicable] | [[•]/[5] [London/New York] Business Days/Not Applicable] | [[•]/[5] [London/New York] Business Days/Not Applicable] | [[•]/[5] [London/New York] Business Days/Not Applicable] | [[•]/[5] [London/New York] Business Days/Not Applicable] | [[•]/[5] [London/New York] Business Days/Not Applicable] |
| Observation Shift Period (if applicable): | [[•]/[5] Business Days/Not Applicable] | [[•]/[5] Business Days/Not Applicable] | [[•]/[5] Business Days/Not Applicable] | [[•]/[5] Business Days/Not Applicable] | [[•]/[5] Business Days/Not Applicable] | [[•]/[5] Business Days/Not Applicable] |

TRANSACTION FEATURES

| | | | | | | |
|--|---|---|---|---|--|--|
| Application for Listing: | [The London Stock Exchange – Main Market/[•]] | [The London Stock Exchange – Main Market/[•]] | [The London Stock Exchange – Main Market/[•]] | [The London Stock Exchange – Main Market/[•]] | [The London Stock Exchange – Main Market/[•]] | [The London Stock Exchange – Main Market/[•]] |
| Principal Financial Centre: | [•] | [•] | [•] | [•] | [•] | [•] |
| Additional Financial Centre: | [•] | [•] | [•] | [•] | [•] | [•] |
| [Swap Agreement (if any): | [•] | [•] | [•] | [•] | [•] | [•] |
| Credit Enhancement Features: | [Subordination of [Class B[1/2/3/•] Notes/ Class C[1/2/3/•] Notes/ Class D[1/2/3/•] Notes/ Class E[1/2/3/•] Notes/ Class F[1/2/3/•] Notes], Series Originator VFN Subordination and excess Finance Charge Collections] | [Subordination of [Class C[1/2/3/•] Notes/ Class D[1/2/3/•] Notes/ Class E[1/2/3/•] Notes/ Class F[1/2/3/•] Notes], Series Originator VFN Subordination and excess Finance Charge Collections] | [Subordination of [Class D[1/2/3/•] Notes/ Class E[1/2/3/•] Notes/ Class F[1/2/3/•] Notes], Series Originator VFN Subordination and excess Finance Charge Collections] | [Subordination of [Class E[1/2/3/•] Notes/ Class F[1/2/3/•] Notes], Series Originator VFN Subordination and excess Finance Charge Collections] | [Subordination of [Class F[1/2/3/•] Notes], Series Originator VFN Subordination and excess Finance Charge Collections] | [Subordination of Series Originator VFN Subordination and excess Finance Charge Collections] |
| Liquidity Support Features: | [Use of Finance Charge Collections from the Originator VFN Subordination for Series 20[•]-[•] and other Series grouped with Series 20[•]-[•], use of Principal Collections from subordinated classes and the Originator VFN Subordination for Series 20[•]-[•] and use of the Series 20[•]-[•] Liquidity Reserve] | [Use of Finance Charge Collections from the Originator VFN Subordination for Series 20[•]-[•] and other Series grouped with Series 20[•]-[•], use of Principal Collections from subordinated classes and the Originator VFN Subordination for Series 20[•]-[•] and use of the Series 20[•]-[•] Liquidity Reserve] | [Use of Finance Charge Collections from the Originator VFN Subordination for Series 20[•]-[•] and other Series grouped with Series 20[•]-[•], use of Principal Collections from subordinated classes and the Originator VFN Subordination for Series 20[•]-[•] and use of the Series 20[•]-[•] Liquidity Reserve] | [Use of Finance Charge Collections from the Originator VFN Subordination for Series 20[•]-[•] and other Series grouped with Series 20[•]-[•], use of Principal Collections from subordinated classes and the Originator VFN Subordination for Series 20[•]-[•] and use of the Series 20[•]-[•] Liquidity Reserve] | [Use of Finance Charge Collections from the Originator VFN Subordination for Series 20[•]-[•] and other Series grouped with Series 20[•]-[•], use of Principal Collections from subordinated classes and the Originator VFN Subordination for Series 20[•]-[•] | [Use of Finance Charge Collections from the Originator VFN Subordination for Series 20[•]-[•] and other Series grouped with Series 20[•]-[•], use of Principal Collections from subordinated classes and the Originator VFN Subordination for Series 20[•]-[•] |
| Specified Class: | [Yes/No] | [Yes/No] | [Yes/No] | [Yes/No] | [Yes/No] | [Yes/No] |
| Specified Class Scheduled Redemption Date: ... | [[•]/Not Applicable] | [[•]/Not Applicable] | [[•]/Not Applicable] | [[•]/Not Applicable] | [[•]/Not Applicable] | [[•]/Not Applicable] |
| Maturity Stack | [Yes, [•]/No] | [Yes, [•]/No] | [Yes, [•]/No] | [Yes, [•]/No] | [Yes, [•]/No] | [Yes, [•]/No] |
| Series Extension Period: | [The period from the initial Series Scheduled Redemption Date to and including the Interest Payment Date falling in [•]/[•].] | | | | | |
| Class Extension: | [Yes/No] | [Yes/No] | [Yes/No] | [Yes/No] | [Yes/No] | [Yes/No] |
| Class Extension Period: | [[The period from the initial [(or, following a Class Reset of the Class [•] Notes, the reset)] Specified Class Scheduled Redemption Date in respect of such Specified Class to and including the [•]th Interest Payment Date | [[The period from the initial [(or, following a Class Reset of the Class [•] Notes, the reset)] Specified Class Scheduled Redemption Date in respect of such Specified Class to and including the [•]th Interest Payment Date | [[The period from the initial [(or, following a Class Reset of the Class [•] Notes, the reset)] Specified Class Scheduled Redemption Date in respect of such Specified Class to and including the [•]th Interest Payment Date | [[The period from the initial [(or, following a Class Reset of the Class [•] Notes, the reset)] Specified Class Scheduled Redemption Date in respect of such Specified Class to and including the [•]th Interest Payment Date | [[The period from the initial [(or, following a Class Reset of the Class [•] Notes, the reset)] Specified Class Scheduled Redemption Date in respect of such Specified Class to and including the [•]th Interest Payment Date | [[The period from the initial [(or, following a Class Reset of the Class [•] Notes, the reset)] Specified Class Scheduled Redemption Date in respect of such Specified Class to and including the [•]th Interest Payment Date |

TRANSACTION FEATURES

| | | | | | | |
|---|---|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|
| | thereafter/[•]/ Not Applicable] | thereafter/[•]/ Not Applicable] | thereafter/[•]/ Not Applicable] | thereafter/[•]/ Not Applicable] | thereafter/[•]/ Not Applicable] | thereafter/[•]/ Not Applicable] |
| Class Reset: | [Yes/No] | [Yes/No] | [Yes/No] | [Yes/No] | [Yes/No] | [Yes/No] |
| Optional Repurchase: | [Applicable/Not Applicable] | | | | | |
| Non-Call Period: | [[The period from the Issue Date to, but excluding, [•]]/Not Applicable] | | | | | |
| Class Initial Debt Amount: | [[•]/Not Applicable] | [[•]/Not Applicable] | [[•]/Not Applicable] | [[•]/Not Applicable] | [[•]/Not Applicable] | [[•]/Not Applicable] |
| Class Initial Investor Interest: | [[•]/Not Applicable] | [[•]/Not Applicable] | [[•]/Not Applicable] | [[•]/Not Applicable] | [[•]/Not Applicable] | [[•]/Not Applicable] |
| U.S. Regulation: | [Rule 144A/Reg S] | [Rule 144A/Reg S] | [Rule 144A/Reg S] | [Rule 144A/Reg S] | [Rule 144A/Reg S] | [Rule 144A/Reg S] |
| Issuer Profit Amount: . | [•] | | | | | |
| Loan Note Issuer Profit Amount: | [•] | | | | | |
| ISIN: | [•] | [•] | [•] | [•] | [•] | [•] |
| Common Code: | [•] | [•] | [•] | [•] | [•] | [•] |
| CUSIP: | [•] | [•] | [•] | [•] | [•] | [•] |
| FISN: | [•] | [•] | [•] | [•] | [•] | [•] |
| CFI Code: | [•] | [•] | [•] | [•] | [•] | [•] |
| Pre-Enforcement Redemption Profile.. | [Unless the Rapid Amortisation Period has already started and subject to the occurrence of a Partial Amortisation Date or the earlier purchase and cancellation of such Notes, the Notes will be redeemed on the Series Scheduled Redemption Date [or, in the case of each Specified Class of Notes, the relevant Specified Class Scheduled Redemption Date]. Please refer to Note Condition 9 (<i>Redemption and Purchase</i>)]. | | | | | |
| Post-Enforcement Redemption Profile. | Pass through redemption in accordance with the priority of payments. Please refer to the section of the Base Prospectus entitled " <i>Credit Structure and Cashflows</i> ". | | | | | |
| Clearing and Settlement: | [In respect of Rule 144A Notes denominated in U.S. dollars, through [DTC/Euroclear/Clearstream, Luxembourg]]/[In respect of Rule 144A Notes denominated in Sterling and Regulation S Notes, through [Euroclear/Clearstream, Luxembourg] | | | | | |
| Relevant Benchmark(s): | [[specify benchmark] is provided by [administrator legal name]][repeat as necessary]. As at the date hereof, [[administrator legal name][appears]/[does not appear]][repeat as necessary] in the register of administrators and benchmarks established and maintained by FCA pursuant to Article 36 (Register of administrators and benchmarks) of the UK Benchmarks Regulation]/As at the date hereof, [[administrator legal name][appears]/[does not appear]][repeat as necessary] in the register of administrators and benchmarks established and maintained by ESMA pursuant to Article 36 (Register of administrators and benchmarks) of the EU Benchmarks Regulation.]/[Other disclosure, e.g. for central banks]/[Not Applicable] | | | | | |
| Estimated Total Expenses Related to Admission to Trading: . | [•] | | | | | |
| Closing Date: | [•] | | | | | |
| Form of Notes: | Registered | | | | | |
| U.S. Credit Risk Retention – Expected Seller's Interest as at the Closing Date for U.S. Credit Risk Retention Rules: | [Approximately £[•] or [•]% [calculated on the basis of balances as at [•] and <i>pro forma</i> for the issuance of the Notes.] The actual amount of the seller's interest as at the Closing Date will not be determined until the Closing Date which will be after the date of these Final Terms. | | | | | |
| U.S. Tax Treatment of the Note Series: | [[•]/Not Applicable] | | | | | |
| Governing Law: | English law | | | | | |

RELATED LOAN NOTE SERIES

The Notes will be collateralised by a Series of Loan Notes (the "**Series 20[•]-[•] Loan Notes**") which shall have the following terms as set out in the Loan Note Supplement dated [•] (the "**Series 20[•]-[•] Loan Note Supplement**"):

| | | |
|--|--|------------------|
| Designation for the purposes of the Security Trust Deed and Cash Management Agreement: | | Series 20[•]-[•] |
| Closing Date:..... | | [•] |
| Initial Principal Amount:..... | | £[•] |
| [Class [A1/2/3/•]] Loan Note Initial Principal Amount:] | | £[•] |
| [Class [B1/2/3/•]] Loan Note Initial Principal Amount:] | | £[•] |
| [Class [C1/2/3/•]] Loan Note Initial Principal Amount:] | | £[•] |
| [Class [D1/2/3/•]] Loan Note Initial Principal Amount:] | | £[•] |
| [Class [E1/2/3/•]] Loan Note Initial Principal Amount:]..... | | £[•] |
| [Class [F1/2/3/•]] Loan Note Initial Principal Amount:]..... | | £[•] |
| First Interest Payment Date: | | [•] |
| Interest Payment Date: | | [•] |
| Series Scheduled Redemption Date: | | [•] |
| Series 20[•]-[•] Initial Investor Interest: | | £[•] |
| [Class [A1/2/3/•]] Initial Investor Interest:] | | £[•] |
| [Class [B1/2/3/•]] Initial Investor Interest:]..... | | £[•] |
| [Class [C1/2/3/•]] Initial Investor Interest:]..... | | £[•] |
| [Class [D1/2/3/•]] Initial Investor Interest:] | | £[•] |
| [Class [E1/2/3/•]] Initial Investor Interest:]..... | | £[•] |
| [Class [F1/2/3/•]] Initial Investor Interest:]..... | | £[•] |

SERIES INVESTOR INTEREST

The Series 20[•]-[•] Loan Notes will be collateralised by an Investor Interest (the "**Series 20[•]-[•] Investor Interest**") which shall have the following terms as set out in the Supplement to the Receivables Trust Deed and Servicing Agreement dated [•] (the "**Series 20[•]-[•] Supplement**").

| | |
|---|-------------------------------------|
| Designation for the purposes of the Receivables Trust Deed and Servicing Agreement: | Series 20[•]-[•] |
| Closing Date:..... | [•] |
| Closing Date Contribution to Receivables Trust: | £[•] |
| Additional purposes of the Contribution: | [•] |
| Series 20[•]-[•] Related Debt:..... | The Series 20[•]-[•] Loan Notes |
| Initial Series Investor Interest: | £[•] |
| Enhancement Provider: | [N/A]/[•] |
| Enhancement: | [N/A]/[•] |
| Initial Required Accumulation Reserve Amount: | £[•] |
| Liquidity Reserve: | [Yes/No] |
| Required Liquidity Reserve Percentage: | [•] per cent/[N/A] |
| Initial Required Liquidity Reserve Amount: | £[•]/[N/A] |
| Minimum Required Liquidity Reserve Amount:..... | £[•] |
| Senior Classes: | [•] |
| 12 Month Accumulation Reserve Threshold:..... | [•] per cent. |
| 6 Month Accumulation Reserve Threshold:..... | [•] per cent. |
| 4 Month Accumulation Reserve Threshold:..... | [•] per cent. |
| First Distribution Date:..... | [•] |
| Series Originator VFN Subordination: | [•] |
| Qualifying Swap Group (if any): | [•] |
| [Class [A[1/2/3/•]] LN Rate:] | [•] |
| [Class [B[1/2/3/•]] LN Rate:] | [•] |
| [Class [C[1/2/3/•]] LN Rate:] | [•] |
| [Class [D[1/2/3/•]] LN Rate:] | [•] |
| [Class [E[1/2/3/•]] LN Rate:] | [•] |
| [Class [F[1/2/3/•]] LN Rate:]..... | [•] |
| [Class [A[1/2/3/•]] – Class Day Count Fraction:] | [•] |
| [Class [B[1/2/3/•]] – Class Day Count Fraction:]..... | [•] |
| [Class [C[1/2/3/•]] – Class Day Count Fraction:]..... | [•] |
| [Class [D[1/2/3/•]] – Class Day Count Fraction:] | [•] |
| [Class [E[1/2/3/•]] – Class Day Count Fraction:]..... | [•] |
| [Class [F[1/2/3/•]] – Class Day Count Fraction:] | [•] |
| [Series Scheduled Accumulation Commencement Date:]..... | [•] |
| [Specified Class – Class [•]] [To be repeated for each Specified Class] | [•] |
| [Specified Class Scheduled Accumulation Commencement Date:]..... | [•] |
| [Specified Class Initial Required Accumulation Reserve Amount:] | [•] |
| [Step-Up Date (if applicable):..... | [•] |
| Series Scheduled Redemption Date: | [•] |
| Scheduled Redemption Date of Originator VFN Series supporting Series 20[•]-[•]: | Distribution Date falling in [•] |
| Series Termination Long Stop Date: | [•] |
| Servicer Interchange Percentage: | [•] per cent. |
| Minimum Transferor Interest Percentage:..... | [•] per cent. |

PARTIES

| | |
|--|---|
| Issuer: | NewDay Partnership Master Issuer plc |
| Note Trustee: | Citicorp Trustee Company Limited. The Note Trustee's address, at the date of these Final Terms, is Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB. |
| Principal Paying Agent and Agent Bank: | Citibank, N.A., London Branch. The Principal Paying Agent will make payments of interest and principal when due on the Notes. The Agent Bank will calculate the interest rates applicable to each Class or Sub-Class of Notes. Citibank, N.A., London Branch's address in London, at the date of these Final Terms, is Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB. |
| Registrar, U.S. Paying Agent, U.S. Registrar and Transfer Agent: | Citibank, N.A., London Branch. The Registrar will maintain the Register. Citibank, N.A., London Branch's address in London, at the date of these Final Terms, is Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB. |
| Calculation Agent: | Citibank, N.A., London Branch. Citibank, N.A., London Branch's address in London, at the date of these Final Terms, is Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB. |
| Receivables Trustee: | NewDay Partnership Receivables Trustee Ltd |
| Loan Note Issuer and Investor Beneficiary: | NewDay Partnership Loan Note Issuer Ltd |
| Transferor and Transferor Beneficiary: | NewDay Partnership Transferor plc |
| Servicer and Cash Manager: | NewDay Cards Ltd |
| Security Trustee: | Citicorp Trustee Company Limited |
| Swap Counterparty: | [•]/[Not Applicable] |
| Receivables Trustee Account Bank, Loan Note Issuer Account Bank, Issuer Account Bank and Swap Collateral Account Bank: | Citibank, N.A., London Branch. Citibank, N.A., London Branch's address in London, at the date of these Final Terms, is Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB. |
| Programme Arranger: | Citigroup Global Markets Limited |
| Arranger[s]: | [•] |
| Dealer[s]: | [•] |
| Co-Arranger: | NewDay Cards Ltd |
| [Direct Investor ⁶]: | [•] (Class [•] Loan Note Holder) |

⁶ To be included if an entity other than the Issuer acquires one or more Classes of Loan Notes.

[DESCRIPTION OF THE [•] SWAP AGREEMENT]

[To be included only where the Issuer will enter into a Swap Agreement with a Panel Swap Counterparty and no additional corporate disclosure is required (as such disclosure for the Panel Swap Counterparty is set out in the Base Prospectus).]

[The Issuer will enter into a [currency swap/interest rate swap] transaction pursuant to an ISDA master agreement and related schedule and credit support annex in respect of Class [•] on or around the Closing Date (together, the "[•] Swap Agreement") with the Swap Counterparty. For further detail about the [•] Swap Counterparty and the [•] Swap Agreement, please see "*The Panel Swap Counterparties*" and "*The Swap Agreements*" in the Base Prospectus.]

[The Swap Counterparty shall be subject to the following rating requirements: [•]. The possible effects of breaching this rating requirement include [•].]

[(if required), additional description about swap agreement with Panel Swap Counterparty to be inserted.]

OTHER SERIES OF NOTES AND LOAN NOTES ISSUED

Notes – NewDay Partnership Master Issuer plc [and other issuers]

The table below sets forth the principal characteristics of the other Note Series previously issued by NewDay Partnership Master Issuer plc [and other issuers] that are outstanding at the date of these Final Terms, in connection with the Receivables Trust and the Receivables assigned by the Transferor.

Series 20[•]-[•]

Issuer: [•]

Group: [Group One/[•]]

| <u>Class</u> | <u>Principal Balance</u> |
|--|--------------------------|
| Class [•]..... | [•] |
| Class [•]..... | [•] |
| Class [•]..... | [•] |
| Class [•]..... | [•] |
| Class [•]..... | [•] |
| Class [•]..... | [•] |
| Relevant Issuance Date: | [•] |
| Series Scheduled Redemption Date:..... | [•] |
| Series Final Redemption Date:..... | [•] |

Series 20[•]-[•]

Issuer: [•]

Group: [Group One/[•]]

| <u>Class</u> | <u>Principal Balance</u> |
|--|--------------------------|
| Class [•]..... | [•] |
| Class [•]..... | [•] |
| Class [•]..... | [•] |
| Class [•]..... | [•] |
| Class [•]..... | [•] |
| Class [•]..... | [•] |
| Relevant Issuance Date: | [•] |
| Series Scheduled Redemption Date:..... | [•] |
| Series Final Redemption Date:..... | [•] |

Loan Note Series – NewDay Partnership Loan Note Issuer Ltd

Series 20[•]-[•]

Group: [Group One/[•]]

| <u>Class</u> | <u>Principal Balance</u> |
|--|--------------------------|
| Class [•]..... | £[•] |
| Class [•]..... | £[•] |
| Class [•]..... | £[•] |
| Class [•]..... | £[•] |
| Class [•]..... | £[•] |
| Class [•]..... | £[•] |
| Relevant Issuance Date: | [•] |
| Series Scheduled Redemption Date:..... | [•] |
| Series Final Redemption Date:..... | [•] |

Series 20[•]-[•]

Group: [Group One/[•]]

| <u>Class</u> | <u>Principal Balance</u> |
|----------------|--------------------------|
| Class [•]..... | £[•] |
| Class [•]..... | £[•] |
| Class [•]..... | £[•] |
| Class [•]..... | £[•] |
| Class [•]..... | £[•] |

OTHER SERIES OF NOTES AND LOAN NOTES ISSUED

| Class | Principal Balance |
|--|--------------------------|
| Class [•]..... | £[•] |
| Relevant Issuance Date: | [•] |
| Series Scheduled Redemption Date:..... | [•] |
| Series Final Redemption Date:..... | [•] |

PORTFOLIO INFORMATION

The following tables show information relating to the historical performance of Accounts originated using the Originator's (or its predecessor's) underwriting criteria. Data is provided by reference to the "Representative Portfolio", which comprises:

- (a) all Accounts originated on or prior to the Initial Assignment Date;
- (b) all Accounts originated after the Initial Assignment Date via sales channels made available by Retail Partners (other than [•] and [•]) which, as of the Closing Date, are Allowed Retail Partners;
- (c) all Accounts which were originated via sales channels made available by [•] and actually added to the Securitised Portfolio; and
- (d) [for each of the [•] months to [•], the Accounts originated via sales channels made available by [•], [save that the data relating to such Accounts has been scaled to reflect an outstanding balance of £[•]] (no such Accounts have been included in the Securitised Portfolio as of the date of these Final Terms, but such Accounts with an outstanding eligible receivables balance of approximately £[•] (as at the date of selection) are expected to be added to the Securitised Portfolio on or around the Closing Date or shortly thereafter. [The Accounts so added are expected to constitute a representative cross-section of the total portfolio of such Accounts at the time of selection]]].
- (e) [additional information in relation to Allowed Retail Partners: [•]].

For the avoidance of doubt, the Transferor is not obliged to designate any Accounts which are originated via sales channels made available by any particular Allowed Retail Partner for inclusion in the Securitised Portfolio.

Receivables Yield Considerations

The following table sets forth the gross revenues from finance charges and fees debited and accrued to accounts in the Representative Portfolio, for the periods shown. Each table has been provided by the Originator and has not been audited. These revenues vary for each Account based on the type and volume of activity for each Account. The historical yield figures in these tables are calculated on a debited and accrued basis. Collections of Receivables included in the Receivables Trust will be on a cash basis and may not reflect the historical yield experience in the table.

| | Representative Portfolio Yield | | | | | | | | | | | |
|---|--------------------------------|------------------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| | [•] | Year ended 31 December | | | | | | | | | | |
| | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | |
| Average Receivables Balance | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] |
| Outstanding (£) ⁽¹⁾ | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] |
| Finance Charges and Fees (£) ⁽²⁾ | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] |
| Interchange (£) | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] |
| Average Number of Accounts ⁽³⁾ | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] |
| Average Account Balance (£) ⁽⁴⁾ | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] |
| Yield from Finance Charges and Fees ⁽⁵⁾⁽⁷⁾ | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] |

| | | Representative Portfolio Yield | | | | | | | | | |
|---|-----|--------------------------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| | | Year ended 31 December | | | | | | | | | |
| | | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] |
| | | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] |
| Yield from Interchange ⁽⁶⁾⁽⁷⁾ | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] |
| Yield from Charges, Fees and Interchange ⁽⁷⁾ | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] |

- ⁽¹⁾ Average Receivables Balance Outstanding refers to the average of the month end balances for the period indicated
- ⁽²⁾ Finance Charges and Fees are the sum of debited and accrued monthly periodic finance charges and other fees for the period indicated
- ⁽³⁾ An Account is an Open Account if such Account is not charged off, sold to a third party or closed by either the Originator or the customer and has a nil balance
- ⁽⁴⁾ Average Account Balance is calculated as the Average Receivables Balance Outstanding divided by the average number of Open Accounts for the period indicated
- ⁽⁵⁾ Yield from Finance Charges and Fees is the result of dividing Finance Charges and Fees by the Average Receivables Balance Outstanding
- ⁽⁶⁾ Yield from Interchange is the result of dividing Interchange by Average Receivables Balance Outstanding
- ⁽⁷⁾ All data is presented on an annualised basis

Delinquency and Loss Experience

The following tables set forth the delinquency and loss experience of the Representative Portfolio for each of the periods shown. The delinquency statistics are obtained from month end positions and loss experience based on losses realised or recognised during the periods shown.

| Delinquency Experience – Representative Portfolio | | | | | | | | | | | | |
|--|-----------------|------------------------|-----------------|------------------------|-----------------|------------------------|-----------------|------------------------|-----------------|------------------------|-----------------|------------------------|
| Year ended 31 December | | | | | | | | | | | | |
| | Receivables (£) | % of Total Receivables | Receivables (£) | % of Total Receivables | Receivables (£) | % of Total Receivables | Receivables (£) | % of Total Receivables | Receivables (£) | % of Total Receivables | Receivables (£) | % of Total Receivables |
| End of Year Receivables Balance Outstanding ⁽¹⁾ | [•] | | [•] | | [•] | | [•] | | [•] | | [•] | |
| Up to 29 Days..... | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] |
| 30 to 59 Days..... | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] |
| 60 to 89 Days..... | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] |
| 90 to 119 Days..... | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] |
| 120 to 149 Days..... | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] |
| 150 to 179 Days ⁽²⁾ | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] |
| Total 30 Days or more Delinquent | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] |

| Delinquency Experience – Representative Portfolio | | | | | | | | | | | | |
|--|-----------------|------------------------|-----------------|------------------------|-----------------|------------------------|-----------------|------------------------|-----------------|------------------------|-----------------|------------------------|
| Year ended 31 December | | | | | | | | | | | | |
| | Receivables (£) | % of Total Receivables | Receivables (£) | % of Total Receivables | Receivables (£) | % of Total Receivables | Receivables (£) | % of Total Receivables | Receivables (£) | % of Total Receivables | Receivables (£) | % of Total Receivables |
| End of Year Receivables Balance Outstanding ⁽¹⁾ | [•] | | [•] | | [•] | | [•] | | [•] | | [•] | |
| Up to 29 Days..... | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] |
| 30 to 59 Days..... | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] |
| 60 to 89 Days..... | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] |
| 90 to 119 Days..... | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] |
| 120 to 149 Days..... | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] |
| 150 to 179 Days ⁽²⁾ | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] |
| Total 30 Days or more Delinquent | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] |

⁽¹⁾ The End of Year Receivables Balance Outstanding on the Accounts consists of the sum of current and delinquent amounts due from Obligor as posted to the Accounts as of the end of the month.

⁽²⁾ An Account is charged off by the Servicer as uncollectable in line with its usual servicing procedures, generally once an Account becomes 180 days past due, although this could be earlier in special circumstances such as Obligor death or bankruptcy.

| | Charge-off Experience Representative Portfolio | | | | | | | | | | | |
|--|---|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| | Year ended 31 December | | | | | | | | | | | |
| | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | |
| Average Receivables Balance Outstanding (£) ⁽¹⁾ | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] |
| Total Gross Charge-offs (£) ⁽²⁾ | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] |
| Total Gross Charge-offs (as % of average receivables outstanding) ⁽³⁾ | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] |
| Recoveries (£) ⁽⁴⁾ | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] |
| Total Net Charge-offs (£)..... | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] |
| Total Net Charge-offs (as % of average receivables outstanding) ⁽³⁾..... | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] |

⁽¹⁾ Average Receivables Balance Outstanding refers to the average of the month end balances for the period indicated

⁽²⁾ Total Gross Charge-offs are total principal and interest charge-offs and do not include the amount of any reductions in Average Receivables Balance Outstanding due to third party fraud, returned goods, customer disputes or other miscellaneous credit adjustments. Total Gross Charge-offs exclude accounts charged off operationally as part of any sale of Debt Recovery Accounts

⁽³⁾ All data is presented on an annualised basis

⁽⁴⁾ Recoveries exclude any income received as part of the sale of any Debt Recovery Account. Recoveries are reported on an accrued basis

Maturity Assumptions

The following table sets forth the highest and lowest Obligor monthly payment rates for the Representative Portfolio during any month in the periods shown and the average of the Obligor monthly payment rates for all months during the periods shown, in each case calculated as a percentage of total opening monthly Receivables outstanding during the periods shown. Payment rates shown in the table are based on amounts which consist of Principal Receivables and Finance Charge Receivables with respect to the related credit accounts.

| | Obligor Monthly Payment Rates Representative Portfolio | | | | | | | | | | | |
|---|--|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| | Year ended 31 December | | | | | | | | | | | |
| | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | |
| Monthly Average ⁽¹⁾⁽²⁾ | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] |
| Highest Month ⁽¹⁾⁽³⁾ | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] |
| Lowest Month ⁽¹⁾⁽⁴⁾ | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] |

⁽¹⁾ Monthly Payment Rates expressed are sums of all payments received in the month over the outstanding balance at the start of the month

⁽²⁾ Monthly Average is the average of the monthly payment rates for the period indicated

⁽³⁾ Highest Month is the highest monthly payment rate for the period indicated

⁽⁴⁾ Lowest Month is the lowest monthly payment rate for the period indicated

Purchase Considerations

The following table sets forth the highest and lowest Obligor monthly purchase rates for the Representative Portfolio during any month in the periods shown and the average of the Obligor monthly purchase rates for all months during the periods shown, in each case calculated as a percentage of total opening monthly Receivables outstanding during the periods shown. Purchase rates shown in the table are based on amounts which consist of purchases, cash advances and, where available, balance transfers and money transfers with respect to the related credit accounts.

| | Obligor Monthly Purchase Rates Representative Portfolio | | | | | | | | | | | |
|---|---|-----|------------------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| | [•] to [•] | | Year ended 31 December | | | | | | | | | |
| | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] |
| Monthly Average ⁽¹⁾⁽²⁾ | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] |
| Highest Month ⁽¹⁾⁽³⁾ | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] |
| Lowest Month ⁽¹⁾⁽⁴⁾ | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] |

- ⁽¹⁾ Monthly Purchase Rates expressed are sums of all purchases made in the month over the outstanding balance at the start of the month
- ⁽²⁾ Monthly Average is the average of the monthly purchase rate for the period indicated
- ⁽³⁾ Highest Month is the highest monthly purchase rate for the period indicated
- ⁽⁴⁾ Lowest Month is the smallest monthly purchase rate for the period indicated

Each table has been provided by the Transferor and has not been audited. Since the composition of the Representative Portfolio changes over time, these tables are not necessarily indicative of the composition of the Representative Portfolio (or the Securitised Portfolio) at any time subsequent to the dates shown above.

For an indication of the credit quality of the customers whose Receivables are, as at the date of these Final Terms and during the periods covered by such information, included in the Securitised Portfolio, investors should refer to the discussion in the section of the Base Prospectus entitled "*The Securitised Portfolio*" and to the historical performance of the Representative Portfolio included in these Final Terms.

Total Portfolio - [•]

| Account Balance | Total Number of Accounts | Percentage of Total Number of Accounts | Total Receivables (£) | Percentage of Total Receivables |
|---------------------------|---------------------------------|---|------------------------------|--|
| Credit Balance | [•] | [•] | [•] | [•] |
| No Balance | [•] | [•] | [•] | [•] |
| £0.01 - £100 | [•] | [•] | [•] | [•] |
| £100.01 - £200 | [•] | [•] | [•] | [•] |
| £200.01 - £300 | [•] | [•] | [•] | [•] |
| £300.01 - £400 | [•] | [•] | [•] | [•] |
| £400.01 - £600 | [•] | [•] | [•] | [•] |
| £600.01 - £900 | [•] | [•] | [•] | [•] |
| £900.01 - £1,200 | [•] | [•] | [•] | [•] |
| £1,200.01 - £2,000 | [•] | [•] | [•] | [•] |
| £2,000.01 - £3,000 | [•] | [•] | [•] | [•] |
| £3,000.01 - £5,000 | [•] | [•] | [•] | [•] |
| £5,000.01 - £7,500 | [•] | [•] | [•] | [•] |
| £7,500.01 - £10,000 | [•] | [•] | [•] | [•] |
| £10,000.01 or more | [•] | [•] | [•] | [•] |
| Total | [•] | [•] | [•] | [•] |
| Average Balance | | | £[•] | |

| Credit Limit | Total Number of Accounts | Percentage of Total Number of Accounts | Total Receivables (£) | Percentage of Total Receivables |
|----------------------------|---------------------------------|---|------------------------------|--|
| £0 | [•] | [•] | [•] | [•] |
| £0.01 - £100 | [•] | [•] | [•] | [•] |
| £100.01 - £200 | [•] | [•] | [•] | [•] |
| £200.01 - £300 | [•] | [•] | [•] | [•] |
| £300.01 - £400 | [•] | [•] | [•] | [•] |
| £400.01 - £600 | [•] | [•] | [•] | [•] |
| £600.01 - £900 | [•] | [•] | [•] | [•] |
| £900.01 - £1,200 | [•] | [•] | [•] | [•] |
| £1,200.01 - £2,000 | [•] | [•] | [•] | [•] |
| £2,000.01 - £3,000 | [•] | [•] | [•] | [•] |
| £3,000.01 - £5,000 | [•] | [•] | [•] | [•] |
| £5,000.01 - £7,500 | [•] | [•] | [•] | [•] |
| £7,500.01 - £10,000 | [•] | [•] | [•] | [•] |
| £10,000.01 or more | [•] | [•] | [•] | [•] |
| Total | [•] | [•] | [•] | [•] |
| Average Credit Limit | | | £[•] | |

| Account Age | Total Number of Accounts | Percentage of Total Number of Accounts | Total Receivables (£) | Percentage of Total Receivables |
|------------------------------------|---------------------------------|---|------------------------------|--|
| 0 to 6 months | [•] | [•] | [•] | [•] |
| 7 to 12 months | [•] | [•] | [•] | [•] |
| 13 to 24 months | [•] | [•] | [•] | [•] |
| 25 to 36 months | [•] | [•] | [•] | [•] |
| 37 to 48 months | [•] | [•] | [•] | [•] |
| 49 to 60 months | [•] | [•] | [•] | [•] |
| 61 to 72 months | [•] | [•] | [•] | [•] |
| More than 72 months | [•] | [•] | [•] | [•] |
| Total | [•] | [•] | [•] | [•] |
| Weighted Average Account Age | | | [•] months | |

PORTFOLIO INFORMATION

| Region | Total Number of Accounts | Percentage of Total Number of Accounts | Total Receivables (£) | Percentage of Total Receivables |
|--------------------------|--------------------------|--|-----------------------|---------------------------------|
| London | [*] | [*] | [*] | [*] |
| South East | [*] | [*] | [*] | [*] |
| North West | [*] | [*] | [*] | [*] |
| East of England | [*] | [*] | [*] | [*] |
| Scotland | [*] | [*] | [*] | [*] |
| West Midlands | [*] | [*] | [*] | [*] |
| South West | [*] | [*] | [*] | [*] |
| Yorkshire and The Humber | [*] | [*] | [*] | [*] |
| East Midlands | [*] | [*] | [*] | [*] |
| Wales | [*] | [*] | [*] | [*] |
| North East | [*] | [*] | [*] | [*] |
| Northern Ireland | [*] | [*] | [*] | [*] |
| Other | [*] | [*] | [*] | [*] |
| Total | [*] | [*] | [*] | [*] |

| Retail APR | Total Number of Accounts | Percentage of Total Number of Accounts | Total Receivables (£) | Percentage of Total Receivables |
|-------------------|--------------------------|--|-----------------------|---------------------------------|
| 0.00 % | [*] | [*] | [*] | [*] |
| 0.01 % - 14.90 % | [*] | [*] | [*] | [*] |
| 14.91 % - 24.90 % | [*] | [*] | [*] | [*] |
| 24.91 % - 29.90 % | [*] | [*] | [*] | [*] |
| 29.91 % - 34.90 % | [*] | [*] | [*] | [*] |
| 34.91 % - 39.90 % | [*] | [*] | [*] | [*] |
| 39.91 % - 44.90 % | [*] | [*] | [*] | [*] |
| 44.91 % - 49.90 % | [*] | [*] | [*] | [*] |
| 49.91 % - 54.90 % | [*] | [*] | [*] | [*] |
| 54.91 % - 59.90 % | [*] | [*] | [*] | [*] |
| 59.91 % or more | [*] | [*] | [*] | [*] |
| Total | [*] | [*] | [*] | [*] |

Weighted Average Retail APR [*]

Note:

(1) "Retail APR" only includes receivables on Retail APR (i.e. APRs applicable to retail spending), and does not show APRs applicable to cash advances and promotional offers, amongst other things. APRs shown are the Representative APRs for the relevant product type (rather than the APRs applicable from time to time to each individual Account).

| Payment Behaviour ⁽¹⁾ | Total Number of Accounts | Percentage of Total Number of Accounts | Total Receivables (£) | Percentage of Total Receivables |
|------------------------------------|--------------------------|--|-----------------------|---------------------------------|
| Accounts with Minimum Payment Made | [*] | [*] | [*] | [*] |
| Accounts with Full Payment Made | [*] | [*] | [*] | [*] |
| Total | [*] | [*] | [*] | [*] |

Note:

(1) Table only includes accounts with balances outstanding on the previous statement date

| Retail Partner ⁽¹⁾⁽²⁾ | Total Number of Accounts | Percentage of Total Number of Accounts | Total Receivables (£) | Percentage of Total Receivables |
|----------------------------------|--------------------------|--|-----------------------|---------------------------------|
| Arcadia Group | [●] | [●] | [●] | [●] |
| Debenhams | [●] | [●] | [●] | [●] |
| Pulse and Legacy Retail Partners | [●] | [●] | [●] | [●] |
| Other | [●] | [●] | [●] | [●] |
| Total | [●] | 100.00% | [●] | 100.00% |

Note:

(1) Certain Accounts originated via legacy Retail Partners have been rebranded to a generic NewDay brand 'Pulse'.

(2) Retail Partner name reflects the original branding of the Retail Partner but does not reflect any more recent ownership or branding changes in relation to that Retail Partner (including following any administration).

LISTING APPLICATION

This document comprises the Final Terms required to list the Notes described herein issued pursuant to the Programme by the Issuer.

Signed on behalf of the Issuer:

By:*duly authorised*

NEWDAY PARTNERSHIP MASTER ISSUER PLC
Per pro Intertrust Directors 1 Limited
as Director

GENERAL INFORMATION

The admission of the Programme to listing on the Official List of the FCA and to trading on the London Stock Exchange's Main Market took effect on [•] 2023. This Note Series is intended to be admitted to listing on the Official List of the FCA and admitted to trading on [the London Stock Exchange's Main Market/[•]] upon submission to the FCA and [the London Stock Exchange] / [•]] of these Final Terms and any other information required by the FCA and [the London Stock Exchange/[•]], subject in each case to the issue of the relevant Notes. Prior to official listing, dealings will be permitted by the London Stock Exchange in accordance with its rules. Transactions will normally be effected for delivery on the second working day in London after the date of the transaction.

INDEX OF DEFINED TERMS

[Index of defined terms to be included in Final Terms]

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