

IMPORTANT NOTICE

NOT FOR DISTRIBUTION TO ANY U.S. PERSON (AS DEFINED IN REGULATION S (AS DEFINED BELOW)) OR TO ANY PERSON OR ADDRESS IN THE UNITED STATES (THE U.S.)

IMPORTANT: You must read the following before continuing. The following applies to the prospectus (the **Prospectus**) following this page, and you are therefore advised to read this carefully before reading, accessing or making any other use of the Prospectus. In accessing the Prospectus, you agree to be bound by the following terms and conditions, including any modifications to such terms and conditions any time you receive any information from us as a result of such access.

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY THE SECURITIES OF THE ISSUER IN THE UNITED STATES OR ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE SECURITIES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE **SECURITIES ACT**), OR THE SECURITIES LAWS OF ANY STATE OF THE U.S. OR OTHER JURISDICTION AND THE SECURITIES MAY NOT BE OFFERED OR SOLD WITHIN THE U.S. OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S UNDER 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 AND APPLICABLE STATE OR LOCAL SECURITIES LAWS.

EXCEPT WITH THE PRIOR WRITTEN CONSENT OF VAUXHALL FINANCE PLC IN THE FORM OF A WAIVER (**U.S. RISK RETENTION WAIVER**) AND WHERE SUCH SALE FALLS WITHIN THE EXEMPTION PROVIDED BY SECTION 20 OF THE FINAL RULES PROMULGATED UNDER SECTION 15G OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED (THE **U.S. RISK RETENTION RULES**), THE NOTES OFFERED AND SOLD BY THE ISSUER MAY NOT BE PURCHASED BY, OR FOR THE ACCOUNT OR BENEFIT OF, ANY "U.S. PERSON" AS DEFINED IN THE U.S. RISK RETENTION RULES (**RISK RETENTION U.S. PERSONS**). PROSPECTIVE INVESTORS SHOULD NOTE THAT THE DEFINITION OF "U.S. PERSON" IN THE U.S. RISK RETENTION RULES IS DIFFERENT FROM THE DEFINITION OF "U.S. PERSON" IN REGULATION S. EACH PURCHASER OF THE NOTES OR A BENEFICIAL INTEREST THEREIN ACQUIRED IN THE INITIAL SYNDICATION OF THE NOTES, BY ITS ACQUISITION OF THE NOTES OR A BENEFICIAL INTEREST THEREIN, WILL BE DEEMED TO HAVE MADE CERTAIN REPRESENTATIONS AND AGREEMENTS, INCLUDING THAT IT (1) EITHER (i) IS NOT A RISK RETENTION U.S. PERSON OR (ii) IT HAS OBTAINED A U.S. RISK RETENTION WAIVER FROM VAUXHALL FINANCE PLC, (2) IS ACQUIRING SUCH NOTE OR A BENEFICIAL INTEREST THEREIN FOR ITS OWN ACCOUNT AND NOT WITH A VIEW TO DISTRIBUTE SUCH NOTE, AND (3) IS NOT ACQUIRING SUCH NOTE OR A BENEFICIAL INTEREST THEREIN AS PART OF A SCHEME TO EVADE THE REQUIREMENTS OF THE U.S. RISK RETENTION RULES (INCLUDING ACQUIRING SUCH NOTE THROUGH A NON-RISK RETENTION U.S. PERSON, RATHER THAN A RISK RETENTION U.S. PERSON, AS PART OF A SCHEME TO EVADE THE 10 PER CENT. RISK RETENTION U.S. PERSON LIMITATION IN THE EXEMPTION PROVIDED FOR IN SECTION 20 OF THE U.S. RISK RETENTION RULES).

THE FOLLOWING PROSPECTUS MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER, AND IN PARTICULAR, MAY NOT BE FORWARDED TO ANY U.S. PERSON OR TO ANY U.S. ADDRESS. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.

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

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

This prospectus has been delivered to you on the basis that you are a person into whose possession this Prospectus may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located. By accessing the Prospectus, you shall be deemed to have confirmed and represented to us that (a) you have understood and agree to the terms set out herein, (b) you consent to delivery of the Prospectus by electronic transmission, (c) you are not a U.S. person (within the meaning of Regulation S under the Securities Act) or acting for the account or benefit of a U.S. person and the electronic mail address that you have given to us and to which this e-mail has been delivered is not located in the United States, its territories and possessions (including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands) or the District of Columbia and (d) if you are a person in the UK, then you are a person who (i) has professional experience in matters relating to investments or (ii) is a high net worth entity falling within Article 49(2)(a) to (d) of the Financial Services and Markets Act (Financial Promotion) Order 2005, , and (e) if you are a person located in a Member State of the European Economic Area which has implemented Regulation (EU) 2017/1129 (the **Prospectus Regulation**), that you are a qualified investor as defined in the Prospectus Regulation and (f) you are neither (i) a retail client as defined in points (11) of Article 4(1) of Directive 2014/65/EU (as amended **MiFID II**); nor (ii) a customer within the meaning of Directive 2016/97/EU, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II (all such persons referred to as **Relevant Persons**). Any investment or investment activity to which this prospectus relates is available only to Relevant Persons and will be engaged in only with Relevant Persons.

This Prospectus has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently neither E-CARAT 11 plc, Vauxhall Finance plc, BNP Paribas, London Branch, Lloyds Bank Corporate Markets plc, nor any person who controls it nor any director, officer, employee nor agent of it or affiliate of any such person accepts any liability or responsibility whatsoever in respect of any difference between the Prospectus distributed to you in electronic format and the hard copy version available to you on request from Vauxhall Finance plc, BNP Paribas, London Branch, or Lloyds Bank Corporate Markets plc.

E-CARAT 11 PLC

(incorporated in England and Wales under registered number 12201217)

Legal Entity Identifier (LEI): 213800P8XQG7CEH4YG57

£361,250,000 CLASS A ASSET BACKED FLOATING RATE NOTES DUE MAY 2028
£35,000,000 CLASS B ASSET BACKED FLOATING RATE NOTES DUE MAY 2028
£25,000,000 CLASS C ASSET BACKED FLOATING RATE NOTES DUE MAY 2028
£20,000,000 CLASS D ASSET BACKED FLOATING RATE NOTES DUE MAY 2028
£16,250,000 CLASS E ASSET BACKED FLOATING RATE NOTES DUE MAY 2028
£8,750,000 CLASS F ASSET BACKED FLOATING RATE NOTES DUE MAY 2028
£8,750,000 CLASS G ASSET BACKED FLOATING RATE NOTES DUE MAY 2028
£25,000,000 CLASS H ASSET BACKED FIXED RATE NOTES DUE MAY 2028
(the Notes)

<i>Notes</i>	<i>Initial Principal Amount</i>	<i>Issue Price</i>	<i>Interest Rate</i>	<i>Final Legal Maturity Date</i>	<i>Expected Rating</i>
Class A Notes	£361,250,000	£361,250,000	Compounded Daily SONIA + 0.58%	May 2028	AAA by S&P Global and AAA by DBRS
Class B Notes	£35,000,000	£35,000,000	Compounded Daily SONIA + 1.20%	May 2028	AA+ by S&P Global and AA by DBRS
Class C Notes	£25,000,000	£25,000,000	Compounded Daily SONIA + 1.55%	May 2028	A+ by S&P Global and A by DBRS
Class D Notes	£20,000,000	£20,000,000	Compounded Daily SONIA + 1.85%	May 2028	BBB+ by S&P Global and BBB(H) by DBRS
Class E Notes	£16,250,000	£16,250,000	Compounded Daily SONIA + 2.80%	May 2028	BB+ by S&P Global and BB(H) by DBRS
Class F Notes	£8,750,000	£8,750,000	Compounded Daily SONIA + 3.80%	May 2028	BB- by S&P Global and BB by DBRS
Class G Notes	£8,750,000	£8,750,000	Compounded Daily SONIA + 5.00%	May 2028	CCC+ by S&P Global and B(L) by DBRS
Class H Notes	£25,000,000	£25,000,000	Fixed Rate of 9.50%	May 2028	–

Closing Date E-CARAT 11 plc (the **Issuer**) will issue the Notes as set out above on 23 March 2020 (the **Closing Date**).

Listing This document comprises a prospectus (the **Prospectus**) for the purpose of Regulation (EU) 2017/1129 of the European Parliament as supplemented by the Commission Delegated Regulation (EU) 2019/980 of 14 March 2019 (the **Prospectus Regulation**).

The Prospectus has been approved by the Central Bank of Ireland (the **Central Bank**), as competent authority under the Prospectus Regulation. The Central Bank of Ireland only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Approval by the Central Bank of Ireland should not be considered as an endorsement of the quality of the Issuer or the quality of the Notes. Investors should make their own assessment as to the suitability of investing in the Notes.

This Prospectus (as supplemented as at the relevant time, if applicable) is valid for the admission to trading of the Notes on the regulated market of Euronext Dublin until the time when trading on such regulated market begins. The obligation to supplement this Prospectus in the event of a significant new factor, material mistake or material inaccuracy does not apply, once the Notes are admitted to trading on the regulated market of Euronext Dublin.

Application has been made to Euronext Dublin for the Notes to be admitted to the Official List (the **Official List**). References in this Prospectus to Notes being **listed** (and all

related references) shall mean that such Notes have been admitted to trading on Euronext Dublin.

Underlying Assets

The Issuer will make payments on the Notes from, *inter alia*, a portfolio comprising receivables (and certain ancillary rights) under or in connection with Conditional Sale Agreements and PCP Agreements originated by Vauxhall Finance plc (the **Originator** and the **Seller**) and purchased by the Issuer from the Seller on the Closing Date and any subsequent Further Purchase Date during the Revolving Period. See the section entitled "*The Provisional Portfolio*" for more detail.

Credit Enhancement and Liquidity Support

Subordination of the Class H Notes to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Class G Notes. Subordination of the Class G Notes to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes. Subordination of the Class F Notes to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes. Subordination of the Class E Notes to the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes. Subordination of the Class D Notes to the Class A Notes, the Class B Notes and the Class C Notes. Subordination of the Class C Notes to the Class A Notes and the Class B Notes. Subordination of the Class B Notes to the Class A Notes.

Payments of principal on the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes and the Class H Notes will be made on a *pro rata* basis. After the occurrence of a Sequential Redemption Event or following service of a Note Acceleration Notice, payments of principal in respect of the Notes will be made in sequential order at all times. No principal will be paid on any Class of Notes during the Revolving Period.

Excess Available Principal Distribution Amount.

The Issuer may apply the Available Principal Distribution Amount to cover a Revenue Deficiency *provided that* no Available Principal Distribution Amount may be applied in order to cure a Revenue Deficiency in respect of the payment of interest on the Class B Notes unless the Class B PDL Condition is satisfied, the Class C Notes unless the Class C PDL Condition is satisfied, the Class D Notes unless the Class D PDL Condition is satisfied, the Class E Notes (to the extent the Class E Notes are the Most Senior Class of Notes) unless the Class E PDL Condition is satisfied, the Class F Notes (to the extent the Class F Notes are the Most Senior Class of Notes) unless the Class F PDL Condition is satisfied or the Class G Notes (to the extent the Class G Notes are the Most Senior Class of Notes) unless the Class G PDL Condition is satisfied. The Available Principal Distribution Amount will not be applied to cover any interest shortfall in respect of the Class H Notes.

Availability of the Liquidity Reserve Amount to cover any Revenue Deficiency that subsists following the application of the Available Principal Distribution Amount to cure a Revenue Deficiency as described above, from the Closing Date to the Final Class D Interest Payment Date *provided that* the Liquidity Reserve Amount may not be applied in order to cure a Revenue Deficiency in respect of the payment of interest on the Class B Notes unless the Class B PDL Condition is satisfied, the Class C Notes unless the Class C PDL Condition is satisfied or the Class D Notes unless the Class D PDL Condition is satisfied. On each Interest Payment Date prior to the service of a Note Acceleration Notice, all amounts standing to the credit of the Liquidity Reserve Account in excess of the Liquidity Reserve Target Amount will be applied towards repayment of the Liquidity Reserve Proceeds advanced under the Subordinated Loan. On the Final Class D Interest

Payment Date the Liquidity Reserve Amount shall be applied on such Interest Payment Date to repay the Liquidity Reserve Proceeds advanced under the Subordinated Loan in full.

See the section entitled "*Credit Structure, Liquidity and Hedging*" for more detail.

Redemption Provisions

The Notes may be redeemed in whole or in part (as applicable) in the following cases:

- a mandatory redemption in whole on the Final Legal Maturity Date;
- a mandatory redemption in part on any Interest Payment Date commencing on the first Interest Payment Date subject to availability of the Available Principal Distribution Amount and application of the Available Principal Distribution Amount in accordance with the Principal Priority of Payments;
- a mandatory redemption in whole exercisable by the Issuer following the exercise of the Clean Up Call Option by the Seller;
- a mandatory redemption in whole exercisable by the Issuer following the exercise of the Regulatory Call Option by the Seller; and
- a mandatory redemption in whole exercisable by the Issuer following the exercise of the Tax Call Option by the Seller.

For information on mandatory redemption of the Notes, see the section entitled "*Transaction Overview – Terms and Conditions of the Notes*" and Condition 6 (Redemption).

For so long as no Sequential Redemption Event has occurred, payments of principal in respect of the Notes shall be made on a *pro rata* basis on each Interest Payment Date in accordance with the Principal Priority of Payments.

After the occurrence of a Sequential Redemption Event during the Normal Redemption Period, payments of principal in respect of the Notes will be made in sequential order at all times in accordance with the Principal Priority of Payments.

Following the service of a Note Acceleration Notice, each Class of Notes shall become due and payable and shall be subject to mandatory redemption in full until the earlier of (x) the date on which the Principal Amount Outstanding of each Class of Notes is reduced to zero or (y) the Final Legal Maturity Date. The Class A Notes shall be redeemed in full subject to the Accelerated Priority of Payments. Neither payment of principal nor payment of interest on the Class B Notes shall be made until the Principal Amount Outstanding of the Class A Notes has been reduced to zero. Once the Class A Notes have been redeemed in full, the Class B Notes shall be redeemed in full subject to the Accelerated Priority of Payments. Neither payment of principal nor payment of interest on the Class C Notes shall be made until the Principal Amount Outstanding of the Class B Notes has been reduced to zero.

Once the Class B Notes have been redeemed in full, the Class C Notes shall be redeemed in full subject to the Accelerated Priority of Payments. Neither payment of principal nor payment of interest on the Class D Notes shall be made until the Principal Amount Outstanding of the Class C Notes has been reduced to zero. Once the Class C Notes have been redeemed in full, the Class D Notes shall be redeemed in full subject to the Accelerated Priority of Payments. Neither payment of principal nor payment of interest on

the Class E Notes shall be made until the Principal Amount Outstanding of the Class D Notes has been reduced to zero. Once the Class D Notes have been redeemed in full, the Class E Notes shall be redeemed in full subject to the Accelerated Priority of Payments. Neither payment of principal nor payment of interest on the Class F Notes shall be made until the Principal Amount Outstanding of the Class E Notes has been reduced to zero. Once the Class E Notes have been redeemed in full, the Class F Notes shall be redeemed in full subject to the Accelerated Priority of Payments. No payment of principal nor payment of interest on the Class G Notes shall be made until the Principal Amount Outstanding of the Class F Notes has been reduced to zero. Once the Class F Notes have been redeemed in full, the Class G Notes shall be redeemed in full subject to the Accelerated Priority of Payments. No payment of principal nor payment of interest on the Class H Notes shall be made until the Principal Amount Outstanding of the Class G Notes has been reduced to zero and once the Class G Notes have been redeemed in full, the Class H Notes shall be redeemed in full subject to the Accelerated Priority of Payments. Any purchase or repurchase of positions in the Securitisation (including the Notes) by the Seller beyond its contractual obligations would be exceptional, and any such purchase or repurchase, and any repurchase, restructuring or substitution of underlying assets by the Seller beyond its respective contractual obligations would be made in accordance with prevailing market conditions with the parties to them acting in their own interests as free and independent parties (arm's length).

Rating Agencies

S&P Global and DBRS. Each of S&P Global and DBRS is established in the European Union (the EU) and is registered under the Regulation (EC) No. 1060/2009 (as amended) (the **CRA Regulation**). As such, each of DBRS and S&P is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website (at <http://www.esma.europa.eu/page/List-registered-and-certified-CRAs>) in accordance with the CRA Regulation. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

The Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Class G Notes (together, the **Rated Notes**) will, upon issuance, be rated, respectively, AAA, AA+, A+, BBB+, BB+, BB- and CCC+ by S&P Global and AAA, AA, A, BBB(H), BB(H), BB and B(L) by DBRS.

Ratings

Ratings will be assigned to the Rated Notes as set out above on or before the Closing Date.

The ratings reflect the view of the Rating Agencies and are based on the Purchased Receivables and the structural features of the transaction, and, *inter alia*, the ratings of the Swap Counterparty and the Account Bank.

The ratings assigned by DBRS to the Class A Notes address the likelihood of (a) full and timely payment of interest due on each Interest Payment Date, and (b) full payment of principal on a date that is not later than the Final Legal Maturity Date.

The ratings assigned by S&P Global to the Class A Notes, Class B Notes, the Class C Notes and the Class D Notes address the likelihood of (a) full and timely payment of interest due on each Interest Payment Date, and (b) full payment of principal on a date that is not later than the Final Legal Maturity Date.

The ratings assigned by S&P Global to the Class E Notes, the Class F Notes and the Class G Notes address the likelihood of ultimate payment of interest and principal by the Final Legal Maturity Date.

The ratings assigned by DBRS to the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Class G Notes address the likelihood of ultimate payment of interest and principal by the Final Legal Maturity Date.

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

The Class H Notes will not be rated.

**Eurosystem
Eligibility**

The Notes are intended to be held in a manner which will allow Eurosystem eligibility. This means that the Notes are intended upon issue to be deposited with one of Euroclear or Clearstream as Common Safekeeper and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria. In particular, please see the risk factor entitled "*Risk Factors Relating to The Availability of Funds to Pay The Notes – There can be no assurance of Eurosystem eligibility*".

**Bank
of England
Eligibility**

The Class A Notes (and any other Class of Notes intended to be held in a manner which will allow for Bank of England eligibility, provided such Class of Notes will be in compliance with the Bank of England eligibility criteria in force from time to time) are intended to be held in a manner which will allow Bank of England eligibility. Recognition of the Class A Notes as eligible securities will depend on the satisfaction of the eligibility criteria as specified by the Bank of England.

For further information, please see the risk factor entitled "*Risk Factors Relating to The Availability of Funds to Pay The Notes – There can be no assurance of Bank of England eligibility*".

Obligations

The Notes will be obligations of the Issuer alone and will not be the obligations of, or guaranteed by, or be the responsibility of, any other entity. In particular, the Notes will not be obligations of, or guaranteed by, or be the responsibility of, any Transaction Party (as defined below) other than the Issuer.

**Risk Retention
Undertaking**

The Originator will retain for the life of the transaction a material net economic interest of not less than 5 per cent. in the securitisation as required by Article 6(1) of Regulation (EU) 2017/2402 (the **Securitisation Regulation**) and in accordance with Article 6(3)(a) of the Securitisation Regulation (which does not take into account any corresponding national measures). As at the Closing Date, the Originator will meet this obligation by retaining the Notes that (i) in aggregate comprise 5 per cent. of the nominal value of each Class of Notes and (ii) constitute a vertical tranche as required by the text of Article 6(3)(a) of the Securitisation Regulation.

See the section entitled "*Certain Regulatory Considerations*" for more information.

As to the information made available to prospective investors by the Issuer, reference is made to the information set out herein and forming part of this Prospectus and, after the Closing Date, to the Monthly Investor Reports prepared by the Seller with the assistance of the Cash Manager on the basis of a Calculation Report prepared by the Calculation Agent and the other information to be provided under the section "*General Information*". In such Monthly Investor Report relevant information with regard to the Purchased Receivables will be disclosed publicly together with an overview of the retention of the material net economic interest and/or any changes in the method of retention of the

material net economic interest by the Originator for the purposes of which the Servicer will provide the Calculation Agent with all information reasonably required with a view to complying with Article 7(1) of the Securitisation Regulation.

Each prospective Noteholder is required to independently assess and determine the sufficiency of the information described in the preceding two paragraphs for the purposes of complying with Article 5 of the Securitisation Regulation and any corresponding national measures which may be relevant and none of the Issuer, nor the Joint Lead Managers, nor the parties to the Transaction Documents make any representation that the information described above or in this Prospectus is sufficient in all circumstances for such purposes. The Issuer accepts responsibility for the information set out in this paragraph and in the preceding two paragraphs.

The Seller does not intend to retain at least 5 per cent. of the credit risk of the securitised assets for purposes of compliance with the final rules promulgated under Section 15G of the Securities Exchange Act of 1934, as amended (the **U.S. Risk Retention Rules**), but rather intends to rely on an exemption provided for in Section 20 of the U.S. Risk Retention Rules regarding non-U.S. transactions. See the section entitled "*Risk Factors – Risk Factors Relating To Certain Regulatory Aspects And Other Considerations – U.S. Risk Retention Requirements*".

**Originator
subscription of
Notes**

The Originator will purchase and retain 5 per cent. of the nominal value of each Class of Notes as described in the section entitled "*Risk Retention Undertaking*" above.

**Simple,
Transparent
and
Standardised
Securitisation**

Vauxhall Finance plc, as originator, on or about the Closing Date will submit a notification to the European Securities and Markets Association (**ESMA**), in accordance with Article 27 of the Securitisation Regulation, confirming that the requirements of Articles 19 to 22 of the Securitisation Regulation have been satisfied with respect to the Notes (such notification, the **STS Notification**). In relation to the STS Notification, Vauxhall Finance plc has been designated as the first contact point for investors and competent authorities.

With respect to an STS Notification, the Seller has used the services of a third party verification agent authorised under Article 28 of the Securitisation Regulation in connection with an assessment of the compliance of the Notes with the requirements of Articles 19 to 22 of the Securitisation Regulation (the **STS Verification**) and to prepare an assessment of compliance of the Notes with the relevant provisions of Article 243 of the CRR and Article 13 of the Commission Delegated Regulation (EU) 2015/61 as amended by the Commission Delegated Regulation (EU) 2018/1620 (the **LCR Regulation**) together with the STS Verification, the **STS Assessment**). For further information please refer to risk factor "*STS designation impacts on regulatory treatment of the Notes*".

THE "RISK FACTORS" SECTION 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

Arranger

BNP PARIBAS

Joint Lead Managers

BNP PARIBAS

Lloyds Bank Corporate Markets plc

The date of this Prospectus is 20 March 2020

IMPORTANT NOTICE

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). NO LIABILITY WHATSOEVER IN RESPECT OF ANY FAILURE BY THE ISSUER TO PAY ANY AMOUNT DUE UNDER THE NOTES SHALL BE ACCEPTED BY ANY OF THE TRANSACTION PARTIES (OTHER THAN THE ISSUER), OR ANY COMPANY IN THE SAME GROUP OF COMPANIES AS THE TRANSACTION PARTIES (OTHER THAN THE ISSUER).

YOU SHOULD REVIEW AND CONSIDER THE DISCUSSION UNDER "Risk Factors" BEGINNING ON PAGE 48 IN THIS PROSPECTUS BEFORE YOU PURCHASE ANY NOTES.

Each Class of Notes will be represented on issue by a Global Note in bearer form and may also be issued in definitive bearer form in certain limited circumstances.

The Issuer will deposit the Notes on or about the Closing Date with Euroclear or Clearstream as common safekeeper. Each of Euroclear and Clearstream will record the beneficial interests in the Global Note (**Book-Entry Interests**) in respect of each Class of Notes. Book-Entry Interests in the Global Note will be shown on, and transfers thereof will be effected only through, records maintained in book-entry form by Euroclear or Clearstream, and their respective participants.

THE DISTRIBUTION OF THIS PROSPECTUS AND THE OFFERING OF THE NOTES IN CERTAIN JURISDICTIONS MAY BE RESTRICTED BY LAW. NO REPRESENTATION IS MADE BY ANY OF THE TRANSACTION PARTIES THAT THIS PROSPECTUS 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 PROSPECTUS AS A PROSPECTUS FOR THE PURPOSES OF THE PROSPECTUS REGULATION BY THE CENTRAL BANK OF IRELAND, 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 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 PROSPECTUS 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 PROSPECTUS COMES ARE REQUIRED BY THE ISSUER AND THE JOINT LEAD MANAGERS TO INFORM THEMSELVES ABOUT AND TO OBSERVE ANY SUCH RESTRICTIONS.

THE 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 OR ANY OTHER RELEVANT JURISDICTION AND ARE SUBJECT TO UNITED STATES TAX LAW REQUIREMENTS. 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 REGULATIONS UNDER THE SECURITIES ACT) 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 AND OTHERWISE IN ACCORDANCE WITH UNITED STATES TAX REQUIREMENTS. THE NOTES ARE NOT TRANSFERABLE EXCEPT IN ACCORDANCE WITH THE RESTRICTIONS DESCRIBED HEREIN UNDER "*TRANSFER RESTRICTIONS*".

EXCEPT WITH THE PRIOR WRITTEN CONSENT OF VAUXHALL FINANCE PLC IN THE FORM OF A U.S. RISK RETENTION WAIVER AND WHERE SUCH SALE FALLS WITHIN THE EXEMPTION PROVIDED BY SECTION 20 OF THE U.S. RISK RETENTION RULES, THE NOTES OFFERED AND SOLD BY THE ISSUER MAY NOT BE PURCHASED BY, OR FOR THE ACCOUNT OR BENEFIT OF, ANY "U.S. PERSON" AS DEFINED IN THE U.S. RISK RETENTION RULES (**RISK RETENTION U.S. PERSONS**). PROSPECTIVE INVESTORS SHOULD NOTE THAT THE DEFINITION OF "U.S. PERSON" IN THE U.S. RISK RETENTION RULES IS DIFFERENT FROM THE DEFINITION OF "U.S. PERSON" IN REGULATION S. EACH PURCHASER OF NOTES OR A BENEFICIAL INTEREST THEREIN ACQUIRED IN THE INITIAL SYNDICATION OF THE NOTES, BY ITS ACQUISITION OF THE NOTES OR A BENEFICIAL INTEREST THEREIN, WILL BE DEEMED TO HAVE MADE CERTAIN REPRESENTATIONS AND AGREEMENTS, INCLUDING THAT IT (1) EITHER (i) IS NOT A RISK RETENTION U.S. PERSON OR (ii) IT HAS OBTAINED A U.S. RISK RETENTION WAIVER FROM VAUXHALL FINANCE PLC, (2) IS ACQUIRING SUCH NOTE OR A BENEFICIAL INTEREST THEREIN FOR ITS OWN ACCOUNT AND NOT WITH A VIEW TO DISTRIBUTE SUCH NOTE, AND (3) IS NOT ACQUIRING SUCH NOTE OR A BENEFICIAL INTEREST THEREIN AS PART OF A SCHEME TO EVADE THE REQUIREMENTS OF THE U.S. RISK RETENTION RULES (INCLUDING ACQUIRING SUCH NOTE THROUGH A NON-RISK RETENTION U.S. PERSON, RATHER THAN A RISK RETENTION U.S. PERSON, AS PART OF A SCHEME TO EVADE THE 10 PER CENT. RISK RETENTION U.S. PERSON LIMITATION IN THE EXEMPTION PROVIDED FOR IN SECTION 20 OF THE U.S. RISK RETENTION RULES).

The Issuer is structured not to be a "covered fund" under the regulations adopted to implement section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act, or the "Dodd-Frank Act," commonly known as the Volcker Rule. In making this determination, the Issuer is relying on the "loan securitization exclusion" under sub-section 10(c)(8) of the Volcker Rule, although other exclusions or exemptions may also be available to the Issuer.

The Notes will bear restrictive legends and will be subject to restrictions on transfer as described herein. The Joint Lead Managers and each subsequent transferee of the Notes will be deemed, by its acquisition or holding of such Notes, to have made the representations set forth in such Notes and the Trust Deed that are required of such initial purchasers and transferees. 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. See "*Transfer Restrictions*".

None of the Issuer, the Joint Lead Managers nor any of the Transaction Parties 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 legal investment or similar laws or regulations.

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**) or 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 (11) of Article 4(1) of Directive 2014/65/EU, as amended (**MiFID II**); or (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended or superseded, the **Insurance Distribution Directive**), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II or (iii) is not a qualified investor as defined in the Prospectus Regulation. Consequently no key information document required by Regulation (EU) No 1286/2014 (the **PRIIPs Regulation**) for offering or selling the Notes or otherwise making them available to retail investors in the EEA or in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA or in the UK may be unlawful under the PRIIPs Regulation.

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 only, each as defined in MiFID II; 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 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.

Amounts payable on the Floating Rate Notes are calculated by reference to SONIA. At the date of this Prospectus, ICE Benchmark Administration Limited appears on the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority in accordance with Article 36 of the Regulation (EU) No. 2016/1011 (the **Benchmarks Regulation**).

The Issuer accepts responsibility for the information contained in this Prospectus and declares that the information in this Prospectus, to the best of its knowledge, is in accordance with the facts and contains no omission likely to affect its import.

The Seller accepts responsibility for the initial paragraph in the section entitled "*Certain Regulatory Considerations*" and declares that the information in such section, to the best of its knowledge, is in accordance with the facts and contains no omission likely to affect its import.

The Swap Counterparty accepts responsibility for the section entitled "*The Swap Counterparty*" (but not, for the avoidance of doubt, any information set out in a section referred to in the section entitled "*Credit Structure, Liquidity and Hedging – The Swap Counterparty*") and declares that the information in such section, to the best of its knowledge, is in accordance with the facts and contains no omission likely to affect its import.

No representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by HSBC Bank plc, BNP Paribas (as the Swap Counterparty), BNP Paribas, London Branch, or Lloyds Bank Corporate Markets plc as to the accuracy or completeness of any information contained in this Prospectus 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 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 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 Seller or in the other information contained herein since the date hereof. The information contained in this Prospectus was obtained from the Issuer and the other sources identified herein, but no assurance can be given by the Note Trustee or any of the Transaction Parties or the Joint Lead Managers as to the accuracy or completeness of such information. None of the Note Trustee or any of the Transaction Parties or the Joint Lead Managers have separately verified the information contained herein. Accordingly, none of the Note Trustee or any of the Transaction Parties or the Joint Lead Managers makes any representation, express or implied, or accepts any responsibility, with respect to the accuracy or completeness of any of the information in this Prospectus or any document or agreement relating to the Notes. None of the Note Trustee, Arranger or Joint Lead Managers shall be responsible for the execution, legality, effectiveness, adequacy, genuineness, validity, enforceability or admissibility in evidence thereof. In making an investment decision, investors must rely on their own examination of the terms of this offering, including the merits and risks involved. The contents of this 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 Prospectus at any time does not imply that the information herein is correct at any time subsequent to its date.

This Prospectus does not constitute an offer of, or an invitation by or on behalf of, the Issuer, the Seller, the Joint Lead Managers 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 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 Prospectus is personal to the offeree who received it from the Joint Lead Managers and does not constitute an offer to any other person to purchase any Notes.

The Notes are being offered only to a limited number of investors that are willing and able to conduct an independent investigation of the characteristics of the Notes and the risks of ownership of the Notes. It is expected that prospective investors interested in participating in this offering will conduct an independent investigation of the risks posed by an investment in the Notes. Representatives of the Joint Lead Managers will be available to answer questions concerning the Issuer and the Notes and will, upon request, make available such other information as investors may reasonably request. Prospective purchasers of the Notes must be able to hold their investment for an indefinite period of time.

This Prospectus is not intended to furnish legal, regulatory, tax, accounting, investment or other advice to any prospective purchaser of the Notes.

This 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.

In this prospectus all references to **Pounds, Sterling, GBP** and **£** are references to the lawful currency of the UK of Great Britain and Northern Ireland.

Certain figures included in this Prospectus have been subject to rounding adjustments. Accordingly, figures shown for the same category in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them.

References to a provision of law is to be construed as a reference to such provision as the same may have been amended or re-enacted and any reference to a provision of any law of the European Union is to be construed as including a reference to such provision as the same may have been implemented, transposed, enacted or retained under the laws of the UK.

References to any rating or rating criteria or methodology of S&P Global or DBRS, and any trigger or test or notice requirement or other provision related thereto, are to be construed as applying only if and for so long as any Notes rated by S&P Global or DBRS, as applicable, remain outstanding.

Capitalised terms used in this Prospectus, unless otherwise indicated, have the meanings set out in this Prospectus. An index of defined terms appears at the end of this Prospectus in the section headed "*Glossary of Terms*".

Certain matters contained herein are forward-looking statements. Such statements appear in a number of places in this Prospectus, including with respect to assumptions on prepayment and certain other characteristics of the Loan Contracts and Purchased Receivables, and reflect significant assumptions and subjective judgments by the Issuer that may not prove to be correct. Such statements may be identified by reference to a future period or periods and the use of forward-looking terminology such as "may", "will",

"could", "believes", "expects", "anticipates", "continues", "intends", "plans" or similar terms. Consequently, future results may differ from the Issuer's expectations due to a variety of factors, including (but not limited to) the economic environment and regulatory changes in the auto and consumer finance industry in the UK. Moreover, past financial performance should not be considered a reliable indicator of future performance and prospective purchasers of the Notes are cautioned that any such statements are not guarantees of performance and involve risks and uncertainties, many of which are beyond the control of the Issuer. The Joint Lead Managers have not attempted to verify any such statements, nor do they make any representations, express or implied, with respect thereto. Prospective purchasers should therefore not place undue reliance on any of these forward-looking statements. None of the Issuer or the Joint Lead Managers assumes any obligation to update these forward-looking statements or to update the reasons for which actual results could differ materially from those anticipated in the forward-looking statements.

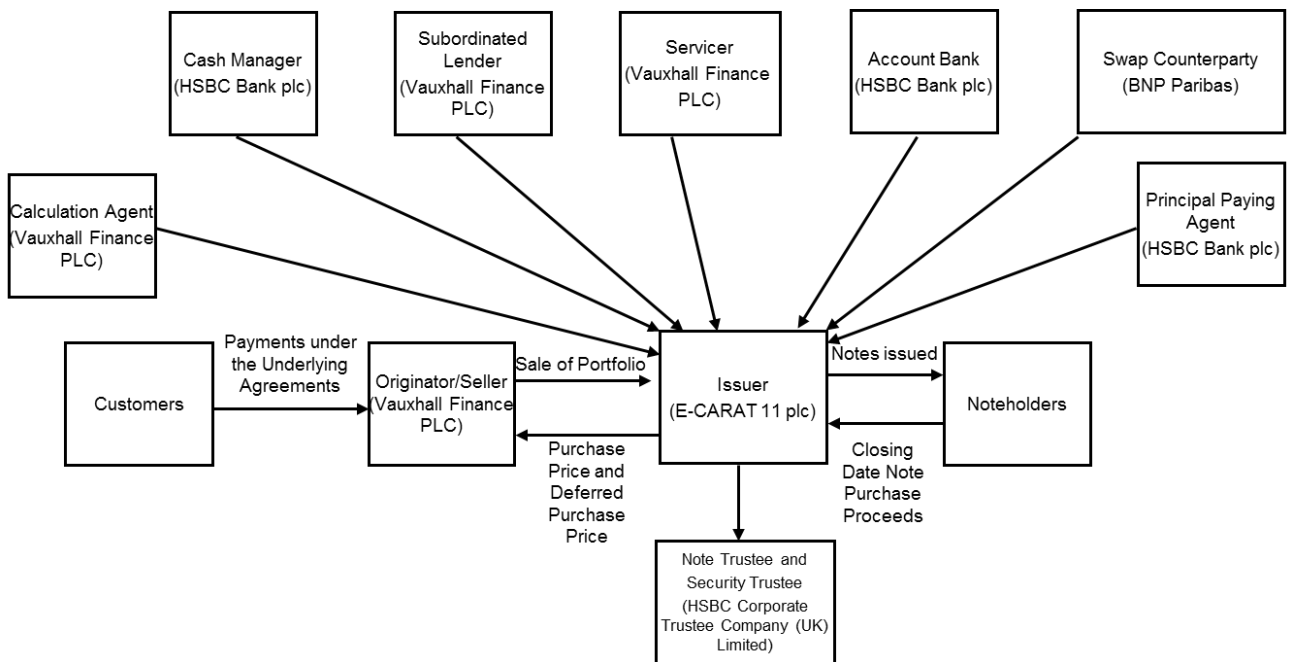
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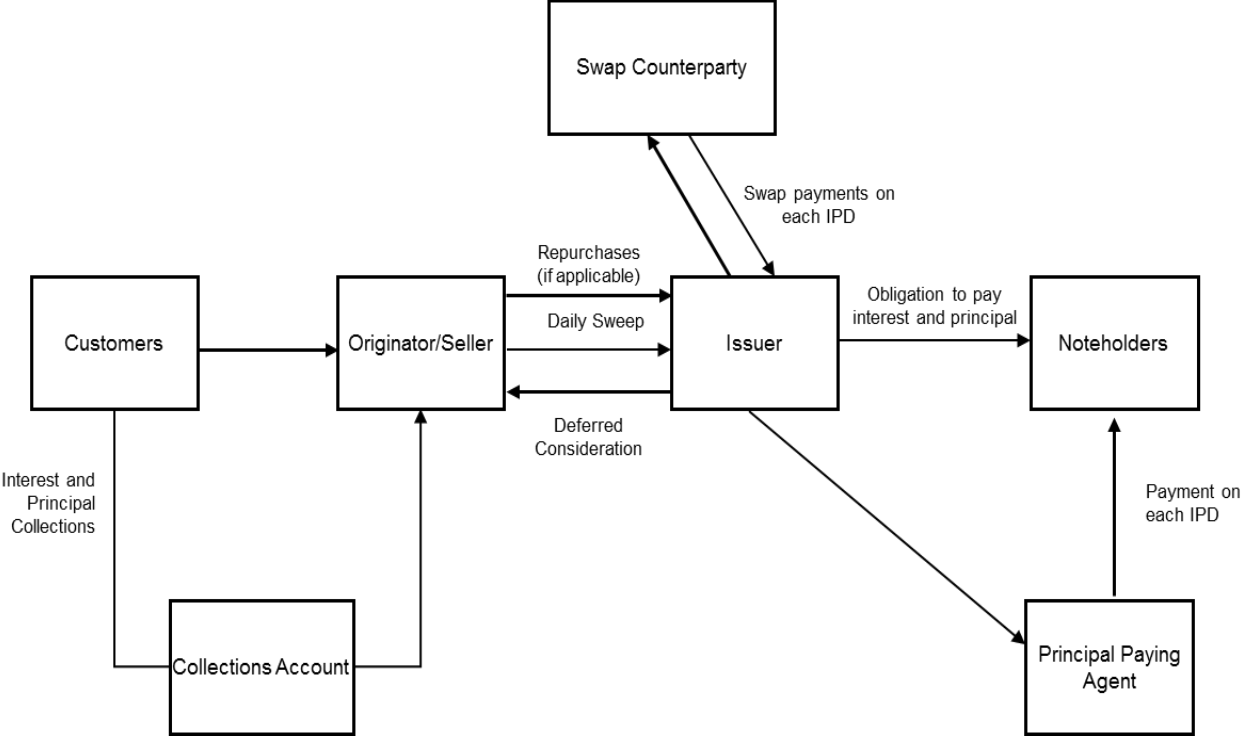
TRANSACTION OVERVIEW

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

DIAGRAMMATIC OVERVIEW OF THE TRANSACTION



DIAGRAMMATIC OVERVIEW OF ONGOING CASH FLOW



IPD refers to an Interest Payment Date

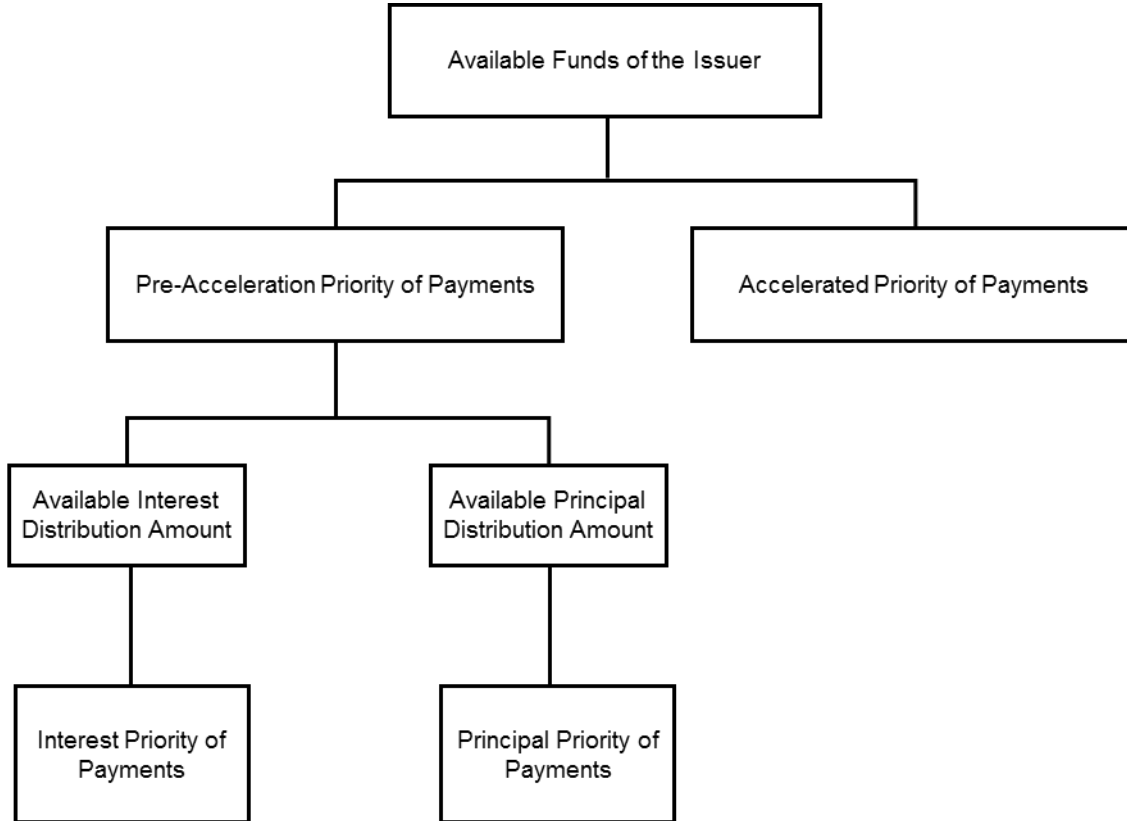
OWNERSHIP STRUCTURE DIAGRAM

The entire issued share capital of the Issuer is owned by Holdings.

The entire issued share capital of Holdings is held on trust by the Share Trustee under the terms of a discretionary trust, the benefit of which is expressed to be for discretionary purposes.

CREDIT STRUCTURE AND CASHFLOW

Please refer to the section entitled "Cash Management" for further detail in respect of the credit structure and cash flow of the transaction.



Funds available to the Issuer:

The Issuer will use the Available Interest Distribution Amount and the Available Principal Distribution Amount for the purposes of making interest and principal payments under the Notes and meeting the Issuer's other payment obligations pursuant to the other Transaction Documents.

Available Interest Distribution Amount:

For each Interest Payment Date, the **Available Interest Distribution Amount** will be calculated by the Calculation Agent and communicated to the Cash Manager on or before the immediately preceding Calculation Date and will be an amount equal to the sum of:

- (a) all Revenue Receipts received by the Issuer during the immediately preceding Calculation Period;
- (b) interest received during the immediately preceding Calculation Period on the Issuer Accounts (other than any CSA Account) and any income received during the immediately preceding Calculation Period relating to any Authorised Investments purchased from amounts standing to the credit of the Issuer Accounts (other than any CSA Account);

- (c) amounts to be received by the Issuer under the Swap Agreement (other than any early termination amount or Replacement Swap Premium and any Swap Collateral, Swap Tax Credits, Excess Swap Collateral, or any other amount standing to the credit of the CSA Account);
- (d) notwithstanding paragraph (c) above, (i) any early termination amount received from the Swap Counterparty in excess of the amount required and applied by the Issuer to purchase one or more replacement Swap Agreements, and (ii) any Replacement Swap Premium received from a replacement Swap Counterparty in excess of the amount required and applied to pay any outgoing Swap Counterparty;
- (e) any Surplus Available Principal Distribution Amount;
- (f) where the Seller repurchases the Final Receivables in accordance with the terms of the Receivables Sale and Purchase Agreement in respect of an exercise by the Seller of the Clean Up Call Option, the Regulatory Call Option or the Tax Call Option, such amount of the Final Repurchase Price received by the Issuer on such Interest Payment Date representing amounts other than the Outstanding Principal Balance of the Final Receivables as at such Interest Payment Date and other than the Final Determined Amount as at such Interest Payment Date;
- (g) any Net Recovery Amounts received in respect of the previous Calculation Period; and
- (h) any Revenue Receipts (other than those Revenue Receipts referred to in paragraph (a) above) that have not been applied on the immediately preceding Interest Payment Date,

but, for the avoidance of doubt, excluding any Issuer Profit Amount retained by the Issuer on any prior Interest Payment Date and any amounts which have been applied as Permitted Withdrawals by the Issuer during the immediately preceding Calculation Period.

Available Principal Distribution Amount:

For each Interest Payment Date the **Available Principal Distribution Amount** will be calculated by the Calculation Agent and communicated to the Cash Manager on or before the immediately preceding Calculation Date and will be an amount equal to the sum of:

- (a) all Principal Receipts received by the Issuer during the immediately preceding Calculation Period;
- (b) the amounts, if any, to be credited to the Principal Deficiency Ledger pursuant to items (9), (11), (13), (15), (17), (19), (21) and (23) of the Interest Priority of Payments on the relevant Interest Payment Date;
- (c) where the Seller repurchases the Final Receivables in accordance with the terms of the Receivables Sale and Purchase Agreement in

respect of an exercise by the Seller of the Clean Up Call Option, the Regulatory Call Option or the Tax Call Option, such amount of the Final Repurchase Price received by the Issuer on such Interest Payment Date representing the Outstanding Principal Balance of the Final Receivables as at such Interest Payment Date including the Final Determined Amount as at such Interest Payment Date;

- (d) an amount equal to any Gross Recovery Amounts minus Net Recovery Amounts in respect of the immediately preceding Calculation Period;
- (e) any Principal Receipts (other than those Principal Receipts referred to in paragraph (a) above) that have not been applied on the immediately preceding Interest Payment Date; and
- (f) any amount standing to the credit of the Reinvestment Principal Account.

General Credit Structure: The credit structure of the transaction includes the following elements:

- application of the Available Principal Distribution Amount to fund Revenue Deficiencies in respect of senior expenses and interest payable in respect of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes (items (1) to (6), (8), (10), (12) and (14) inclusive of the Interest Priority of Payments) and, to the extent the Class E Notes are the Most Senior Class of Notes, item (16) of the Interest Priority of Payments and, to the extent the Class F Notes are the Most Senior Class of Notes, item (18) of the Interest Priority of Payments, and, to the extent the Class G Notes are the Most Senior Class of Notes, item (20) of the Interest Priority of Payments ***provided that*** the Available Principal Distribution Amount cannot be applied to pay Revenue Deficiency in respect of interest on the Class B Notes unless the Class B PDL Condition is satisfied, the Class C Notes unless the Class C PDL Condition is satisfied, the Class D Notes unless the Class D PDL Condition is satisfied, the Class E Notes (to the extent the Class E Notes are the Most Senior Class of Notes) unless the Class E PDL Condition is satisfied, the Class F Notes (to the extent the Class F Notes are the Most Senior Class of Notes) unless the Class F PDL Condition is satisfied or the Class G Notes (to the extent the Class G Notes are the Most Senior Class of Notes) unless the Class G PDL Condition is satisfied;
- availability of the Liquidity Reserve Amount, funded initially by the Subordinated Lender on the Closing Date in an amount equal to 1% of the aggregate of the Principal Amount Outstanding of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes as at the Closing Date which will be replenished up to the Liquidity Reserve Target Amount in accordance with the Interest Priority of Payments on each Interest Payment Date. The Liquidity Reserve Amount will be available to cover any Revenue Deficiency that subsists after the application of the Available Principal Distribution Amount to cure a Revenue Deficiency as described above, from the Closing Date up to the Final Class D Interest Payment Date ***provided that*** the Liquidity Reserve Amount cannot be applied to pay Revenue Deficiency in

respect of interest on the Class B Notes unless the Class B PDL Condition is satisfied, the Class C Notes unless the Class C PDL Condition is satisfied or the Class D Notes unless the Class D PDL Condition is satisfied. On each Interest Payment Date prior to the service of a Note Acceleration Notice, all amounts standing to the credit of the Liquidity Reserve Account in excess of the Liquidity Reserve Target Amount will be applied towards repayment of the Liquidity Reserve Proceeds advanced under the Subordinated Loan. On the Final Class D Interest Payment Date amounts standing to the credit of the Liquidity Reserve Amount shall be applied on such Interest Payment Date to repay the Liquidity Reserve Proceeds advanced under the Subordinated Loan in full;

- availability of the Available Principal Distribution Amount to fund the Initial Purchase Price in respect of the Further Purchased Property purchased on the Further Purchase Date falling on such Interest Payment Date;
- during the Revolving Period, on each Interest Payment Date, the Available Principal Distribution Amount in excess of that applied towards any Revenue Deficiency and the Initial Purchase Price of the Further Purchased Property purchased on such Interest Payment Date will be credited to the Reinvestment Principal Account. On each Interest Payment Date, amounts standing to the credit of the Reinvestment Principal Account will be applied as the Available Principal Distribution Amounts;
- availability of the interest rate swap provided by the Swap Counterparty to hedge against the variance between the fixed rate of interest in respect of the Purchased Receivables and the floating rate of interest in respect of the Rated Notes;
- the subordination of the Class B Notes to the Class A Notes;
- the subordination of the Class C Notes to the Class A Notes and the Class B Notes;
- the subordination of the Class D Notes to the Class A Notes, the Class B Notes and the Class C Notes;
- the subordination of the Class E Notes to the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes;
- the subordination of the Class F Notes to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes;
- the subordination of the Class G Notes to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes;
- the subordination of the Class H Notes to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Class G Notes; and

- payments of principal on the Notes will not be made until the termination of the Revolving Period.

See the section entitled "*Credit Structure, Liquidity and Hedging*" for further information.

Bank Accounts and Cash Management:

All Collections in respect of the Purchased Receivables are received by the Servicer in its Collections Accounts. The Servicer is obliged to transfer Collections in respect of the Purchased Receivables to the Transaction Account within two Business Days. In addition, the Seller has declared a trust over all amounts standing to the credit of the Collections Accounts in favour of the Issuer and itself in accordance with the terms of the Servicing Agreement and the Collections Account Declaration of Trust (as to which see further the section entitled "*Overview of the Transaction Documents – Servicing Agreement*").

PRIORITY OF PAYMENTS

The following table shows how the Available Interest Distribution Amount and the Available Principal Distribution Amount is applied in accordance with the applicable Priority of Payments. For a more detailed description of the Priority of Payments please refer to "Annex B - Priority of Payments Schedule".

Summary of Priority of Payments:

During the Revolving Period (i) the Available Interest Distribution Amount shall be distributed in accordance with the Interest Priority of Payments and (ii) the Available Principal Distribution Amount shall be distributed in accordance with the Principal Priority of Payments. Following service of a Note Acceleration Notice, all amounts due and payable shall be distributed in accordance with the Accelerated Priority of Payments.

For so long as a Sequential Redemption Event has not occurred, payments of principal in respect of the Notes shall be made on a *pro rata* basis on each Interest Payment Date in accordance with the Principal Priority of Payments. After the occurrence of a Sequential Redemption Event during the Normal Redemption Period, payments of principal in respect of the Notes will be made in sequential order at all times in accordance with the Principal Priority of Payments.

After the occurrence of an Event of Default, the payments of principal and interest in respect of the Notes shall be made in accordance with the Accelerated Priority of Payments.

Below is an overview of the Priority of Payments:

Interest Priority of Payments:	Principal Priority of Payments:	Accelerated Priority of Payments:
<ul style="list-style-type: none"> • Senior expenses¹ • Swap Agreement payments other than Subordinated Swap Amounts • Issuer Profit Amount • Liquidity Reserve Account up to the Liquidity Reserve Target Amount • <i>Pro rata and pari-passu</i> the Class A Notes Interest Amount • Class A Principal 	<ul style="list-style-type: none"> • Revenue Deficiency in respect of senior expenses, the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes (items (1) to (6), (8), (10), (12) and (14) of the Interest Priority of Payments) and, to the extent that the Class E Notes, Class F Notes or Class G Notes are the Most Senior Class of Notes, items (16), (18) or (20) of the Interest Priority of 	<ul style="list-style-type: none"> • Senior expenses² • Swap Agreement payments other than Subordinated Swap Amounts • <i>Pro rata and pari-passu</i> the Class A Notes Interest Amount and the Class A Notes Principal Amount until the Class A Notes are redeemed in full • <i>Pro rata and pari-passu</i> the

¹ Such amounts including all amounts ranking senior to the payment of interest on the Class A Notes

² Such amounts including all amounts ranking senior to the payment of interest on the Class A Notes

Deficiency Sub- ledger	Payments, respectively	Class B Notes Interest Amount and the Class B Notes Principal Amount until the Class B Notes are redeemed in full
<ul style="list-style-type: none"> • To the extent the Class B PDL Condition is satisfied, <i>pro rata</i> and <i>pari-passu</i> the Class B Notes Interest Amount 	<ul style="list-style-type: none"> • During the Revolving Period, towards payment of the Initial Purchase Price of the relevant Further Purchased Property purchased on such Interest Payment Date 	<ul style="list-style-type: none"> • <i>Pro rata</i> and <i>pari-passu</i> the Class C Notes Interest Amount and the Class C Notes Principal Amount until the Class C Notes are redeemed in full
<ul style="list-style-type: none"> • Class B Principal Deficiency Sub- ledger 	<ul style="list-style-type: none"> • During the Revolving Period, the Reinvestment Principal Account 	<ul style="list-style-type: none"> • <i>Pro rata</i> and <i>pari-passu</i> the Class D Notes Interest Amount and the Class D Notes Principal Amount until the Class D Notes are redeemed in full
<ul style="list-style-type: none"> • To the extent the Class C PDL Condition is satisfied, <i>pro rata</i> and <i>pari-passu</i> the Class C Notes Interest Amount 	<ul style="list-style-type: none"> • Prior to the occurrence of a Sequential Redemption Event, during the Normal Redemption Period pay, <i>pro rata</i> and <i>pari passu</i>: 	<ul style="list-style-type: none"> • <i>Pro rata</i> and <i>pari-passu</i> the Class E Notes Interest Amount and the Class E Notes Principal Amount until the Class E Notes are redeemed in full
<ul style="list-style-type: none"> • Class C Principal Deficiency Sub- ledger 	<ul style="list-style-type: none"> (i) principal in respect of the Class A Notes in an amount equal to the proportion of the remaining Available Principal Distribution Amount being the proportion which the Class A Notes Principal Amount bears to the Aggregate Notes Principal Amount; 	<ul style="list-style-type: none"> • <i>Pro rata</i> and <i>pari-passu</i> the Class F Notes Interest Amount and the Class F Notes Principal Amount until the Class F Notes are redeemed in full
<ul style="list-style-type: none"> • To the extent the Class D PDL Condition is satisfied, <i>pro rata</i> and <i>pari-passu</i> the Class D Notes Interest Amount 	<ul style="list-style-type: none"> (ii) principal in respect of the Class B Notes in an amount equal to the proportion of the remaining Available 	
<ul style="list-style-type: none"> • Class D Principal Deficiency Sub- ledger 		
<ul style="list-style-type: none"> • To the extent the Class E PDL Condition is satisfied, <i>pro rata</i> and <i>pari-passu</i> the Class E Notes Interest Amount 		
<ul style="list-style-type: none"> • Class E Principal Deficiency Sub- ledger 		
<ul style="list-style-type: none"> • To the extent the Class F PDL Condition is 		

- satisfied, *pro rata* and *pari-passu* the Class F Notes Interest Amount
 - Class F Principal Deficiency Sub-ledger
 - To the extent the Class G PDL Condition is satisfied, *pro rata* and *pari-passu* the Class G Notes Interest Amount
 - Class G Principal Deficiency Sub-ledger
 - To the extent the Class H PDL Condition is satisfied, *pro rata* and *pari-passu* the Class H Notes Interest Amount
 - Class H Principal Deficiency Sub-ledger
 - To the extent not already paid, *pro rata* and *pari-passu* up to the Class B Notes Interest Amount
 - To the extent not already paid, *pro rata* and *pari-passu* up to the Class C Notes Interest Amount
 - To the extent not already paid, *pro rata* and *pari-passu* up to the Class D Notes Interest Amount
- Principal Distribution Amount being the proportion which the Class B Notes Principal Amount bears to the Aggregate Notes Principal Amount;
- (iii) principal in respect of the Class C Notes in an amount equal to the proportion of the remaining Available Principal Distribution Amount being the proportion which the Class C Notes Principal Amount bears to the Aggregate Notes Principal Amount;
- (iv) principal in respect of the Class D Notes in an amount equal to the proportion of the remaining Available Principal Distribution Amount being the proportion which the Class D Notes Principal Amount bears to the Aggregate Notes Principal Amount;
- (v) principal in respect of the Class E Notes in
 - *Pro rata* and *pari-passu* the Class G Notes Interest Amount and the Class G Notes Principal Amount until the Class G Notes are redeemed in full
 - *Pro rata* and *pari-passu* the Class H Notes Interest Amount and the Class G Notes Principal Amount until the Class H Notes are redeemed in full
 - Subordinated Swap Amounts
 - Interest due and payable under the Subordinated Loan
 - Deferred Purchase Price (after deducting any Issuer Profit Amount payable)
 - Issuer Profit Amount

- To the extent not already paid, *pro rata* and *pari-passu* up to the Class E Notes Interest Amount
an amount equal to the proportion of the remaining Available Principal Distribution Amount being the proportion which the Class E Notes Principal Amount bears to the Aggregate Notes Principal Amount;
- To the extent not already paid, *pro rata* and *pari-passu* up to the Class F Notes Interest Amount
(vi) principal in respect of the Class F Notes in an amount equal to the proportion of the remaining Available Principal Distribution Amount being the proportion which the Class F Notes Principal Amount bears to the Aggregate Notes Principal Amount;
- To the extent not already paid, *pro rata* and *pari-passu* up to the Class G Notes Interest Amount
(vii) principal in respect of the Class G Notes in an amount equal to the proportion of the remaining Available Principal Distribution Amount being the proportion which the Class G Notes Principal Amount bears to the Aggregate Notes Principal Amount; and
- To the extent not already paid, *pro rata* and *pari-passu* up to the Class H Notes Interest Amount
- Subordinated Swap Amounts
- Payment of interest on the Subordinated Loan
- Other amounts owed by the Issuer under the Transaction Documents
- Deferred Purchase Price

(viii) principal in respect of the Class H Notes in an amount equal to the proportion of the remaining Available Principal Distribution Amount being the proportion which the Class H Notes Principal Amount bears to the Aggregate Notes Principal Amount;

- On and following the occurrence of a Sequential Redemption Event during the Normal Redemption Period *pro rata* and *pari-passu*, the Class A Notes Principal Amount
- On and following the occurrence of a Sequential Redemption Event during the Normal Redemption Period *pro rata* and *pari-passu*, the Class B Notes Principal Amount
- On and following the occurrence of a Sequential Redemption Event during the Normal Redemption Period *pro rata* and *pari-passu*, the Class C Notes Principal Amount

- On and following the occurrence of a Sequential Redemption Event during the Normal Redemption Period *pro rata* and *pari-passu*, the Class D Notes Principal Amount
- On and following the occurrence of a Sequential Redemption Event during the Normal Redemption Period *pro rata* and *pari-passu*, the Class E Notes Principal Amount
- On and following the occurrence of a Sequential Redemption Event during the Normal Redemption Period *pro rata* and *pari-passu*, the Class F Notes Principal Amount
- On and following the occurrence of a Sequential Redemption Event during the Normal Redemption Period *pro rata* and *pari-passu*, the Class G Notes Principal Amount
- On and following the occurrence of a Sequential Redemption Event during the Normal Redemption Period *pro rata* and *pari-passu*, the Class H

Notes Principal
Amount

- Any Surplus
Available Principal
Distribution
Amount to be
applied as the
Available Interest
Distribution
Amount

**Sequential
Event :**

Redemption

Upon the occurrence of a Sequential Redemption Event, payments of principal in respect of the Notes will be irrevocably made in sequential order at all times and therefore the Class B Notes will not be further redeemed for so long as the Class A Notes have not been redeemed in full, the Class C Notes will not be further redeemed for so long as the Class B Notes have not been redeemed in full, the Class D Notes will not be further redeemed for so long as the Class C Notes have not been redeemed in full, the Class E Notes will not be further redeemed for so long as the Class D Notes have not been redeemed in full, the Class F Notes will not be further redeemed for so long as the Class E Notes have not been redeemed in full, the Class G Notes will not be further redeemed for so long as the Class F Notes have not been redeemed in full and the Class H Notes will not be further redeemed for so long as the Class G Notes have not been redeemed in full.

The occurrence of any of the following events during the Normal Redemption Period will constitute a Sequential Redemption Event:

- (a) the Cumulative Net Loss Ratio exceeds:
 - (i) 0.15 per cent. for any Interest Payment Date between the Closing Date and the Interest Payment Date falling in September 2020 (included);
 - (ii) 0.25 per cent. for any Interest Payment Date falling on or after the Interest Payment Date falling in October 2020, up to (and including) the Interest Payment Date falling in March 2021;
 - (iii) 0.45 per cent. for any Interest Payment Date falling on or after the Interest Payment Date falling in April 2021, up to (and including) the Interest Payment Date falling in September 2021;
 - (iv) 0.65 per cent. for any Interest Payment Date falling on or after the Interest Payment Date falling in October 2021 up to (and including) the Interest Payment Date falling in March 2022;
 - (v) 0.95 per cent. for any Interest Payment Date falling on or after the Interest Payment Date falling in April 2022, up to (and including) the Interest Payment Date falling in September 2022;

- (vi) 1.25 per cent. for any Interest Payment Date falling on or after the Interest Payment Date falling in October 2022, up to (and including) the Interest Payment Date falling in March 2023; or
 - (vii) 1.45 per cent. for any Interest Payment Date falling on or after the Interest Payment Date falling in April 2023, and prior to the Final Legal Maturity Date; or
- (b) on any Interest Payment Date, the debit balance of the Class H Principal Deficiency Sub-ledger (taking into account amounts which have been credited to the Class H Principal Deficiency Sub-ledger on such Interest Payment Date) is greater than 0.50% of the aggregate Outstanding Principal Balance of the Issuer Assets as on the immediately succeeding Interest Payment Date after application of the Available Interest Distribution Amount in accordance with the Interest Priority of Payments; or
- (c) an Issuer Liquidation Event has occurred, but a Clean Up Call Option pursuant to Condition 6.2(a) has not been exercised.

For the full particulars of when a Sequential Redemption Event occurs, see "*Glossary of Terms*".

OVERVIEW

The information set out below is an overview of the principal features of the Securitisation and the issue of the Notes. This overview should be read in conjunction with, and is qualified in its entirety by reference to, the detailed information presented elsewhere in this Prospectus.

The information in this section describes the main features of the Notes, but does not contain all of the information that potential investors should consider in making an investment decision. To understand fully the terms of the Notes, this entire Prospectus should be read, especially the section "Risk Factors."

TRANSACTION OVERVIEW

The Issuer will use the net proceeds from the sale of the Notes to purchase from the Seller the Receivables derived from Loan Contracts which are entered into by retail customers with some directed at small businesses/commercial customers that are resident in England, Scotland or Northern Ireland and which are available for both new and used vehicles. The Issuer will issue the Notes on the Closing Date.

THE PARTIES

Party	Name	Address	Document under which appointed/Further Information
Issuer	E-CARAT 11 plc	1 Bartholomew Lane, London EC2N 2AX, UK	N/A
Holdings	E-CARAT 11 Holdings Limited	1 Bartholomew Lane, London EC2N 2AX, UK	N/A
Seller	Vauxhall Finance plc	Heol-y-Gamlas, Parc Nantgarw, Treforest, Cardiff CF15 7QU, UK	N/A
Servicer	Vauxhall Finance plc	Heol-y-Gamlas, Parc Nantgarw, Treforest, Cardiff CF15 7QU, UK	Servicing Agreement by the Issuer. See the section entitled " <i>Overview of the Transaction Documents – Servicing Agreement</i> " for further information.
Back-Up Servicer Facilitator	Intertrust Management Limited	1 Bartholomew Lane, London EC2N 2AX, UK	Servicing Agreement by the Issuer. See the section entitled " <i>Overview of the Transaction Documents – Servicing Agreement</i> " for further information.
Cash Manager	HSBC Bank plc	8 Canada Square London E14 5HQ	Cash Management Agreement by the Issuer. See the section entitled " <i>Overview of the Transaction Documents –</i> "

for further information.

Calculation Agent	Vauxhall Finance plc	Heol-y-Gamlas, Parc Nantgarw, Treforest, Cardiff CF15 7QU, UK	Calculation Agency Agreement. See the section entitled " <i>Overview of the Transaction Documents – Calculation Agency Agreement</i> " for further information.
Subordinated Lender	Vauxhall Finance plc	Heol-y-Gamlas, Parc Nantgarw, Treforest, Cardiff CF15 7QU, UK	Subordinated Loan Agreement by the Issuer. See the section entitled " <i>Overview of the Transaction Documents – Subordinated Loan Agreement</i> " for further information.
Swap Counterparty	BNP Paribas	16, Boulevard des Italiens, 75009, Paris, France	Swap Agreement by the Issuer. See the section entitled " <i>Overview of the Transaction Documents – Swap Agreement</i> " for further information.
Account Bank	HSBC Bank plc	8 Canada Square London E14 5HQ	Account Bank Agreement by the Issuer. See the section entitled " <i>Overview of the Transaction Documents – Account Bank Agreement</i> " for more information.
Collections Account Bank	Lloyds Bank plc	25 Gresham Street London EC2V 7HN United Kingdom	Collections Account Declaration of Trust. See the section entitled " <i>Overview of the Transaction Documents – Servicing Agreement – Collections Account Declaration of Trust</i> " for more information.
Note Trustee	HSBC Corporate Trustee Company (UK) Limited	Issuer Services, Level 22, 8 Canada Square London E14 5HQ	Trust Deed and Deed of Charge. See the Conditions and the section entitled " <i>Overview of the Transaction Documents – Trust Deed</i> " for further information.
Security Trustee	HSBC Corporate Trustee Company (UK) Limited	Issuer Services, Level 22, 8 Canada Square London E14 5HQ	Deed of Charge. See the section entitled " <i>Overview of the Transaction</i> "

Documents – Trust Deed" for further information.

Principal Paying Agent	HSBC Bank plc		8 Canada Square London E14 5HQ	Agency Agreement by the Issuer. See the section entitled " <i>Overview of the Transaction Documents – Agency Agreement</i> " for more information.
Agent Bank	HSBC Bank plc		8 Canada Square London E14 5HQ	Agency Agreement by the Issuer. See the section entitled " <i>Overview of the Transaction Documents – Agency Agreement</i> " for more information.
Corporate Services Provider	Intertrust Limited	Management	1 Bartholomew Lane, London EC2N 2AX, UK	Corporate Services Agreement by the Issuer and Holdings. See the section entitled " <i>The Issuer</i> " and " <i>Holdings</i> " for further information.
Joint Lead Managers	BNP Paribas, London Branch		10 Harewood Avenue, London, NW1 6AA	Note Subscription Agreement
	Lloyds Bank Markets plc	Corporate	25 Gresham Street, London EC2V 7HN	
Irish Agent	Walkers Limited	Listing Services	5th Floor, The Exchange George's Dock, IFSC Dublin 1, Ireland	

THE NOTES

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

The Issuer will issue the following classes of Notes:

	Class A	Class B	Class C	Class D	Class E	Class F	Class G	Class H
Currency	GBP	GBP	GBP	GBP	GBP	GBP	GBP	GBP
Initial Principal Amount	£361,250,000	£35,000,000	£25,000,000	£20,000,000	£16,250,000	£8,750,000	£8,750,000	£25,000,000
Credit Enhancement and Liquidity Support	Subordination of the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes and the Class H Notes Liquidity Reserve Amount, excess Available Interest Distribution Amount	Subordination of the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes and the Class H Notes Liquidity Reserve Amount, excess Available Interest Distribution Amount	Subordination of the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes and the Class H Notes Liquidity Reserve Amount, excess Available Interest Distribution Amount	Subordination of the Class E Notes, the Class F Notes, the Class G Notes and the Class H Notes Liquidity Reserve Amount, excess Available Interest Distribution Amount	Subordination of the Class F Notes, the Class G Notes and the Class H Notes Liquidity Reserve Amount, excess Available Interest Distribution Amount	Subordination of the Class G Notes and the Class H Notes Liquidity Reserve Amount, excess Available Interest Distribution Amount	Subordination of the Class H Notes Liquidity Reserve Amount, excess Available Interest Distribution Amount	Excess Available Interest Distribution Amount
Issue Price	100%	100%	100%	100%	100%	100%	100%	100%
Interest Rate	Compounded Daily SONIA + 0.58%	Compounded Daily SONIA + 1.20%	Compounded Daily SONIA + 1.55%	Compounded Daily SONIA + 1.85%	Compounded Daily SONIA + 2.80%	Compounded Daily SONIA + 3.80%	Compounded Daily SONIA + 5.00%	Fixed Rate of 9.50%
Interest Accrual Method	Actual/365 (fixed)	Actual/365 (fixed)	Actual/365 (fixed)	Actual/365 (fixed)	Actual/365 (fixed)	Actual/365 (fixed)	Actual/365 (fixed)	Actual/Actual (ICMA)
Interest Determination Date	5 London Business Days before the end of each Interest Period	5 London Business Days before the end of each Interest Period	5 London Business Days before the end of each Interest Period	5 London Business Days before the end of each Interest Period	5 London Business Days before the end of each Interest Period	5 London Business Days before the end of each Interest Period	5 London Business Days before the end of each Interest Period	First day of each Interest Period
Interest Payment Date	18th day of each calendar month	18th day of each calendar month	18th day of each calendar month	18th day of each calendar month	18th day of each calendar month	18th day of each calendar month	18th day of each calendar month	18th day of each calendar month
Business Day	London	London	London	London	London	London	London	London
Business Day	Modified	Modified	Modified	Modified	Modified	Modified	Modified	Modified

Convention	Following	Following	Following	Following	Following	Following	Following	Following
First Interest Payment Date	18 May 2020 (subject to adjustment in accordance with the Business Day Convention)	18 May 2020 (subject to adjustment in accordance with the Business Day Convention)	18 May 2020 (subject to adjustment in accordance with the Business Day Convention)	18 May 2020 (subject to adjustment in accordance with the Business Day Convention)	18 May 2020 (subject to adjustment in accordance with the Business Day Convention)	18 May 2020 (subject to adjustment in accordance with the Business Day Convention)	18 May 2020 (subject to adjustment in accordance with the Business Day Convention)	18 May 2020 (subject to adjustment in accordance with the Business Day Convention)
First Interest Period	From and including the Closing Date to (but excluding) the first Interest Payment Date	From and including the Closing Date to (but excluding) the first Interest Payment Date	From and including the Closing Date to (but excluding) the first Interest Payment Date	From and including the Closing Date to (but excluding) the first Interest Payment Date	From and including the Closing Date to (but excluding) the first Interest Payment Date	From and including the Closing Date to (but excluding) the first Interest Payment Date	From and including the Closing Date to (but excluding) the first Interest Payment Date	From and including the Closing Date to (but excluding) the first Interest Payment Date
Final Legal Maturity Date	Interest Payment Date falling in May 2028	Interest Payment Date falling in May 2028	Interest Payment Date falling in May 2028	Interest Payment Date falling in May 2028	Interest Payment Date falling in May 2028	Interest Payment Date falling in May 2028	Interest Payment Date falling in May 2028	Interest Payment Date falling in May 2028
Redemption Profile after Revolving Period End Date and before the occurrence of a Sequential Redemption Event	Pro rata redemption subject to and in accordance with the applicable Priority of Payments	Pro rata redemption subject to and in accordance with the applicable Priority of Payments	Pro rata redemption subject to and in accordance with the applicable Priority of Payments	Pro rata redemption subject to and in accordance with the applicable Priority of Payments	Pro rata redemption subject to and in accordance with the applicable Priority of Payments	Pro rata redemption subject to and in accordance with the applicable Priority of Payments	Pro rata redemption subject to and in accordance with the applicable Priority of Payments	Pro rata redemption subject to and in accordance with the applicable Priority of Payments
Redemption Profile after the occurrence of a Sequential Redemption Event	Sequential redemption subject to and in accordance with the applicable Priority of Payments	Sequential redemption subject to and in accordance with the applicable Priority of Payments	Sequential redemption subject to and in accordance with the applicable Priority of Payments	Sequential redemption subject to and in accordance with the applicable Priority of Payments	Sequential redemption subject to and in accordance with the applicable Priority of Payments	Sequential redemption subject to and in accordance with the applicable Priority of Payments	Sequential redemption subject to and in accordance with the applicable Priority of Payments	Sequential redemption subject to and in accordance with the applicable Priority of Payments
Redemption Profile following service of a Note Acceleration Notice	Sequential redemption in accordance with the applicable Priority of Payments	Sequential redemption in accordance with the applicable Priority of Payments	Sequential redemption in accordance with the applicable Priority of Payments	Sequential redemption in accordance with the applicable Priority of Payments	Sequential redemption in accordance with the applicable Priority of Payments	Sequential redemption in accordance with the applicable Priority of Payments	Sequential redemption in accordance with the applicable Priority of Payments	Sequential redemption in accordance with the applicable Priority of Payments
Form of the Notes	Bearer Notes	Bearer Notes	Bearer Notes	Bearer Notes	Bearer Notes	Bearer Notes	Bearer Notes	Bearer Notes

Application for Listing	Euronext Dublin	Euronext Dublin	Euronext Dublin	Euronext Dublin	Euronext Dublin	Euronext Dublin	Euronext Dublin	Euronext Dublin
ISIN	XS2106055176	XS2106055416	XS2106055762	XS2106055846	XS2106055929	XS2106056224	XS2107371622	XS2115336096
Common Code	210605517	210605541	210605576	210605584	210605592	210605622	210737162	211533609
Clearance/Settlement	Euroclear / Clearstream	Euroclear / Clearstream	Euroclear / Clearstream	Euroclear / Clearstream	Euroclear / Clearstream	Euroclear / Clearstream	Euroclear / Clearstream	Euroclear / Clearstream
Denomination of the Notes	£100,000 (and £1,000 thereafter)	£100,000 (and £1,000 t hereafter)	£100,000 (and £1,000 thereafter)	£100,000 (and £1,000 thereafter)	£100,000 (and £1,000 thereafter)	£100,000 (and £1,000 thereafter)	£100,000 (and £1,000 thereafter)	£100,000 (and £1,000 thereafter)
Minimum Holding	£100,000	£100,000	£100,000	£100,000	£100,000	£100,000	£100,000	£100,000
Regulation	Reg S	Reg S	Reg S	Reg S	Reg S	Reg S	Reg S	Reg S

CAPITAL STRUCTURE

Ranking of Payments:

Prior to the service of a Note Acceleration Notice, payments of principal and interest will be made in accordance with the Principal Priority of Payments and the Interest Priority of Payments. Payments of principal on the Notes will not be made until the termination of the Revolving Period.

The Class A Notes will rank *pari passu* and *pro rata* without any preference or priority among themselves as to payments of interest and principal in accordance with the Principal Priority of Payments before the service of a Note Acceleration Notice and in accordance with the Accelerated Priority of Payments after the service of a Note Acceleration Notice. The Class A Notes will rank senior to the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes and the Class H Notes as to payments of interest and (following a Sequential Redemption Event) principal as provided in the Conditions.

The Class B Notes will rank *pari passu* and *pro rata* without any preference or priority among themselves as to payments of interest and principal in accordance with the Principal Priority of Payments before the service of a Note Acceleration Notice and in accordance with the Accelerated Priority of Payments after the service of a Note Acceleration Notice. The Class B Notes will rank senior to the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes and the Class H Notes as to payments of interest and (following a Sequential Redemption Event) principal and will rank junior to the Class A Notes as to payments of interest and (following a Sequential Redemption Event) principal as provided in the Conditions.

The Class C Notes will rank *pari passu* and *pro rata* without any preference or priority among themselves as to payments of interest and principal in accordance with the Principal Priority of Payments before the service of a Note Acceleration Notice and in accordance with the Accelerated Priority of Payments after the service of a Note Acceleration Notice. The Class C Notes will rank senior to the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes and the Class H Notes as to payments of interest and (following a Sequential Redemption Event) principal and will rank junior to the Class A Notes and the Class B Notes as to payments of interest and (following a Sequential Redemption Event) principal as provided in the Conditions.

The Class D Notes will rank *pari passu* and *pro rata* without any preference or priority among themselves as to payments of interest and principal in accordance with the Principal Priority of Payments before the service of a Note Acceleration Notice and in accordance with the Accelerated Priority of Payments after the service of a Note Acceleration Notice. The Class D Notes will rank senior to the Class E Notes, the Class F Notes, the Class G Notes and the Class H Notes as to payments of interest and (following a Sequential Redemption Event) principal and will rank junior to the Class A Notes, the Class B Notes and the Class C Notes as to payments of interest and (following a Sequential Redemption Event) principal as provided in the Conditions.

The Class E Notes will rank *pari passu* and *pro rata* without any preference or priority among themselves as to payments of interest and principal in accordance with the Principal Priority of Payments before the service of a Note Acceleration Notice and in accordance with the Accelerated Priority of Payments after the service of a Note Acceleration Notice. The Class E Notes will rank senior to the Class F Notes, the Class G Notes and the Class H Notes as to payments of interest and (following a Sequential Redemption Event) principal and will rank junior to the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes as to payments of interest and (following a Sequential Redemption Event) principal as provided in the Conditions.

The Class F Notes will rank *pari passu* and *pro rata* without any preference or priority among themselves as to payments of interest and principal in accordance with the Principal Priority of Payments before the service of a Note Acceleration Notice and in accordance with the Accelerated Priority of Payments after the service of a Note Acceleration Notice. The Class F Notes will rank senior to the Class G Notes and the Class H Notes as to payments of interest and (following a Sequential Redemption Event) principal and will rank junior to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes as to payments of interest and (following a Sequential Redemption Event) principal as provided in the

Conditions.

The Class G Notes will rank *pari passu* and *pro rata* without any preference or priority among themselves as to payments of interest and principal in accordance with the Principal Priority of Payments before the service of a Note Acceleration Notice and in accordance with the Accelerated Priority of Payments after the service of a Note Acceleration Notice. The Class G Notes will rank senior to the Class H Notes as to payments of interest and (following a Sequential Redemption Event) principal and will rank junior to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes as to payments of interest and (following a Sequential Redemption Event) principal as provided in the Conditions.

The Class H Notes will rank *pari passu* and *pro rata* without any preference or priority among themselves as to payments of interest and principal in accordance with the Principal Priority of Payments before the service of a Note Acceleration Notice and in accordance with the Accelerated Priority of Payments after the service of a Note Acceleration Notice. The Class H Notes will rank junior to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Class G Notes as to payments of interest and (following a Sequential Redemption Event) principal as provided in the Conditions.

After the occurrence of a Sequential Redemption Event

After the occurrence of a Sequential Redemption Event during the Normal Redemption Period, payments of principal in respect of the Notes shall be made in a sequential order at all times in accordance with the Principal Priority of Payments and therefore the Class B Notes will not be further redeemed for so long as the Class A Notes have not been redeemed in full, the Class C Notes will not be further redeemed for so long as the Class B Notes have not been redeemed in full, the Class D Notes will not be further redeemed for so long as the Class C Notes have not been redeemed in full, the Class E Notes will not be further redeemed for so long as the Class D Notes have not been redeemed in full, the Class F Notes will not be further redeemed for so long as the Class E Notes have not been redeemed in full, the Class G Notes will not be further redeemed for so long as the Class F Notes have not been redeemed in full and the Class H Notes will not be further redeemed for so long as the Class G Notes have not been redeemed in full.

Following service of a Note Acceleration Notice

Following service of a Note Acceleration Notice, each Class of Notes shall become due and payable and shall be subject to mandatory redemption in full on each Interest Payment Date falling on or immediately after the date of such Note Acceleration Notice until the earlier of (y) the date on which the Principal Amount Outstanding of each Class of Notes is reduced to zero or (z) the Final Legal Maturity Date.

The Class A Notes shall be redeemed in full on each Interest Payment Date subject to the Accelerated Priority of Payments. Neither payment of principal nor payment of interest on the Class B Notes shall be made until the Principal Amount Outstanding of the Class A Notes has been reduced to zero. Once the Class A Notes have been redeemed in full, the Class B Notes shall be redeemed in full on each Interest Payment Date subject to the Accelerated Priority of Payments. Neither payment of principal nor payment of interest on the Class C Notes shall be made until the Principal Amount Outstanding of the Class B Notes has been reduced to zero. Once the Class B Notes have been redeemed in full, the Class C Notes shall be redeemed in full on each Interest Payment Date subject to the Accelerated Priority of Payments. Neither payment of principal nor payment of interest on the Class D Notes shall be made until the Principal Amount Outstanding of the Class C Notes has been reduced to zero. Once the Class C Notes have been redeemed in full, the Class D Notes shall be redeemed in full on each Interest Payment Date subject to the Accelerated Priority of Payments. Neither payment of principal nor payment of interest on the Class E Notes shall be made until the Principal Amount Outstanding of the Class D Notes has been reduced to zero. Once the Class D Notes have been redeemed in full, the Class E Notes shall be redeemed in full on each Interest Payment Date subject to the Accelerated Priority of Payments. Neither payment of principal nor payment of interest on the Class F Notes shall be made until the Principal Amount Outstanding of the Class E Notes has been reduced to zero. Once the Class E Notes have been redeemed in full, the Class F Notes shall be redeemed in full on each

Interest Payment Date subject to the Accelerated Priority of Payments. Neither payment of principal nor payment of interest on the Class G Notes shall be made until the Principal Amount Outstanding of the Class F Notes has been reduced to zero. Once the Class F Notes have been redeemed in full, the Class G Notes shall be redeemed in full on each Interest Payment Date subject to the Accelerated Priority of Payments. No payment of principal nor payment of interest on the Class H Notes shall be made until the Principal Amount Outstanding of the Class G Notes has been reduced to zero and once the Class G Notes have been redeemed in full, the Class H Notes shall be redeemed in full on each Interest Payment Date subject to the Accelerated Priority of Payments.

Following the service of a Note Acceleration Notice, amounts received or recovered by the Security Trustee (or a receiver appointed on its behalf) will be made in accordance with Accelerated Priority of Payments.

Security: The Notes are secured and will share the Security together with the other Secured Liabilities of the Issuer in accordance with the Deed of Charge and Condition 2.2 (*Relationship between the Notes*). Some of the other Secured Liabilities rank senior to the Issuer's obligations under the Notes in respect of the allocation of proceeds as set out in the relevant Priority of Payments.

Interest payable on the Notes: Please refer to the "*Full Capital Structure of the Notes*" table above and Condition 4 (Interest) for the relevant interest provisions.

Interest Deferral: Interest due and payable on the Class A Notes will not be deferred.

Interest due and payable on the Most Senior Class of Notes (other than any Deferred Interest or Additional Interest arising on or prior to the Interest Payment Date on which such Class of Notes became the Most Senior Class of Notes) will not be deferred. For as long as the Class A Notes are outstanding, interest due and payable on the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes and the Class H Notes may be deferred in accordance with Condition 15.1 (Deferred Interest). If there are no Class A Notes outstanding, and as long as the Class B Notes are outstanding, interest due and payable on the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes and the Class H Notes may be deferred in accordance with Condition 15.1 (Deferred Interest). If there are no Class A Notes and Class B Notes outstanding, and as long as the Class C Notes are outstanding, interest due and payable on the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes and the Class H Notes may be deferred in accordance with Condition 15.1 (Deferred Interest). If there are no Class A Notes, Class B Notes and Class C Notes outstanding, and as long as the Class D Notes are outstanding, interest due and payable on the Class E Notes, the Class F Notes, the Class G Notes and the Class H Notes may be deferred in accordance with Condition 15.1 (Deferred Interest). If there are no Class A Notes, Class B Notes, Class C Notes and Class D Notes outstanding, and as long as the Class E Notes are outstanding, interest due and payable on the Class F Notes, the Class G Notes and the Class H Notes may be deferred in accordance with Condition 15.1 (Deferred Interest). If there are no Class A Notes, Class B Notes, Class C Notes, Class D Notes and Class E Notes outstanding, and as long as the Class F Notes are outstanding, interest due and payable on the Class G Notes and the Class H Notes may be deferred in accordance with Condition 15.1 (Deferred Interest). If there are no Class A Notes, Class B Notes, Class C Notes, Class D Notes, Class E Notes and Class F Notes outstanding, and as long as the Class G Notes are outstanding, interest due and payable on the Class H Notes may be deferred in accordance with Condition 15.1 (Deferred Interest). Deferred interest will also accrue interest in accordance with Condition 15.1 (Deferred Interest) and such additional interest may also be deferred under Condition 15.1 (Deferred Interest).

Gross up: Neither the Issuer nor any other person will be obliged to gross up if there is any withholding or deduction for or on account of tax in respect of any payments under the Notes.

Redemption: The Notes are subject to the following redemption events (in whole or in part):

- mandatory redemption in whole on the Final Legal Maturity Date, as fully set out in Condition 6.1

(Redemption at maturity);

- mandatory redemption in part on any Interest Payment Date commencing on the first Interest Payment Date subject to availability of the Available Principal Distribution Amount (applied in accordance with the Principal Priority of Payments), as fully set out in Condition 6.3 (Mandatory Redemption in part);
- a mandatory redemption in whole exercisable by the Issuer following the exercise of the Clean Up Call by the Seller;
- a mandatory redemption in whole exercisable by the Issuer following the exercise of the Regulatory Call Option by the Seller; and
- mandatory redemption in whole exercisable by the Issuer following the exercise of the Tax Call Option by the Seller.

Any Note redeemed pursuant to the above redemption provisions will be redeemed at an amount equal to the Principal Amount Outstanding of the relevant Note plus any accrued amounts of the relevant Note up to (but excluding) the date of redemption.

- Events of Default:** The Events of Default are fully set out in Condition 9 (Events of Default), and include but are not limited to:
- the Issuer defaults in the payment of any interest on the Most Senior Class of Notes when the same becomes due and payable (subject to deferral of interest in accordance with Condition 15.1 (Deferred Interest)), and such default continues for a period of five Business Days;
 - the Issuer defaults in the payment of principal on the Most Senior Class of Notes when due, and such default continues for a period of five Business Days;
 - the Issuer defaults in the payment of principal on any Note on the Final Legal Maturity Date;
 - any other breach of obligations by the Issuer under the Conditions or any Transaction Document to which it is a party where such breach continues for a period of 30 days following the service of notice on the Issuer (unless such breach is considered by the Note Trustee or the Security Trustee (in the case of the Deed of Charge) to be incapable of remedy); or
 - the occurrence of an Insolvency Event in respect of the Issuer.

- Limited Recourse:** All of the Notes are limited recourse obligations of the Issuer, and, if, after the distribution of all of the Issuer's assets, there are amounts that are not paid in full, any amounts then outstanding are deemed to be discharged in full and any payment rights are deemed to cease.

- Governing Law:** The Notes and the Conditions (and, in each case, any non-contractual obligations arising out of or in connection therewith) will be governed by, and construed in accordance with, the laws of England and Wales. All of the Transaction Documents (and, in each case, any non-contractual obligations arising out of or in connection therewith) are governed by English law or, in the case of certain security and sale provisions, Scots or Northern Irish law.

TRANSACTION STRUCTURE

Sale of Receivables:

On the Closing Date, the Seller will sell (subject, as regards to the Scottish Receivables, to an initial Scottish Declaration of Trust) its interest in the Initial Purchased Property to the Issuer.

On each Further Purchase Date during the Revolving Period, the Seller may (but is not obliged to) sell (subject, in each case, as regards to the Scottish Receivables, to a further Scottish Declaration of Trust) Further Purchased Property to the Issuer. The Further Purchased Property will be specified in a Notice of Sale furnished to the Issuer and will be paid for by the Issuer with amounts allocated for that purpose under the Principal Priority of Payments.

During the Revolving Period, the Seller may (but is not obliged to) substitute Non-Compliant Receivables with Substitute Receivables in accordance with the terms and subject to the conditions set out in the Receivables Sale and Purchase Agreement.

The Issuer Assets will consist of each payment due from a Borrower under a Related Loan Contract at any time after the Closing Date (or in respect of the Further Purchased Property, the relevant Further Purchase Date) together with the Ancillary Rights relating to such Purchased Receivable (including any Substitute Receivables).

The Loan Contracts are mainly directed at retail customers that are situated in England and Wales, Northern Ireland or Scotland and each Loan Contract is governed by English, Northern Irish or Scots law.

Approximately 70.1% of the Provisional Portfolio is comprised of PCP Agreements, under which Borrowers pay a fixed interest rate and have the option, at the maturity of the relevant PCP Agreement, to (a) make a final balloon payment to acquire the legal title of the Financed Vehicle or (b) exercise their contractual right to return the Financed Vehicle financed under such Loan Contract in lieu of making such final balloon payment (subject to compliance with certain conditions).

If the Borrower returns the Financed Vehicle to Vauxhall Finance plc, the Seller is under an obligation pursuant to the Receivables Sale and Purchase Agreement to sell the Financed Vehicle and remit the proceeds of such sale to the Issuer.

The assignment by the Seller of the Purchased Receivables that are either English Receivables or Northern Irish Receivables will take effect in equity because no notice of the assignment will be given to Borrowers unless a Perfection Event shall have occurred.

The sale of the Scottish Receivables will be given effect by each Scottish Declaration of Trust (in relation to the Scottish Receivables, references in this Prospectus to the assignment or sale of such receivables are to be read as references to the transfer of the beneficial interest therein by the making of such Scottish Declarations of Trust, and the terms "**sale**", "**assigned**" and "**assign**" shall in that context be construed accordingly). No notice of the sale of the Scottish Receivables will be given to Borrower unless a Perfection Event shall have occurred.

Revolving Period

The Revolving Period commences on (and includes) the Closing Date and ends on (but excludes) the earlier of (i) the Interest Payment Date falling in April 2021 (the **Revolving Period End Date**); and (ii) the date on which a Revolving Period Termination Event occurs. Following the termination of the Revolving Period, no Receivables may be sold to the Issuer. The Seller is not permitted to sell new Receivables to the Issuer at any time after it ceases to have available sufficient receivables that are capable of meeting the predetermined credit quality requirements set out in the Receivables Sale and Purchase Agreement and complying in

all material respects with the Eligibility Criteria.

Revolving Period Termination Event:

The occurrence of any of the following events will constitute a Revolving Period Termination Event:

- (a) the Cumulative Net Loss Ratio is greater than zero, and on the relevant Interest Payment Date, exceeds:
 - (i) 0.15 per cent. between the Closing Date and the Interest Payment Date falling in September 2020 (included); or
 - (ii) 0.25 per cent. between the Interest Payment Date falling in October 2020 (included) and the Interest Payment Date falling in March 2021 (included);
- (b) an Event of Default;
- (c) an Insolvency Event with respect to the Seller has occurred or is continuing;
- (d) a Servicer Default has occurred or is continuing;
- (e) a Negative Carry Event;
- (f) an Event of Default or a Termination Event under the Swap Agreement (each as defined therein);
- (g) a Liquidity Reserve Shortfall; or
- (h) on the immediately preceding Interest Payment Date, the debit balance of the Class H Principal Deficiency Sub-ledger (taking into account amounts which have been credited to the Class H Principal Deficiency Sub-ledger on such Interest Payment Date) is greater than 0.50% of the aggregate Outstanding Principal Balance of the Issuer Assets as on the immediately succeeding Interest Payment Date after application of the Available Interest Distribution Amount in accordance with the Interest Priority of Payments.

For the full particulars of when a Revolving Period Termination Event occurs, see "*Glossary of Terms*".

Key Features of Loan Contracts:

The following is a summary of certain features of the Loan Contracts in the provisional portfolio as at the Cut-off Date (the **Provisional Portfolio**) and investors should refer to, and carefully consider, further details in respect of the Loan Contracts set out in "*The Provisional Portfolio*".

The actual pool of Purchased Receivables: (i) sold to the Issuer on the Closing Date (which will be randomly selected from the Provisional Portfolio which the Seller determines comply with the Eligibility Criteria on the Closing Date); or (ii) sold to the Issuer on a Further Purchase Date (which will be randomly selected from the Seller's portfolio of Receivables which the Seller determines comply with the Eligibility Criteria, adjusted (if necessary) by randomly excluding Receivables which would otherwise cause a breach of any Concentration Limit); or (iii) with respect to any Non-Compliant Receivables, substituted with Substitute Receivables in accordance with the terms and subject to the conditions set out in the Receivables Sale and Purchase Agreement, will vary from those included in the Provisional Portfolio, but the Seller will represent to the Issuer and the Note Trustee on the Closing Date (or in respect of the Further Purchased Property, the relevant Further Purchase Date, or in respect of the Substitute

Receivables, the relevant Substitution Date) that each Purchased Receivable and each Related Loan Contract complies with the Eligibility Criteria.

Number of Loan Contracts	50,006
Number of Conditional Sale Agreements	21,116
Total Outstanding Principal Balance (Conditional Sale Agreements)	£149,385,345
Number of PCP Agreements	28,890
Total Outstanding Principal Balance (PCP Agreements)	£350,614,655
Total PCP Residual Value	£158,837,633
Total Outstanding Principal Balance	£500,000,001
Average current Outstanding Principal Balance	£9,999
Weighted average of the annual percentage rate of the total charge for credit (the Annual Percentage Rate)	6.22%
Weighted average scheduled remaining term	41.40
Weighted average seasoning	9.25

See the section entitled "*The Provisional Portfolio*" for further information.

Consideration:

The Purchase Price payable to the Seller in respect of the sale of each Receivable shall comprise: (i) the Initial Purchase Price; and (ii) the Deferred Purchase Price.

The **Initial Purchase Price** means the amount, determined as at the Closing Date (or in respect of the Further Purchased Property, the relevant Further Purchase Date) as being an amount equal to the Outstanding Principal Balance due from Borrowers under the Related Loan Contract (which for the avoidance of doubt shall include any option fees and fees payable) during the period beginning on (but excluding) the Closing Date (or in respect of the Further Purchased Property, the relevant Further Purchase Date) and ending on (and including) the maturity date of such Related Loan Contract plus, to the extent not included in the Outstanding Principal Balance, any capitalised interest and arrears. The Initial Purchase Price is payable by the Issuer on the Closing Date (or in respect of the Further Purchased Property, the relevant Further Purchase Date) in accordance with the terms of the Receivables Sale and Purchase Agreement.

The Issuer shall also pay the Seller the **Deferred Purchase Price** subject to and in accordance with the Priority of Payments.

The Cut-off Date was 29 February 2020.

See the section entitled "*The Provisional Portfolio*" for further information.

Representations and warranties:

The Seller will make certain representations and warranties regarding the Initial Purchased Property and the Related Loan Contracts to the Issuer on the Closing Date (and in respect of the Further Purchased Property, on the relevant Further Purchase Date and in respect of the Substitute Receivables, on the relevant Substitution Date) with reference to the circumstances

as at the Cut-off Date (or in respect of the Further Purchased Property, the relevant Further Purchase Cut-off Date or in respect of the Substitute Receivables, the relevant Substitution Cut-off Date) and, where applicable, on further dates as more fully set out in the Receivables Sale and Purchase Agreement.

Examples of the representations and warranties given by the Seller include the following: (i) each Purchased Receivable and each Related Loan Contract complies with the eligibility criteria set out in the Receivables Sale and Purchase Agreement (the **Eligibility Criteria**); (ii) as at the Closing Date (or in respect of the Further Purchased Property, the relevant Further Purchase Date or in respect of the Substitute Receivables, the relevant Substitution Date), each Related Loan Contract is legal, valid, binding and enforceable (subject to certain laws from time to time in effect relating to bankruptcy, insolvency, reorganisation, liquidation or any other similar laws or other procedures affecting generally the enforcement of creditors' rights) and is in all material respects enforceable in accordance with its terms; (iii) immediately prior to the Closing Date (or in respect of the Further Purchased Property, the relevant Further Purchase Date or in respect of the Substitute Receivables, the relevant Substitution Date) the Seller is (subject to any prior Encumbrance which has been subsequently discharged) the sole legal and beneficial owner of each Purchased Receivable; and (iv) as at the Closing Date (or in respect of the Further Purchased Property, the relevant Further Purchase Date or in respect of the Substitute Receivables, the relevant Substitution Date) so far as the Seller is aware, there has been no unremedied material default under any Related Loan Contract.

See the section entitled "*Overview of the Transaction Documents – Receivables Sale and Purchase Agreement – Representations and warranties given by the Seller*" for further information.

Repurchase/Substitution of Non-Compliant Receivables:

To the extent that a representation or warranty given by the Seller in respect of a Purchased Receivable including a Substitute Receivable proves to have been incorrect on the date on which such representation and warranty was made, including where a Non-Permitted Variation or PCP Refinancing Variation has been made in respect of the relevant Receivable (each such affected Receivable being a **Non-Compliant Receivable**) that materially and adversely affects the interest of the Issuer in any such Receivable, not later than the end of the Calculation Period immediately following the Calculation Period in which such breach was discovered, the Seller shall remedy such breach, at its option, by:

- (i) to the extent possible, and as soon as practicable taking any appropriate steps to remedy such breach of the Receivables Warranties and ensure that the Related Loan Contract complies with the Eligibility Criteria and/or that the relevant Purchased Receivable complies with the Eligibility Criteria;
- (ii) indemnifying the Issuer provided that upon such indemnification the Seller has undertaken to pay to the Issuer an amount equal to the Non-Compliant Receivable Repurchase Price, the Receivables Indemnity Amount, or the CCA Compensation Amount, as applicable;
- (iii) during the Revolving Period only, repurchasing the relevant Non-Compliant Receivables (which shall include in the case of any Non-Compliant Receivable which is a Scottish Receivable, the release of such Scottish Receivable from the relevant Scottish Declaration of Trust) where the consideration for such purchase shall comprise one or more Eligible Receivables randomly selected from the Seller's portfolio of Receivables and assigned to the Issuer which the Seller determines comply with the Receivables Warranties and the Eligibility Criteria (subject, as regards any Eligible Receivable which is a Scottish Receivable, to a further Scottish Declaration of Trust) (the **Substitute Receivable(s)**), provided that, if the

Outstanding Principal Balance of the Substitute Receivable(s) is less than Outstanding Principal Balance of the Non-Compliant Receivable, the Seller shall pay to the Issuer an amount equal to the difference between: (1) the aggregate of (x) the Outstanding Principal Balance of the Non-Compliant Receivable and (y) any accrued interest outstanding and any other amounts outstanding of principal, interest, expenses and accessories relating to such Non-Compliant Receivable at the Substitution Date; and (2) the Outstanding Principal Balance of the Substitute Receivable(s) (such amount, the **Substitute Receivables Compensation Amount**).

The Seller will be required to remedy such breach in the relevant Purchased Receivable not later than the end of the Calculation Period immediately following the Calculation Period in which such breach was discovered.

If the relevant breach cannot be remedied, or if capable of being remedied pursuant to paragraphs (i), (ii) or (iii) above has not been remedied, the Seller will be required to repurchase such Purchased Receivable for an amount equal to its Outstanding Principal Balance as at the Closing Date (or in respect of the Further Purchased Property, the relevant Further Purchase Date or, in respect of any Substitute Receivable, the relevant Substitution Date), less any amounts received by the Issuer in respect of any Principal Element in respect of such Purchased Receivable plus any accrued income in respect thereof immediately prior to the PCP Refinancing Variation being made (in respect of a Purchased Receivable that has been modified pursuant to a PCP Refinancing Variation) or as at the date of the repurchase (in respect of any other Non-Compliant Receivable) (the **Non-Compliant Receivable Repurchase Price**).

In the case of a Purchased Receivable which never existed, or has ceased to exist, such that it is not outstanding as at the date of the repurchase, the Seller shall not be obliged to repurchase but shall instead indemnify the Issuer in an amount equal to (a) the Outstanding Principal Balance of such Purchased Receivable had the Purchased Receivable existed and complied with each of the Receivables Warranties as at the Closing Date (or in respect of the Further Purchased Property, the relevant Further Purchase Date or, in respect of any Substitute Receivable, the relevant Substitution Date) and (b) any deemed interest accrued on the relevant Purchased Receivable at a rate equal to the weighted average interest rate of the Issuer Assets as determined by the Servicer at the end of the immediately preceding Calculation Period less any amounts received by the Issuer in respect of any Principal Element with respect to such Purchased Receivable (the **Receivables Indemnity Amount**).

In respect of the repurchase of a Non-Compliant Receivable, in determining whether or not there is a breach of the relevant representation or warranty leading to a repurchase, if to disapply the words "so far as the Seller is aware" would result in the breach of the relevant representation or warranty then the wording "so far as the Seller is aware" will in fact be disappplied and such Purchased Receivable to which the relevant representation or warranty applies shall be deemed a Non-Compliant Receivable.

The Seller's Receivables Warranties and the remedies set out in the Receivables Sale and Purchase Agreement are the sole remedies available to the Issuer in the event of breach of the Receivables Warranties. To the extent that any loss arises as a result of a matter which is not covered by those representations and warranties, the loss will remain with the Issuer. Furthermore, the representations and warranties made and given by the Seller do not entitle the Noteholders to enforce any right vis-à-vis the Seller.

The Seller may, but will not be required to, repurchase any Receivables sold to the Issuer which is not compliant with Article 19, 20, 21 or 22 of the Securitisation Regulation or Article 243 of the Capital Requirements Regulation (or, if different, the equivalent provisions in any such

enacted versions of such regulations) (a **Non-Compliant Securitisation Regulation Receivable**) for an amount equal to the Non-Compliant Receivable Repurchase Price.

Servicing by the Servicer

The Issuer has appointed Vauxhall Finance plc as Servicer for the purposes of servicing the Purchased Receivables. In particular, pursuant to the Servicing Agreement, the Servicer has undertaken to service the Issuer Assets and to perform its duties under the terms and conditions set out in the Servicing Agreement in accordance with all applicable laws and regulations, the Credit and Collection Procedures and pursuant to specific instructions that, on certain conditions, may be given to it by the Issuer or, as applicable, the Security Trustee from time to time. See the section entitled "*Overview of the Transaction Documents – Servicing Agreement*" for further information.

Delegation by the Servicer:

The Servicer may, at its own cost and expense, delegate some of its servicing function to a third party provided that the Servicer remains responsible for the performance of any of its servicing function so delegated. See the section entitled "*Overview of the Transaction Documents – Servicing Agreement*" for further information.

RISK FACTORS

The following is a summary of certain factors which prospective investors should consider before deciding to purchase the Notes. The following statements are not exhaustive; prospective investors are requested to consider all the information in this Prospectus, make such other enquiries and investigations as they consider appropriate and reach their own views prior to making any investment decisions.

1. RISK FACTORS RELATING TO THE AVAILABILITY OF FUNDS TO PAY THE NOTES

1.1 *Limited Recourse Obligations of the Issuer*

All payment obligations of the Issuer under the Notes constitute limited recourse obligations to pay. Therefore, the Noteholders will have a claim under the Notes against the Issuer only and only to the extent of the security granted pursuant to the Deed of Charge and each Scottish Supplemental Charge which includes, *inter alia*, amounts received by the Issuer under the Purchased Receivables and under the other Transaction Documents. The Charged Property may not be sufficient to pay amounts due under the Notes, which may result in a shortfall in amounts available to pay interest and principal on the Notes.

The Notes shall not give rise to any payment obligation in addition to the foregoing. The enforcement of the payment obligations under the Notes shall only be effected by the Security Trustee in accordance with the Deed of Charge and each Scottish Supplemental Charge. Upon enforcement of the Security by the Security Trustee, if:

- (a) there is no Charged Property remaining which is capable of being realised or otherwise converted into cash;
- (b) all amounts available from the Charged Property have been applied to meet or provide for the relevant obligations specified in, and in accordance with, the provisions of the Deed of Charge and each Scottish Supplemental Charge; and
- (c) there are insufficient amounts available from the Charged Property to pay in full, in accordance with the provisions of the Deed of Charge and each Scottish Supplemental Charge, amounts outstanding under the Notes (including payments of principal and interest),

then the Secured Creditors (which include the Noteholders) shall have no further claim against the Issuer in respect of any amounts owing to them which remain unpaid (including, for the avoidance of doubt, payments of principal and interest in respect of the Notes) and such unpaid amounts shall be deemed to be discharged in full and any relevant payment rights shall be deemed to cease.

Each Secured Creditor agrees that if any amount is received by it (including by way of set-off) in respect of any secured obligation owed to it other than in accordance with the provisions of the Deed of Charge and each Scottish Supplemental Charge, then an amount equal to the difference between the amount so received by it and the amount that it would have received had it been paid in accordance with the provisions of the Deed of Charge and each Scottish Supplemental Charge shall be received and held by it as trustee for the Note Trustee and shall be paid over to the Note Trustee immediately upon receipt so that such amount can be applied in accordance with the provisions of the Deed of Charge and each Scottish Supplemental Charge.

1.2 *Obligation of the Issuer only*

The Notes will be contractual obligations solely of the Issuer. The Notes will not be obligations or responsibilities of, or guaranteed by, the Note Trustee, the Security Trustee, the Share Trustee, the

Agents, the Irish Listing Agent, the Account Bank, the Cash Manager, the Calculation Agent, the Corporate Services Provider, the Servicer, the Back-Up Servicer Facilitator, the Seller, the Subordinated Lender, Holdings, the Swap Counterparty, the Arranger, the Joint Lead Managers or any other parties to the Transaction Documents.

1.3 *The Issuer's ability to meet its obligations under the Notes*

The Issuer is a special purpose company with no business operations other than the issue of the Notes, the acquisition of its interest in the Purchased Receivables, the entry into the Swap Agreement, the borrowing of money under the Subordinated Loan Agreement and certain ancillary arrangements. The ability of the Issuer to meet its obligations under the Notes and its operating, administrative and other expenses will be dependent on the following:

- (a) the receipt by it of funds principally from the Purchased Receivables, which in turn will be dependent upon:
 - (i) the receipt by the Servicer or its agents of Collections from Borrowers in respect of the Purchased Receivables and the payment of those amounts by the Servicer in accordance with the Servicing Agreement and the Receivables Sale and Purchase Agreement; and
 - (ii) the receipt by the Issuer of amounts due to be paid by the Seller as a result of any repurchase or substitution of Non-Compliant Receivables by the Seller or payment of the CCA Compensation Amount, the Substitute Receivables Compensation Amount or the Receivables Indemnity Amount;
- (b) the receipt by the Issuer of any net payments which the Swap Counterparty is required to make under the Swap Agreement;
- (c) receipt by the Issuer on the Closing Date of amounts under the Subordinated Loan Agreement;
- (d) interest income earned on cash balances held by the Issuer (if any);
- (e) receipt by the Issuer of payments (if any) under the other Transaction Documents in accordance with the terms thereof; and
- (f) following service of a Note Acceleration Notice, the proceeds of enforcement of the Charged Property (other than any Excess Swap Collateral).

Other than those amounts, the Issuer will not have any other material funds available to it to meet its obligations in respect of the Notes and its obligations ranking in priority to or *pari passu* with the Notes.

As the Purchased Receivables are the primary component of the Charged Property, and the ability of the Issuer to make payments on the Notes is based on the performance of the Issuer Assets, the Issuer is ultimately subject to the risk that the amount of Defaulted Amounts in the Issuer Assets rises above certain levels, resulting in the Servicer being unable to realise, collect or recover sufficient funds and ultimately resulting in the Issuer being unable to discharge its obligations in respect of payments of interest and of principal on the Notes. In addition, in respect of Voluntarily Terminated Receivables, PCP Handback Receivables and Defaulted Amounts, the Seller is required to account for Recoveries (including Financed Vehicle Sales Proceeds and the proceeds of any Bad Debt Sales) to the Issuer. Such Recoveries may not be sufficient to cover the difference between the Initial Purchase Price paid by the Issuer for the related Receivable and any amounts received by the

Issuer in respect of any Principal Elements in respect of the related Receivable, ultimately resulting in the Issuer being unable to discharge its obligations in respect of payments of interest and of principal on the Notes.

These risks are addressed in relation to each Class of Notes (in the order of priority applicable to it) in part by the credit support provided by the subordination of the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes and the Class H Notes, together with the availability of the Liquidity Reserve Amount to, among other things, pay interest on the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes. There can be, however, no assurance that the levels of credit support provided will be adequate to ensure timely and full payment of all amounts due under each Class of Notes.

The Issuer's ability to make full and timely payments of interest and principal on the Notes will be dependent on the Servicer performing its obligations under the Servicing Agreement to collect amounts due and payable by Borrowers into the Collections Accounts and transfer amounts so collected to the Transaction Account, and on payments actually being made by Borrowers or guarantors thereof (in respect of whom no security has been or will be taken to secure such payment obligations), and receipt of amounts otherwise realised or recovered from or in respect of the Purchased Receivables and the Ancillary Rights relating thereto.

The various risks existing in respect of payments of interest and principal due on the Notes are, to some extent, mitigated by the availability of support provided by the credit structure. The Liquidity Reserve Amount will be funded on the Closing Date by the Liquidity Reserve Proceeds advanced under the Subordinated Loan and thereafter the Liquidity Reserve Account will be funded up to the Liquidity Reserve Target Amount from the Available Interest Distribution Amount in accordance with the Interest Priority of Payments on each Interest Payment Date. To the extent that a Revenue Deficiency subsists in respect of the Class A Notes, Class B Notes, Class C Notes and Class D Notes after the application of the Available Principal Distribution Amount, the Liquidity Reserve Amount will cover, *inter alia*, the risk of delayed payment or non-payment in respect of the Purchased Receivables and, from the Closing Date to the Final Class D Interest Payment Date, will be used towards paying items (1) to (6), (8), (10), (12) and (14) of the Interest Priority of Payments. On each Interest Payment Date prior to the service of a Note Acceleration Notice, all amounts standing to the credit of the Liquidity Reserve Account in excess of the Liquidity Reserve Target Amount will be applied towards repayment of the Liquidity Reserve Proceeds advanced under the Subordinated Loan. On the Final Class D Interest Payment Date amounts standing to the credit of the Liquidity Reserve Account shall be applied on such Interest Payment Date to repay the Liquidity Reserve Proceeds advanced under the Subordinated Loan in full. If, however, the levels of delayed payment or non-payment in respect of Purchased Receivables exceed those assumed for the purposes of determining the credit structure and the sizing of the different components thereof, the Issuer may have insufficient funds to pay in full principal and interest in respect of the Notes and other amounts ranking in priority to or *pari passu* with principal and interest which are due on any Interest Payment Date.

Upon enforcement of the security for the Notes and the other Secured Liabilities, the Security Trustee will (subject to it being instructed and indemnified, and/or pre-funded, and/or secured to its satisfaction by the Noteholders in accordance with the Deed of Charge and each Scottish Supplemental Charge) have recourse to the Charged Property (including the Purchased Receivables and all other assets of the Issuer then in existence including the rights of the Issuer against the Swap Counterparty under the Swap Agreement and the amount standing to the credit of the Issuer Accounts but excluding, for the avoidance of doubt, any Excess Swap Collateral). The Issuer and the Security Trustee will have no recourse against Vauxhall Finance plc other than, among other things, its indirect right (a) as provided in the Receivables Sale and Purchase Agreement for breach of warranty and for breach of other obligations by Vauxhall Finance plc as Seller, (b) in relation to the Servicing Agreement for breach of Vauxhall Finance plc's obligations as Servicer thereunder and (c)

in relation to the Calculation Agency Agreement for breach of Vauxhall Finance plc's obligations as Calculation Agent thereunder.

In addition, neither the Issuer nor the Security Trustee will have any general right of recourse to Vauxhall Finance plc. The Deed of Charge and each Scottish Supplemental Charge provide that, upon enforcement, certain payments (including all amounts payable to any receiver appointed under the Deed of Charge and each Scottish Supplemental Charge, the Note Trustee and the Security Trustee), including costs of enforcement, notwithstanding the fact that the Security Trustee has been directed to enforce the security by the Noteholders and the fees and expenses payable to a substitute administrator, subject to a limit, and payments due to the Swap Counterparty under the Swap Agreement, will be made in priority to payments in respect of interest on the Rated Notes and all such payments will rank ahead of, among other things, all amounts then owing to the Class G Noteholders.

2. RISK FACTORS RELATING TO THE SECURITISED RECEIVABLES

2.1 *Unsecured rights against Vauxhall Finance plc*

The Issuer's claims against Vauxhall Finance plc arising as a result of the disposal of the related Financed Vehicles are unsecured contractual claims against Vauxhall Finance plc. The Issuer is therefore dependent upon Vauxhall Finance plc actually recovering such proceeds from the sale of any Financed Vehicles and remitting to the Issuer any proceeds of such realisation. To the extent Vauxhall Finance plc does not adequately carry out its recovery procedures as against a Borrower or with respect to any Financed Vehicles or otherwise account for any proceeds of such action to the Issuer, the Issuer's ability to make payments on the Notes may be adversely affected.

2.2 *Risk of late payment of monthly instalments*

Whilst each Loan Contract has due dates for scheduled payments thereunder, there is no assurance that the Borrowers under those Loan Contracts will pay in time, or at all. Any such failure by the Borrowers to make payments under the Loan Contracts would have an adverse effect on the Issuer's ability to make payments under the Notes. The risk of late payment by Borrowers in respect of any Income Element is in part mitigated by the Liquidity Reserve Amount and the use of the Available Principal Distribution Amount to be applied in respect of Revenue Deficiencies. However, Noteholders should be aware that the Liquidity Reserve Amount can only be used to mitigate the risk of late payment with respect to the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes and not in respect of the Class E Notes, the Class F Notes, the Class G Notes or the Class H Notes. The Available Principal Distribution Amount can only be used to mitigate the risk of late payment with respect to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and, to the extent they are the Most Senior Class of Notes, the Class E Notes, the Class F Notes and the Class G Notes, and not in respect of the Class H Notes. Whilst the Issuer may: (i) use the Liquidity Reserve Amount in respect of a Revenue Deficiency relating to the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes; and (ii) apply the Available Principal Distribution Amount in respect of a Revenue Deficiency relating to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and, to the extent they are the Most Senior Class of Notes, the Class E Notes, the Class F Notes and the Class G Notes, no assurance can be given that the Issuer will have sufficient funds to make payments in full in respect of the Notes. In addition, the Available Principal Distribution Amount may not be applied to pay an interest shortfall with respect to the Class H Notes and may not be used to cover a Revenue Deficiency with respect to payment of interest on the Class B Notes unless the Class B PDL Condition is satisfied, the Class C Notes unless the Class C PDL Condition is satisfied, the Class D Notes unless the Class D PDL Condition is satisfied, the Class E Notes (to the extent the Class E Notes are the Most Senior Class of Notes) unless the Class E PDL Condition is satisfied, the Class F Notes (to the extent the Class F Notes are the Most Senior Class of Notes) unless the Class F PDL Condition is satisfied or the Class G Notes

(to the extent the Class G Notes are the Most Senior Class of Notes) unless the Class G PDL Condition is satisfied.

2.3 *Voluntarily Terminated Receivables, PCP Agreements and Repayment of the Notes*

In the event that a Borrower has paid at least 50% of the total amount payable for the Financed Vehicle under the relevant Loan Contract, the Borrower may, pursuant to sections 99 and 100 of the Consumer Credit Act 1974 (the CCA), terminate the relevant Loan Contract without making further monthly payments for the relevant Financed Vehicle. In order to terminate the relevant Loan Contract, the Borrower is required to notify Vauxhall Finance plc in writing and upon notification, Vauxhall Finance plc will arrange recovery of the Financed Vehicle. Following such notification and recovery of the Financed Vehicle by Vauxhall Finance plc, the Seller is under an obligation pursuant to the Receivables Sale and Purchase Agreement to sell the Financed Vehicle and to remit the proceeds of such sale to the Issuer. This right to make voluntary termination of the relevant Loan Contract applies only where the relevant Loan Contract is regulated by the CCA. Any exercise by a Borrower of its right to terminate the relevant Loan Contract may result in the Notes being redeemed earlier than anticipated.

Where a Borrower exercises its right to voluntarily terminate the relevant Loan Contract, if the proceeds remitted to the Issuer from the sale of the relevant Financed Vehicle (following its recovery by Vauxhall Finance plc) are not sufficient to cover the purchase price paid by the Issuer for the related Purchased Receivable less any amounts received in respect of any Principal Element from the relevant Borrower prior to the date of termination by the Borrower, then this would result in the Issuer receiving less in respect of the related Purchased Receivable than it would have expected.

In respect of any Loan Contracts that are PCP Agreements, the Borrower has the option to (a) make a final balloon payment to acquire the legal title of the Financed Vehicle or (b) exercise its contractual right to return the Financed Vehicle financed under such Loan Contract in lieu of making such final balloon payment (subject always to compliance with certain conditions including the condition and mileage of the Financed Vehicle and any compensatory payments regarding the same). Following recovery of the Financed Vehicle by Vauxhall Finance plc, the Seller is under an obligation pursuant to the Receivables Sale and Purchase Agreement to sell the Financed Vehicle and to remit the proceeds of such sale to the Issuer.

A decision of the Borrower whether to make a final balloon payment or return the Financed Vehicle in lieu of such balloon payment may be dependent in part on the size of the final balloon payment and the price that the Financed Vehicle is likely to obtain when sold. If the final balloon payment is greater than the market value of the Financed Vehicle, the Borrower may be more likely to return the Financed Vehicle as it discharges any further obligations the Borrower may have under the Loan Contract (subject always to compliance with obligations to take reasonable care of the Financed Vehicle and any compensatory payments regarding the same). If the proceeds remitted to the Issuer from the sale of Financed Vehicle returned by a Borrower in lieu of a final balloon payment (following its recovery by Vauxhall Finance plc) are not sufficient to cover the purchase price paid by the Issuer for the related Purchased Receivable less any amounts received in respect of any Principal Element from the relevant Borrower prior to the date of termination by the Borrower, then this would result in the Issuer receiving less in respect of the related Purchased Receivable than it would have expected, which could impact on the ability of the Issuer to make payments on the Note. For further information on the calculation of residual value exposure and the risks associated with this calculation, please see the section entitled "*The Seller, the Servicer and the Receivables – Retail Auto Receivables – Residual value risk (PCP agreements)*".

These factors could have an adverse effect on the Issuer's ability to make payments on the Notes and on the yield to maturity of the Notes.

2.4 *Considerations relating to the Revolving Period*

On each Interest Payment Date falling in the Revolving Period, the Available Principal Distribution Amount that would otherwise be used to repay principal on the Notes may be used to purchase Further Purchased Property from the Seller, with any remainder being credited to the Reinvestment Principal Account. Therefore, no principal payments will be made on the Notes until the termination of the Revolving Period. The Seller may also substitute Non-Compliant Receivables with Substitute Receivables until the termination of the Revolving Period.

Following the occurrence of a Revolving Period Termination Event, the Revolving Period will terminate and no Further Purchased Property may be sold and no further Substitute Receivables may be transferred by the Seller to the Issuer after the date of the event. See the section entitled "*Transaction Overview– The Issuer Assets*" for further details.

The Purchased Receivables comprising the Initial Purchased Property, Further Purchased Property and Substitute Receivables may also be prepaid, default or substituted during the Revolving Period, and therefore the characteristics of the Issuer Assets may change after the Closing Date, and could be substantially different at the end of the Revolving Period from the characteristics of the pool of Purchased Receivables comprising the Initial Issuer Assets. These differences could result in faster or slower repayments or greater losses on the Notes.

As a result of the purchase of Further Purchased Property or transfers of Substitute Receivables during the Revolving Period, concentrations of Borrowers in the pool may be substantially different from the concentrations that exist on the Closing Date, although any purchase of Further Purchased Property or transfers of Substitute Receivables are required to comply with the Concentration Limits as part of the Eligibility Criteria. Such concentrations or other changes of the pool could adversely affect the delinquency, or credit loss, of the Purchased Receivables.

2.5 *Limited Data and Due Diligence relating to the Issuer Assets*

None of the Joint Lead Managers, the Note Trustee, the Security Trustee, the Agents, the Irish Listing Agent, the Account Bank, the Cash Manager, the Calculation Agent, the Corporate Services Provider, the Servicer, Holdings, the Swap Counterparty, the Back-Up Servicer Facilitator, the Issuer nor any other person has undertaken or will undertake any investigations, searches or other actions to verify the information concerning the Purchased Receivables or to establish the creditworthiness of any Borrower or any other party to the Transaction Documents. Each such person will rely solely on the accuracy of the representations and warranties given by the Seller to the Issuer in the Receivables Sale and Purchase Agreement in respect of, among other things, the Purchased Receivables, the Borrowers and the Loan Contracts. Security over the Issuer's rights under the Purchased Receivables will be granted by the Issuer in favour of the Security Trustee under the Deed of Charge and each Scottish Supplemental Charge.

A specific rescission and indemnification procedure has been provided for in the Receivables Sale and Purchase Agreement to indemnify the Issuer in case of breach of the Receivables Warranties. Should any of the Purchased Receivables not comply with the representations and warranties made by the Seller on the Closing Date (or in respect of the Further Purchased Property, the relevant Further Purchase Date or, in respect of Substitute Assets on the Substitution Date), not later than the end of the Calculation Period immediately following the Calculation Period in which such breach was discovered, the Seller shall remedy such breach, at its option, by:

- (i) to the extent possible, and as soon as practicable taking any appropriate steps to remedy such breach of the Receivables Warranties and ensure that the Related Loan Contract complies with the Eligibility Criteria and/or that the relevant Purchased Receivable complies with the Eligibility Criteria;

- (ii) indemnifying the Issuer provided that upon such indemnification the Seller has undertaken to pay to the Issuer an amount equal to the Non-Compliant Receivable Repurchase Price, the Receivables Indemnity Amount, or the CCA Compensation Amount, as applicable; and
- (iii) during the Revolving Period only, repurchasing the relevant Non-Compliant Receivable (as described below) (which shall include, in the case of any Non-Compliant Receivable which is a Scottish Receivable, the release of such Scottish Receivable from the relevant Scottish Declaration of Trust) where the consideration or such purchase shall comprise one or more Substitute Receivable(s) randomly selected from the Seller's portfolio of Receivables and assigned to the Issuer which the Seller determines comply with the Receivables Warranties and the Eligibility Criteria (subject, as regards any Eligible Receivable which is a Scottish Receivable, to a further Scottish Declaration of Trust), provided that, if the Outstanding Principal Balance of the Substitute Receivable(s) is less than Outstanding Principal Balance of the Non-Compliant Receivable, the Seller shall pay to the Issuer an amount equal to the difference between: (1) the aggregate of (x) the Outstanding Principal Balance of the Non-Compliant Receivable and (y) any accrued interest outstanding and any other amounts outstanding of principal, interest, expenses and accessories relating to such Non-Compliant Receivable at the Substitution Date; and (2) the Outstanding Principal Balance of the Substitute Receivable(s).

The Seller will be required to remedy such breach in the relevant Purchased Receivable not later than the end of the Calculation Period immediately following the Calculation Period in which such breach was discovered.

If the relevant breach cannot be remedied, or if capable of being remedied pursuant to paragraphs (i), (ii) or (iii) above has not been remedied, the Seller will be required to repurchase such Purchased Receivable for an amount equal to its Outstanding Principal Balance as at the Closing Date (or in respect of the Further Purchased Property, the relevant Further Purchase Date or, in respect of any Substitute Receivable, the relevant Substitution Date), less any amounts received by the Issuer in respect of any Principal Element in respect of such Purchased Receivable plus any accrued income in respect thereof immediately prior to the PCP Refinancing Variation being made (in respect of a Purchased Receivable that has been modified pursuant to a PCP Refinancing Variation) or as at the date of the repurchase (in respect of any other Non-Compliant Receivable) (the **Non-Compliant Receivable Repurchase Price**).

In the case of a Purchased Receivable which never existed, or has ceased to exist, such that it is not outstanding as at the date of the repurchase, the Seller shall not be obliged to repurchase but shall instead indemnify the Issuer in an amount equal to (a) the Outstanding Principal Balance of such Purchased Receivable had the Purchased Receivable existed and complied with each of the Receivables Warranties as at the Closing Date (or in respect of the Further Purchased Property, the relevant Further Purchase Date or, in respect of any Substitute Receivable, the relevant Substitution Date) and (b) any deemed interest accrued on the relevant Purchased Receivable at a rate equal to the weighted average interest rate of the Issuer Assets as determined by the Servicer at the end of the immediately preceding Calculation Period less any amounts received by the Issuer in respect of any Principal Element with respect to such Purchased Receivable (the **Receivables Indemnity Amount**).

In respect of the repurchase of a Non-Compliant Receivable, in determining whether or not there is a breach of the relevant representation or warranty leading to a repurchase, if to disapply the words "so far as the Seller is aware" would result in the breach of the relevant representation or warranty then the wording "so far as the Seller is aware" will in fact be disappplied and such Purchased Receivable to which the relevant representation or warranty applies shall be deemed a Non-Compliant Receivable.

The Receivables Warranties made or given by the Seller in relation to the conformity of the Receivables with the applicable Eligibility Criteria and this repurchase and/or substitution and/or indemnification procedures are the sole remedy available to the Issuer in case of any breach of the Receivables Warranties by the Seller. Consequently, a risk of loss exists if the Seller's Receivables Warranties are breached and no corresponding indemnification payment is made by the Seller.

The Seller is under no obligation to, and will not, provide the Note Trustee, the Security Trustee, the Agents, the Irish Listing Agent, the Back-Up Servicer Facilitator, the Account Bank, the Cash Manager, the Calculation Agent, the Corporate Services Provider, the Servicer, Holdings, the Swap Counterparty or the Issuer with financial or other information specific to individual Borrowers and certain Loan Contracts to which the Purchased Receivables relate. Any such person will only be supplied with general information in relation to the aggregate of the Borrowers and the Loan Contracts, none of which such person has taken steps to verify. Further, none of the Note Trustee, the Security Trustee, the Agents, the Irish Listing Agent, the Account Bank, the Cash Manager, the Calculation Agent, the Corporate Services Provider, the Servicer, Holdings, the Swap Counterparty or the Issuer will have any right to inspect the internal records of the Seller.

Should the Seller fail to take appropriate remedial action under the terms of the Receivables Sale and Purchase Agreement this may have an adverse effect on the value of the Purchased Receivables and on the ability of the Issuer to make payments under the Notes.

2.6 ***Historical Information***

The historical, financial and other information set out in the section headed "*The Provisional Portfolio*", including information in respect of collection rates, represents the historical experience of Vauxhall Finance plc. The Issuer Assets of Initial Purchased Property sold to the Issuer on the Closing Date will comprise all or a portion of the Provisional Portfolio. There can be no assurance that the future experience and performance of the Issuer Assets of Vauxhall Finance plc as Seller and Servicer of the Issuer Assets will be similar to the experience shown in this section.

2.7 ***Potential Adverse Changes to the Value and/or Composition of the Issuer Assets***

No assurances can be given that the respective values of the Financed Vehicles to which the Issuer Assets relates have not depreciated or will not depreciate at a rate greater than the rate which they were expected to do so on the date of origination of the Receivables. If this has happened or happens in the future, or if the used car market in the UK should experience a downturn, or if there is a general deterioration of the economic conditions in the UK, then any such scenario could have an adverse effect on the ability of Borrowers to repay amounts under the relevant Loan Contract and/or the likely amount to be recovered upon a forced sale of the Financed Vehicles upon default by Borrowers, the exercise of a voluntary termination by the Borrower under a Loan Contract or the exercise by the Borrower of its option to return the Financed Vehicle pursuant to a PCP Agreement in lieu of a final balloon payment. This in turn could have an adverse effect on the Issuer's ability to make payments under the Notes.

In addition, certain geographical regions in the UK may from time to time experience weaker regional economic conditions and car markets than will other regions in the UK, and consequently could experience higher rates of loss and default on auto finance contracts generally.

The Eligibility Criteria have been set as at the date of this document to operate so as to mitigate this risk. However, no assurances can be given that circumstances in the future will not change such that the composition of the Issuer Assets at any time in the future may deteriorate in view of the circumstances then subsisting.

2.8 ***Risks relating to adverse developments in the automotive industry, including regarding diesel vehicles***

General developments in the automotive industry are important for Vauxhall Finance plc, due to their effects on the terms and conditions (including price levels) for purchasing, servicing and eventually reselling its vehicles, which in turn could impact the demand for, and pricing of, its services.

Vauxhall Finance plc is dependent on developments in automotive trends, which are subject to a variety of factors that it cannot influence. These include, for example, the evolution of oil prices and renewable energy prices and infrastructure, the expansion of public transport infrastructure, availability of popular electric vehicle models, new technologies such as autonomous driving software, urban policies adversely affecting personal car use, changes in government policies affecting diesel vehicles in the United Kingdom, the imposition of carbon taxes and other regulatory measure to address climate changes, pollution or other negative impacts of mass transport. A negative development of these factors may affect the use of vehicles in general and therefore Vauxhall Finance plc's business.

In particular, certain types of diesel vehicles (such as Euro 5 and older models) were affected, or may in the near future become affected, by low emission zones or bans in certain cities or regions. Several cities, including Birmingham, Nottingham, Southampton, Derby and Leeds, are due to set up Clean Air Zones in 2019. In April 2019, an Ultra-Low Emission Zone (ULEZ) was introduced in London that affects all diesel vehicles that do not meet Euro 6 standards. The government in the United Kingdom has introduced a range of charges and taxes that affect diesel drivers. Higher VED charges came into effect for new diesels on 1 April 2018 and the company car tax levied on diesel cars has increased from 3% to 4%. In addition, any new diesel car that fails to meet the new Real Driving Emissions 2 (RDE2) standard is subject to a higher tax in the first year. As a result of these developments, the market prices of used diesel vehicles in the United Kingdom could be affected.

3. **RISK FACTORS RELATING TO THE STRUCTURE**

3.1 ***Subordination***

As indicated above, in respect of the obligations of the Issuer to pay interest on the Notes, the Conditions and the Deed of Charge will provide that (i) the Class H Notes are subordinated to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Class G Notes (ii) the Class G Notes are subordinated to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes, (iii) the Class F Notes are subordinated to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes, (iv) the Class E Notes are subordinated to the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes, (v) the Class D Notes are subordinated to the Class A Notes, the Class B Notes and the Class C Notes, (vi) the Class C Notes are subordinated to the Class A Notes and the Class B Notes and (vii) the Class B Notes are subordinated to the Class A Notes. In respect of the obligations of the Issuer to pay principal on the Notes and for so long as no Sequential Redemption Event has occurred, the Conditions and the Deed of Charge will provide that payments of principal on the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes and the Class H Notes will be made on a *pro rata* basis in accordance with the relevant priority of payments. On and following the occurrence of a Sequential Redemption Event payments of principal on the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes and the Class H Notes will be made in sequential order. Each Class of Notes is subordinated to the rights of the Secured Creditors ranking higher than that Class in the applicable Priority of Payments and are subordinated generally to the claims of all Related Third Party Creditors of the Issuer.

Following service of a Note Acceleration Notice, (i) the Class B Noteholders will receive payments of principal and interest only to the extent that the Class A Notes have been redeemed in full; (ii) the Class C Noteholders will receive payments of principal and interest only to the extent that the Class B Notes have been redeemed in full; (iii) the Class D Noteholders will receive payments of principal and interest only to the extent that the Class C Notes have been redeemed in full; (iv) the Class E Noteholders will receive payments of principal and interest only to the extent that the Class D Notes have been redeemed in full; (v) the Class F Noteholders will receive payments of principal and interest only to the extent that the Class E Notes have been redeemed in full; (vi) the Class G Noteholders will receive payments of principal and interest only to the extent that the Class F Notes have been redeemed in full; and (vii) the Class H Noteholders will receive payments of principal and interest only to the extent that the Class G Notes have been redeemed in full.

3.2 ***Pro Rata Redemption or Redemption in Sequential Order of the Notes***

Prior to the occurrence of a Sequential Redemption Event during the Normal Redemption Period, all Available Principal Distribution Amounts will be applied on a *pro rata* basis and all classes of Notes will be redeemed on a *pro rata* basis in accordance with the Principal Priority of Payments, and the Seller will calculate the applicable Notes Principal Amount for each Class of Notes.

After the occurrence of a Sequential Redemption Event during the Normal Redemption Period, no *pro rata* repayment of the Notes shall be made by the Issuer and the Notes shall be redeemed on a sequential basis only, all Available Principal Distribution Amounts will be applied on each subsequent Interest Payment Date in accordance with the Principal Priority of Payments, and the Seller will calculate the applicable Notes Principal Amount for each Class of Notes and payments of principal in respect of the Notes in sequential order at all times in accordance with the Principal Priority of Payments. Therefore the Class B Notes will not be further redeemed for so long as the Class A Notes have not been redeemed in full, the Class C Notes will not be further redeemed for so long as the Class B Notes have not been redeemed in full, the Class D Notes will not be further redeemed for so long as the Class C Notes have not been redeemed in full, the Class E Notes will not be further redeemed for so long as the Class D Notes have not been redeemed in full, the Class F Notes will not be further redeemed for so long as the Class E Notes have not been redeemed in full, the Class G Notes will not be further redeemed for so long as the Class F Notes have not been redeemed in full and the Class H Notes will not be further redeemed for so long as the Class G Notes have not been redeemed in full.

3.3 ***No Right, Title or Interest in the Financed Vehicles***

The Seller will only transfer the benefit of the Purchased Receivables, which will consist of unsecured monetary obligations of Borrowers under the Loan Contracts, and the proceeds (net of associated expenses) of contracts for the sale (conditional sale, use or other disposition) of any Financed Vehicles following their repossession or recovery by the Seller or its agents if such contracts are governed by English law or the laws of Northern Ireland; if such contracts are governed by Scots law any net proceeds of such contracts will be subject to a floating charge granted by the Seller to the Issuer (the **Seller Floating Charge**), the Issuer will rely on the Seller to fulfil its contractual undertaking to pay to the Issuer any net proceeds of such contracts.

The Issuer will not receive any right, title or interest in the Financed Vehicles themselves which are the underlying subject matter of the Loan Contracts and will have no direct right to repossess a Financed Vehicle if a Borrower defaults under his Loan Contract. The Issuer will rely on the Servicer to exercise the rights and carry out the obligations described in "*The Seller, the Servicer and the Receivables – Servicing and Collections*" and "*Underwriting*". Vauxhall Finance plc as Servicer will undertake for the benefit of the Issuer that it will not take any steps, or cause any steps to be taken, in relation to the Loan Contracts or the Financed Vehicles, otherwise than in order to perform its duties under the Servicing Agreement and the Receivables Sale and Purchase Agreement and that

it will lend its name to, and take such other steps as may be required by the Issuer in relation to, any action (whether through the courts or otherwise) in respect of the Loan Contracts. Furthermore, it should be noted that it may be difficult to trace and repossess any Financed Vehicle, that any proceeds arising on the disposal of a Financed Vehicle may be less than the total amount outstanding under the relevant Loan Contract, that any Financed Vehicle may be subject to an existing lien or similar right (for example, in respect of repairs carried out by a garage for which no payment has yet been made) and that any action to recover outstanding amounts may not be pursued if to do so would be uneconomic.

As the Issuer does not have any rights in, over or to the Financed Vehicles but only to the sale proceeds thereof, in the event of any insolvency of the Seller, the Issuer is reliant on any insolvency administrator or liquidator of the Seller taking appropriate steps to sell any such Financed Vehicle that has been returned or repossessed. As the sale proceeds from the Financed Vehicles have been assigned or charged to the Issuer pursuant to the Receivables Sale and Purchase Agreement or the Seller Floating Charge, the Financed Vehicles will have no economic value to the insolvent estate and therefore to the Seller's creditors as a whole. It is therefore unlikely that an insolvency administrator or liquidator of the Seller will have any incentive to take any steps to deal with the Financed Vehicles contrary to the provisions of the Transaction Documents. However, in the absence of such an economic interest, the insolvency administrator or liquidator may not be incentivised to realise the value of the Financed Vehicles in a timely manner. In order to incentivise the liquidator or insolvency administrator to realise the value of the Financed Vehicles or alternatively to cooperate in any realisation, the Issuer is required to pay the Administrator Incentive Recovery Fee to the liquidator or insolvency administrator.

However, there can be no certainty that any insolvency administrator or liquidator would take such actions to sell any Financed Vehicles returned or recovered. Furthermore, any failure or delay on the part of an insolvency administrator or liquidator to sell or consent to the sale of a Financed Vehicle could have an adverse effect on the ability of the Issuer to make payments on the Notes.

3.4 ***Market disruption***

The Rate of Interest in respect of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Class G Notes for each Interest Period will be Compounded Daily SONIA plus 0.58%, Compounded Daily SONIA plus 1.20%, Compounded Daily SONIA plus 1.55%, Compounded Daily SONIA plus 1.85%, Compounded Daily SONIA plus 2.80%, Compounded Daily SONIA plus 3.80%, and Compounded Daily SONIA plus 5.00%, respectively, determined in accordance with Condition 4.3 (Rate of Interest). The Rate of Interest in respect of the Class H Notes will accrue at a per annum fixed rate equal to 9.50%, determined in accordance with Condition 4.3 (Rate of Interest). Condition 4.3 (Rate of Interest) contains provisions for the calculation of such underlying rates, in respect of the Floating Rate Notes, based on rates given by various market information sources and Condition 4.3 (Rate of Interest) contains an alternative method of calculating the underlying rate should any of those market information sources be unavailable. The market information sources might become unavailable for various reasons, including suspensions or limitations on trading, events which affect or impair the ability of market participants in general, or early closure of market institutions. These could be caused by physical threats to the publishers of the market information sources, market institutions or market participants in general, or unusual trading, or matters such as currency changes.

3.5 ***Deferral of Interest Payments***

Interest on the Class A Notes will not be deferred. Similarly, interest due and payable on the Most Senior Class of Notes (other than any Deferred Interest or Additional Interest arising on or prior to the Interest Payment Date on which such Class of Notes became the Most Senior Class of Notes) will not be deferred. If, on any Interest Payment Date whilst any of the Class A Notes remains

outstanding, the Issuer has insufficient funds to make payment in full of all amounts of interest (including any accrued interest thereon) payable in respect of the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes and the Class H Notes after having paid or provided for items of higher priority in the Interest Priority of Payments, then the Issuer will be entitled under Condition 15 (Subordination by Deferral of Interest) to defer payment of that amount (to the extent of the insufficiency) until the following Interest Payment Date on which sufficient funds are available to fund the payment of such deferred interest to the extent of such available funds, in accordance with the Conditions. This will not constitute an Event of Default. If there are no Class A Notes outstanding, and as long as the Class B Notes are outstanding, interest due and payable on the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes and the Class H Notes may be deferred in accordance with Condition 15.1 (Deferred Interest). If there are no Class A Notes and Class B Notes outstanding, and as long as the Class C Notes are outstanding, interest due and payable on the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes and the Class H Notes may be deferred in accordance with Condition 15.1 (Deferred Interest). If there are no Class A Notes, Class B Notes and Class C Notes outstanding, and as long as the Class D Notes are outstanding, interest due and payable on the Class E Notes, the Class F Notes, the Class G Notes and the Class H Notes may be deferred in accordance with Condition 15.1 (Deferred Interest). If there are no Class A Notes, Class B Notes, Class C Notes and Class D Notes outstanding, and as long as the Class E Notes are outstanding, interest due and payable on the Class F Notes, the Class G Notes and the Class H Notes may be deferred in accordance with Condition 15.1 (Deferred Interest). If there are no Class A Notes, Class B Notes, Class C Notes, Class D Notes, Class E Notes and Class F Notes outstanding, and as long as the Class G Notes are outstanding, interest due and payable on the Class H Notes may be deferred in accordance with Condition 15.1 (Deferred Interest). If there are no Class A Notes, Class B Notes, Class C Notes, Class D Notes, Class E Notes and Class F Notes outstanding, and as long as the Class G Notes are outstanding, interest due and payable on the Class H Notes may be deferred in accordance with Condition 15.1 (Deferred Interest).

Failure to pay interest on the Class A Notes or the Most Senior Class of Notes (other than any Deferred Interest or Additional Interest arising on or prior to the Interest Payment Date on which such Class of Notes became the Most Senior Class of Notes) when the same becomes due and payable shall constitute an Event of Default under the Notes, which shall trigger the end of the Revolving Period or the Normal Redemption Period (as the case may be), or may result in service of a Note Acceleration Notice, which may result in the Note Trustee directing the Security Trustee to enforce the Security.

3.6 *Limited enforcement rights*

Condition 10 (Enforcement) limits the ability of the Noteholders of each Class of Notes to take individual action against the Issuer or any of the Charged Property in any circumstances except where the Note Trustee or the Security Trustee, having become bound to take action against the Issuer, fails to do so within a reasonable period of becoming so bound and prevents the Noteholders of each Class of Notes from taking or joining in taking steps for the purpose of petitioning for Insolvency Proceedings or other similar or analogous proceedings in respect of the Issuer.

In addition, pursuant to Condition 10 (Enforcement), following the occurrence of an Event of Default the Note Trustee cannot be required to direct the Security Trustee to enforce, and the Security Trustee cannot be required to enforce, the Security except pursuant to a request in writing of the holders of at least one-fifth in aggregate of the Principal Amount Outstanding of the Most Senior Class of Notes or an Extraordinary Resolution of the holders of the Most Senior Class of Notes (subject, in each case, to being indemnified and/or secured and/or prefunded to its satisfaction). For the avoidance of doubt, pursuant to Condition 9.1 (Events of Default), the Note Trustee may serve a Note Acceleration Notice at its absolute discretion following the occurrence of an Event of Default.

3.7 *General Meetings of Noteholders, Modification and Waiver*

The Conditions contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders, including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

The Conditions also provide that the Note Trustee or, as the case may be, the Security Trustee, may agree, without the consent of the Noteholders or the other Secured Creditors (but, in the case of the Security Trustee only, with the written consent of the Secured Creditors which are a party to the relevant Transaction Document), to (i) any modification of, or the waiver or authorisation of, any breach or proposed breach of, the Conditions or any of the Transaction Documents which is not, in the opinion of the Note Trustee, materially prejudicial to the interests of the Noteholders or (ii) any modification which, in the Note Trustee's opinion is of a formal, minor or technical nature or to correct a manifest error or an error which is, in the opinion of the Note Trustee, proven, or is necessary to comply with any mandatory provisions of law. In respect of an occurrence of an Event of Default specified in Condition 9.1(d) (Events of Default), prior to serving a Note Acceleration Notice on the Issuer, with a copy to the Security Trustee, the Note Trustee must certify in writing to the Issuer that such event is, in its opinion, materially prejudicial to the interests of the Most Senior Class of Notes then outstanding. The Note Trustee may also, without the consent of the Noteholders, if it is of the opinion that such determination will not be materially prejudicial to the interests of the Noteholders, determine that an Event of Default or Potential Event of Default shall not, or shall not subject to specified conditions, be treated as such. See Condition 11.10 (General Meetings of Noteholders, Modification and Waiver).

The Security Trustee and the Note Trustee shall be obliged, without any consent or sanction of the Noteholders or the other Secured Creditors but subject to the receipt of written consent from any of the Secured Creditors party to the Transaction Document being modified, to concur with the Issuer in making any modification to the Conditions and/or any other Transaction Document in order to enable the Issuer and/or the Swap Counterparty to comply with any requirements which apply to it under Regulation (EU) 648/2012 of the European Parliament and of the Council on OTC derivatives, central counterparties and trade repositories dated 4 July 2012 (the **European Market Infrastructure Regulation** or **EMIR**) as amended by EMIR Refit Regulation (EU) 2019/834 (**EMIR Refit**) (including, without limitation, any associated regulatory technical standards and advice, guidance or recommendations from relevant supervisory regulators), provided (a) that the Issuer or the Swap Counterparty, as appropriate, certifies to the Security Trustee, the Note Trustee and the Swap Counterparty or Issuer, as applicable, in writing that such modification is required solely for the purpose of enabling it to satisfy such obligation and has been drafted solely to such effect and (b) the modification is not a Basic Terms Modification.

Further, in certain circumstances, the Note Trustee may also be obliged to agree (and to direct the Security Trustee to agree) to amendments (other than in respect of a Basic Terms Modification) to the Conditions and/or the Transaction Documents for the purpose of (i) complying with, or implementing or reflecting, any change in the criteria of one or more of the Rating Agencies which may be applicable from time to time, (ii) complying with any changes in the requirements of the Securitisation Regulation after the Closing Date (including Articles 19, 20, 21 and 22 thereof), including as a result of the adoption of regulatory technical standards in relation to the Securitisation Regulation, the CRR Amendment Regulation or any other legislation, regulations or official guidance relating to securitisation transactions, (iii) enabling the Notes to be (or to remain) listed on Euronext Dublin, (iv) enabling the Issuer or any of the other Transaction Parties to comply with FATCA (or any voluntary agreement entered into with a taxing authority in relation thereto), (v) complying with any changes in the requirements of the EU Regulation on credit rating agencies (Regulation (EC) No. 1060/2009), as amended (the **CRA 3 Regulation**) after the Closing Date, (vi) amending the Swap Agreement (in accordance with the provisions thereof) for the purposes of

changing the base floating interest rate used to determine payments under the Swap Agreement from SONIA to a replacement base floating interest rate (and such other amendments as are necessary or advisable in the reasonable judgement of the Issuer to facilitate such change), to the extent there has been or there is reasonably expected to be a material disruption or cessation to the base floating interest rate or certain other events as specified in the Swap Agreement or (vii) changing the base rate on the Rated Notes from SONIA to an Alternative Base Rate (and such other amendments as are necessary or advisable in the reasonable judgment of the Issuer to facilitate such change) to the extent there has been or there is reasonably expected to be a material disruption or cessation to the base rate in accordance with the detailed provisions of Condition 11.6(h) (General Meetings of Noteholders, Modification and Waiver) (each a **Proposed Amendment**), without the consent of Noteholders or the other Secured Creditors (but subject to the receipt of written consent from any of the Secured Creditors party to the Transaction Document being modified).

The full requirements in relation to the modifications discussed above are set out in the Deed of Charge and Condition 11.6 (General Meetings of Noteholders, Modification and Waiver).

There can be no assurance that the effect of such modifications to the Transaction Documents will not ultimately adversely affect the interests of the holders of one or all Classes of Notes.

3.8 ***Rights available to Holders of Notes of different Classes***

In performing its duties as Note Trustee for the Noteholders, the Note Trustee will have regard to the interests of all Noteholders. Where, however, there is a conflict between the interests of the holders of one Class of Notes and the holders of any other Class(es) of Notes, the Note Trustee will (other than as set out in the Trust Deed, in particular with regards to modifications, consents and waivers) be required to have regard only to the interests of the holders of the Most Senior Class of Notes outstanding and will not have regard to the interests of the holders of any lower ranking Class of Notes nor to the interests of the other Secured Creditors except to ensure the application of the Issuer's funds in accordance with the relevant Priority of Payments.

3.9 ***Conflict between Noteholders and other Secured Creditors***

So long as any of the Notes are outstanding, except where expressly provided otherwise, neither the Security Trustee nor the Note Trustee shall have regard to the interests of the other Secured Creditors as regards all powers, trusts, authorities, duties and discretions of the Note Trustee and the Security Trustee, subject to the provisions of the Trust Deed and Condition 11 (General Meetings of Noteholders, Modification and Waiver).

3.10 ***Average Life of the Notes and Prepayment Risk***

The Final Legal Maturity Date of each Class of Notes is the Interest Payment Date falling in May 2028. However, the average life of each Class of Notes is expected to be shorter than the number of years until the Final Legal Maturity Date. An estimate of the average life of each Class of Notes is set forth in the section headed "*Estimated Weighted Average Life of the Notes*". However, while the figures set out in that section are based on and qualified by the assumptions and hypothetical scenarios set out in that section, they are not predictive nor do they constitute a forecast; the actual average life of each Class of Notes is likely to differ from the estimates made in that section.

The actual maturity periods of the different Classes of Notes may occur before the Last Receivable Maturity Date due to early payment of Purchased Receivables by Borrowers. Under the CCA, the Borrower is allowed to make early settlement of the Loan Contract in full or in part before its scheduled final payment date. As this may occur at any time, there can be no assurance that there will be any particular pattern of payments. In addition, the Borrower may voluntarily terminate the Loan Contract upon payment of 50 per cent. of the total amount payable for the Financed Vehicle

without making further Monthly Payments for the Financed Vehicle. Accordingly, there can be no assurance as to the rate at which Notes will be redeemed. See further the sections entitled "*Risk Factors Relating To Certain Regulatory Aspects And Other Considerations – Consumer Credit Act 1974*" and "*Regulated Conditional Sale Agreements*".

In addition, the terms of the Notes provide for:

- (a) a Sequential Redemption Event which will irrevocably trigger the sequential redemption of the Notes;
- (b) a mandatory redemption in whole exercisable by the Issuer following the exercise of the Clean Up Call Option by the Seller;
- (c) a mandatory redemption in whole exercisable by the Issuer following the exercise of the Regulatory Call Option by the Seller;
- (d) a mandatory early redemption of the Notes by the Issuer pursuant to a Tax Call Option;
- (e) a right by the Noteholders to cause a Note Acceleration Notice to be issued following an Event of Default, which will accelerate the Notes.

If any of the above circumstances occur, the Notes may be redeemed earlier than anticipated by the Noteholders.

4. RISK FACTORS RELATING TO COUNTERPARTIES

4.1 *Counterparty Credit Risk*

Payments in respect of each Class of Notes are subject to credit risk in respect of the Paying Agents, the Calculation Agent, the Cash Manager, the Swap Counterparty, the Collections Account Bank, the Account Bank, the Servicer (or any replacement servicer as the case may be) and the Seller and, in the event of the insolvency of any of them, the Issuer will be treated as a general unsecured creditor of the insolvent counterparty. This risk is mitigated with respect to the Swap Counterparty and the Account Bank by the requirement under the terms of the Swap Agreement and the Account Bank Agreement, respectively, that the Swap Counterparty and the Account Bank has certain minimum required ratings (as to which see further "*Transaction Overview –Ratings Triggers Table*" above and "*Overview of the Transaction Documents*" below). Contractual remedies are also provided in the event of a downgrading of such counterparties (see the section headed "*Overview of the Transaction Documents*"). However, in the event that any relevant third party fails to perform its obligations under the respective agreements to which it is a party, the Noteholders may be adversely affected. No assurances can be given that the Issuer will be able to find any replacement service providers or counterparties with the requisite ratings on a timely basis or at all.

4.2 *Interest Rate Risk*

All amounts of interest payable under or in respect of the Loan Contracts comprising the Issuer Assets will be calculated by reference to a fixed rate of interest, whilst the Rated Notes will bear interest by reference to SONIA. As a result, in respect of the Rated Notes, in the event that SONIA were to exceed a certain level (for further details on SONIA, please see the section entitled "*The market continues to develop in relation to SONIA as a reference rate for floating rate notes*" below), the Issuer could have insufficient funds available to make payment of interest on the Rated Notes in full in accordance with the Interest Priority of Payments. In order to reduce this interest rate risk, the Issuer will enter into one or more Hedging Arrangement under the Swap Agreement in respect of the

Rated Notes. The Hedging Arrangement covers a major share of this interest rate risk present in the context of the Notes.

Pursuant to the terms of the Hedging Arrangements under the Swap Agreement, on each Interest Payment Date commencing on the first Interest Payment Date and ending on the date on which the Rated Notes are redeemed in full, the Issuer will make a fixed rate payment to the Swap Counterparty in sterling which the Issuer will fund using payments which it receives from the Purchased Receivables. The fixed rate will be applied to the notional amount of the Hedging Arrangement for the relevant Interest Period to calculate the fixed amount payable by the Issuer on such Interest Payment Date. The Swap Counterparty will, on the same Interest Payment Date, make a floating rate payment in sterling to the Issuer (calculated by reference to the same notional amount and Compounded Daily SONIA, determined pursuant to the Swap Agreement, subject to any replacement rate being applied pursuant to the terms of the Swap Agreement (for further details on the applicable fall-back provisions in the Swap Agreement, please see the section entitled "*The market continues to develop in relation to SONIA as a reference rate for floating rate notes*" below)). The amounts payable by the Issuer and the Swap Counterparty under the Swap Agreement will be netted so that only a net amount will be due from the Issuer or the Swap Counterparty (as the case may be) on an Interest Payment Date. The notional amount of the Hedging Arrangement under the Swap Agreement will be determined at the commencement of each Interest Period as an amount equal to the aggregate of the Principal Amount Outstanding of the Rated Notes at such time.

If the floating rate payable by the Swap Counterparty to the Issuer under a Hedging Arrangement entered into under the Swap Agreement is negative, the Issuer would not receive floating rate interest but would not be obliged to pay to the Swap Counterparty the absolute value of the negative floating rate.

Were an early termination of the Swap Agreement to occur for any reason, including by either party due to an Event of Default or a Termination Event (in each case as defined in the Swap Agreement), while endeavours will be made to enter into a replacement swap agreement, no assurance can be given that the Issuer would be able to enter into a replacement swap agreement or a replacement swap agreement with similar terms, immediately or at all. In that situation, there is also no assurance that the amount of credit enhancement will be sufficient to cover any applicable interest rate. In addition, under the Swap Agreement, a failure to enter into a replacement swap agreement may result in the reduction, qualification or withdrawal of the then current ratings of the Rated Notes by the Rating Agencies.

For further details on the Swap Counterparty and the Swap Agreement, please see the sections entitled "The Swap Counterparty" and "Overview of the Transaction Documents" below.

4.3 ***Servicing of the Issuer Assets***

The Issuer Assets will be serviced by the Servicer, either directly or through a sub-delegate. Consequently, the net cash flows from the Issuer Assets may be affected by decisions made, actions taken and the collection procedures adopted by, the Servicer. To address this risk, the terms of the Servicing Agreement provide that the Servicer will devote to the performance of its obligations that standard of care that the Servicer would exercise in its own affairs taking into account the degree of skill that it exercises for all comparable assets. However, the Servicer will also continue to perform debt collection services for its own account and therefore will not be exclusively dedicated to the performance of the Servicer's activities under the Servicing Agreement. In addition the Servicer has undertaken in the Servicing Agreement that if it makes any amendments to the Credit and Collection Procedures and to the extent such changes would have a material adverse effect on the Credit and Collection Procedures, the Servicer shall as soon as practicable after such change notify the Issuer, the Security Trustee, the Note Trustee and the Rating Agencies.

Upon the occurrence of any Servicer Default, the Security Trustee will have the right to remove Vauxhall Finance plc as Servicer (in this regard see further "*Overview of the Transaction Documents – Servicing Agreement*").

The appointment of Vauxhall Finance plc as Servicer under the Servicing Agreement may be terminated as a result of, among other circumstances, a default by it in performing its obligations under the Servicing Agreement, its insolvency or if 12 months' notice of termination is given by Vauxhall Finance plc and, among other things, the Issuer and the Security Trustee consent in writing to such termination.

4.4 *Replacement of the Servicer and obligation to appoint a substitute servicer*

The ability of the Issuer to meet its obligations under the Notes will depend on the performance of the duties of the Servicer, and, if applicable, a substitute servicer. No assurance can be given that the creditworthiness of these parties will not deteriorate in the future, which may affect the administration and enforcement of the Purchased Receivables by such parties in accordance with the Servicing Agreement.

If a Servicer Default occurs, there can be no assurance that a substitute servicer with sufficient experience of servicing the Purchased Receivables would be found who would be willing and able to service the Purchased Receivables on the terms, or substantially similar terms, set out in the Servicing Agreement and it may be that the terms on which a substitute servicer may be appointed are substantially different from those set out in the Servicing Agreement and the terms may be such that the Noteholders may be adversely affected. The ability of a substitute servicer to fully perform the required services would depend, among other things, on the information, software and records available at the time of the appointment. Any delay or inability to appoint a substitute servicer may affect payments on the Purchased Receivables and hence the Issuer's ability to make payments when due on the Notes. Such risk is mitigated by the provisions of the Servicing Agreement pursuant to which the Back-Up Servicer Facilitator, in certain circumstances, will assist the Issuer in appointing a substitute servicer.

No assurance can be given that a substitute servicer will not charge fees in excess of the fees to be paid to the Servicer or that a substitute servicer will not otherwise reduce the amount available to pay principal and interest on the Notes.

4.5 *The Notes are exposed to credit risk of the Swap Counterparty*

If the Swap Counterparty fails to provide the Issuer with any amount due from it under the Swap Agreement, on any Interest Payment Date or if the Swap Agreement is otherwise terminated, the Issuer may have insufficient funds to make payments due on the Rated Notes.

All payments to be made by the Issuer under the Swap Agreement, other than Subordinated Swap Amounts, will be made in priority to the Class A Noteholders, the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F Noteholders, the Class G Noteholders and/or the Class H Noteholders, as applicable.

4.6 *Termination of a Hedging Arrangement under the Swap Agreement*

Generally, a Hedging Arrangement under the Swap Agreement may only be terminated upon the occurrence of certain termination events set forth in such Swap Agreement. In the event of the insolvency of the Swap Counterparty, the Issuer will be treated as a general creditor of such Swap Counterparty and is consequently subject to the credit risk of such Swap Counterparty. To mitigate this risk, under the terms of the Swap Agreement, the Swap Counterparty will be obliged to post collateral or take an alternative remedy in accordance with the terms of the Swap Agreement in the

event that the relevant ratings of the Swap Counterparty are below certain levels (which are set out in the Swap Agreement and described in further detail in the section entitled "*Transaction Overview – Rating Triggers Table*") while the Swap Agreement is outstanding. However, no assurance can be given that sufficient collateral will be available to the Swap Counterparty such that it is able to post collateral in accordance with the requirements of the Swap Agreement.

In the event that the relevant ratings of the Swap Counterparty are below certain levels (which are set out in the Swap Agreement and described in further detail in the section entitled "*Transaction Overview – Rating Triggers Table*") while the Swap Agreement is outstanding, the Swap Counterparty will, in accordance with the terms of the Swap Agreement, be required to elect to take certain remedial measures within the applicable time frame stipulated in the Swap Agreement (at its own cost) which may include providing collateral in support of its obligations under that Swap Agreement, arranging for its obligations under that Swap Agreement to be transferred to an entity with the relevant Required Ratings, procuring another entity with the Required Ratings to become co-obligor or guarantor in respect of its obligations under that Swap Agreement, or taking such other action as required to maintain or restore the rating of the Rated Notes.

However, no assurance can be given that, at the time that such actions are required, sufficient collateral will be available to the Swap Counterparty for posting or that another entity with the Required Ratings will be available to become a replacement swap counterparty, co-obligor or guarantor or that the Swap Counterparty will be able to take the requisite other action. If the remedial measures following a downgrade of the Swap Counterparty below the Required Ratings are not taken within the applicable time frames, this will permit the Issuer to terminate the Hedging Arrangements under the Swap Agreement early.

Where an early termination of a Hedging Arrangement under the Swap Agreement occurs for any reason, no assurance can be given that the Issuer will be able to enter into any replacement swap agreement and a replacement hedging arrangement thereunder with similar terms. In that situation, there is also no assurance that the amount of credit enhancement will be sufficient to cover any additional amounts payable as a result of fluctuations in the interest rate. In addition, a failure to enter into a replacement swap agreement and a replacement hedging arrangement thereunder may result in the reduction, qualification or withdrawal of the then current ratings of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and/or the Class G Notes by the Rating Agencies. See "*Transaction Overview – Rating Triggers Table*" and "*Overview of the Transaction Documents*".

4.7 *Termination Payments on the termination of a Hedging Arrangement under the Swap Agreement*

If a Hedging Arrangement under the Swap Agreement is terminated, the Issuer may be obliged to make a termination payment to the Swap Counterparty. The amount of the termination payment will be based on the cost of entering into a replacement Hedging Arrangement on terms equivalent to the terminated Hedging Arrangement. There can be no assurance that the Issuer will have sufficient funds available to make any termination payment due under the Swap Agreement.

Except where the Issuer has terminated a Hedging Arrangement under the Swap Agreement as a result of the Swap Counterparty's default or ratings downgrade (as to which see further below), any termination payment due by the Issuer following termination of a Hedging Arrangement under the Swap Agreement (including any extra costs incurred if the Issuer cannot immediately enter into a replacement Hedging Arrangement and/or swap agreement) will also rank in priority to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes or the Class H Notes, as applicable.

Therefore, if the Issuer is obliged to make a termination payment to the Swap Counterparty or pay any other additional amounts as a result of the termination of a Hedging Arrangement under the Swap Agreement, this could affect the Issuer's ability to make timely payments on the Notes.

In the event that any of the above parties were to fail to perform their obligations under the respective agreements to which they are a party, investors may be adversely affected.

4.8 ***Reliance on the Servicer***

The Issuer will rely on the Servicer to enforce any rights in respect of the Purchased Receivables and the Related Loan Contracts and to carry out the obligations described under "*Servicing*" below.

Vauxhall Finance plc as Servicer will undertake for the benefit of the Issuer that it will not take any steps in relation to the Loan Contracts, otherwise than in order to perform its duties under the Servicing Agreement and that it will lend its name to, and take such other steps as may be required by the Issuer in relation to, any action (whether through the courts or otherwise) in respect of the Loan Contracts.

Each Loan Contract requires the Borrower to take out and maintain comprehensive vehicle insurance and to arrange for Vauxhall Finance plc's name to be noted on the policy. Each Loan Contract also states that, if the Borrower receives any insurance monies under the policy, he will hold them on trust for Vauxhall Finance plc and that, if the Financed Vehicle is a total loss for insurance purposes, the Borrower must repay the outstanding balance of the total amount payable for the Financed Vehicle under the Loan Contract, less any statutory rebate for early settlement. It should be noted that there can be no certainty that such insurance has in fact been taken out or maintained, or that any such insurance monies will be sufficient to repay the outstanding balance of the total amount payable for the Financed Vehicle or will be available to Vauxhall Finance plc, the Issuer or the Security Trustee.

4.9 ***Conflicts of interest may arise in the Transaction***

Certain parties to the transaction may perform multiple roles, including Vauxhall Finance plc, who will act as Seller, Servicer, Calculation Agent and Subordinated Lender, HSBC Corporate Trustee Company (UK) Limited, who will act as Note Trustee and Security Trustee, HSBC Bank plc, who will act as Cash Manager, Account Bank, Principal Paying Agent and Agent Bank and BNP Paribas, London Branch who will act as Joint Lead Manager and Swap Counterparty.

The terms of the Transaction Documents do not prevent any of the parties to the Transaction Documents from rendering services similar to those provided for in the Transaction Documents to other persons, firms or companies or from carrying on any business similar to or in competition with the business of any of the parties to the Transaction Documents.

Accordingly, conflicts of interest may exist or may arise as a result of parties to this transaction:

- (a) having previously engaged or in the future engaging in transactions with other parties to the transaction;
- (b) having multiple roles in this transaction; and/or
- (c) carrying out other transactions for third parties.

5. RISK FACTORS RELATING TO CERTAIN MACRO-ECONOMIC AND MARKET CONSIDERATIONS

5.1 *The relationship between the United Kingdom with the European Union may affect the ability of the Issuer to satisfy its obligations under the Notes and/or the market value and/or liquidity of the Notes in the secondary market*

Concerns relating to credit risk (including that of sovereigns and of those entities which have exposure to sovereigns) persist, in particular with respect to current economic, monetary and political conditions in the Eurozone. If such conditions further deteriorate (including as may be demonstrated by any relevant credit rating agency action, any default or restructuring of indebtedness by one or more states or institutions and/or any exit(s) by any member state(s) from the European Union and/or any changes to, including any break up of, the Eurozone), then these matters may cause further severe stress in the financial system generally and/or may adversely affect the UK auto loan market, the Issuer, one or more of the other parties to the transaction documents (including the seller, the servicer, the account bank and/or the swap providers) and/or any borrower in respect of the underlying loans.

In particular, prospective investors should note that, pursuant to a referendum held in June 2016, the UK has voted to leave the European Union and, on 29 March 2017, the UK Government invoked article 50 of the Lisbon Treaty and officially notified the European Union of its decision to withdraw from the European Union. This commenced the formal two-year process of negotiations regarding the terms of the withdrawal and the framework of the future relationship between the UK and the European Union (the **article 50 withdrawal agreement**).

Under the terms of the ratified article 50 withdrawal agreement, a transition period has now commenced which will last until 31 December 2020. During this period, most European Union rules and regulations will continue to apply to and in the UK and negotiations in relation to a free trade agreement will be ongoing. Under the article 50 withdrawal agreement, the transition period may, before 1 July 2020, be extended once by up to two years. However, the UK legislation ratifying the article 50 withdrawal agreement (the European Union (Withdrawal) Act 2018, as amended by the European Union (Withdrawal Agreement) Act 2020 (as so amended, the **EUWA**) contains a prohibition on agreeing any extension to the transition period. While this does not entirely remove the prospect that the transition period will be extended (as UK Parliament could pass legislation that would override the effect of the prohibition in the EUWA), the likelihood of a further extension is significantly reduced and the risk is increased that by 31 December 2020 no trade agreement on future relationship between the UK and the European Union is reached at all or a significantly narrower agreement is reached than that envisaged by the political declaration by the European Commission and the UK Government.

The European Union and the UK Government have continued preparations for a "hard" Brexit (or "no-deal" Brexit) to minimise the risks for firms and businesses associated with an exit without agreement as to the EU-UK future trade relationship at the end of the transition period. This has included the UK Government publishing further draft secondary legislation under powers provided in EUWA to ensure that there is a functioning statute book at the end of the transition period.

Due to the ongoing political uncertainty as regards the structure of the future relationship, it is not possible to determine the precise impact on general economic conditions in the UK, including the performance of the UK auto market. It is also not possible to determine the precise impact that these matters will have on the business of the Issuer (including the performance of the Issuer Assets), any other party to the Transaction Documents and/or any Borrower in respect of the relevant Loan Contracts, or on the regulatory position of any such entity or of the transactions contemplated by the transaction documents under EU regulation or more generally.

No assurance can be given that such matters would not adversely affect the ability of the Issuer to satisfy its obligations under the Notes and/or the market value and/or the liquidity of the Notes in the secondary market.

5.2 ***There can be no assurance of a secondary market for the Notes to provide Noteholders with liquidity of investment***

Although the Prospectus has been approved by the Central Bank as competent authority under the Prospectus Regulation and application has been made to Euronext Dublin for the Notes to be admitted to the Official List and trading on its regulated market, there is not, at present, an active and liquid secondary market for the Notes. There can be no assurance that a secondary market for any of the Notes will develop or, if a secondary market does develop, that it will provide the holders of such Notes with liquidity of investment or that it will continue for the life of the Notes. Consequently, any purchaser of the Notes must be prepared to hold the Notes until final redemption or earlier application in full of the proceeds of enforcement of the Charged Property by the Security Trustee and, in certain cases, as a result of any early redemption of the Notes as to which see further below. The market price of the Notes could be subject to fluctuation in response to, among other things, variations in the value of the Purchased Receivables, the market for similar securities, prevailing interest rates, changes in regulation and general market and economic conditions. It should not be assumed that there will be a significant correlation between the market value of the Notes and the market value of the Purchased Receivables.

In addition, potential investors in Notes should be aware of the prevailing and widely reported global credit market conditions (which continue at the date hereof), whereby there is a general lack of liquidity in the secondary market for instruments similar to the Notes. Specifically, the secondary markets have experienced disruptions resulting from reduced investor demand for asset-backed securities and increased investor yield requirements for those securities. As a result, the secondary market for asset-backed securities has experienced extremely limited liquidity which has had a severe adverse effect on the market value of asset-backed securities such as the Notes. Limited liquidity in the secondary market may continue to have a severe adverse effect on the market value of asset-backed securities, especially those securities that are more sensitive to prepayment, credit or interest rate risk and those securities that have been structured to meet the investment requirements of limited categories of investors. There has been further uncertainty in the global markets as a result of the UK's vote to leave the European Union (see the section entitled "*Risk Factors Relating to Certain Macro-Economic And Market Considerations – There can be no assurance of a secondary market for the Notes to provide Noteholders with liquidity of investment*" above). It is unclear what the effect of these discussions will be on the Eurozone economy. Furthermore, the market values of the Notes are likely to fluctuate with changes in prevailing rates of interest, market perceptions of risks associated with the Notes, supply and other market conditions. Any such fluctuation may be significant and could result in significant losses to investors in the Notes or in the sale of Notes by Noteholders in any secondary market transaction at a discount to the original price of such Notes. In addition, the forced sale into the market of asset-backed securities held by investors that are currently experiencing funding difficulties due to uncertainty about the financial stability of several countries in the European Union, the increasing risk that those countries may default on their sovereign debt, and related stresses on financial markets, could adversely affect an investor's ability to sell, and/or the price an investor receives for, the Notes in the secondary market.

The Issuer cannot predict when these circumstances will change nor, if and when they do, whether conditions of general market illiquidity for the Notes and instruments similar to the Notes will return in the future. Consequently, any purchaser of the Notes must be prepared to hold such Notes for an indefinite period of time or until final redemption or maturity of such Notes. The Joint Lead Managers are under no obligation to assist in the resale of the Notes. If an investor holds Notes which are not denominated in the investor's home currency, he will be exposed to movements in

exchange rates adversely affecting the value of his holding. In addition, the imposition of exchange controls in relation to any Notes could result in an investor not receiving payments on those Notes.

5.3 ***Ratings of the Rated Notes may be withdrawn or lowered, impacting liquidity and market value of the Rated Notes***

A security rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time by the Rating Agencies. The ratings assigned to the Rated Notes should be evaluated independently from similar ratings on other types of securities. There is no assurance that the ratings will continue for any period of time or that they will not be lowered, reviewed, suspended or withdrawn by the Rating Agencies. In the event that the ratings initially assigned to the Rated Notes by the Rating Agencies are subsequently withdrawn or lowered for any reason, no person or entity is obliged to provide any additional support or credit enhancement to the Rated Notes. A qualification, downgrade or withdrawal of any of the ratings mentioned above may impact upon the value of the Notes.

The ratings address the likelihood of full and timely receipt by the Noteholders of interest on the Rated Notes and the likelihood of receipt by the Noteholders of principal of the Rated Notes by the Final Legal Maturity Date. The ratings assigned by DBRS to the Class A Notes address the likelihood of (a) full and timely payment of interest due on each Interest Payment Date, and (b) full payment of principal on a date that is not later than the Final Legal Maturity Date. The ratings assigned by DBRS to the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Class G Notes address the likelihood of ultimate payment of interest and principal by the Final Legal Maturity Date. The ratings assigned by S&P Global to the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes address the likelihood of (a) full and timely payment of interest due on each Interest Payment Date, and (b) full payment of principal on a date that is not later than the Final Legal Maturity Date. The ratings assigned by S&P Global to the Class E Notes, the Class F Notes and the Class G Notes address the likelihood of ultimate payment of interest and principal by the Final Legal Maturity Date.

Further events, including events affecting the Account Bank, the Seller, the Swap Counterparty and the Servicer (or any replacement servicer as the case may be) could also have an adverse effect on the rating of the Rated Notes.

It should be noted that at any time any Rating Agency may revise its relevant rating methodology with the result that, amongst other things, any rating assigned to the Rated Notes may be affected.

In order for the Transaction Documents to comply with new rating methodologies, amendments may need to be made to the Transaction Documents and the consent of the Noteholders may, in certain circumstances, be required to implement such amendments. Noteholders should note that, if the amendments required to comply with such new rating methodologies are not implemented, this may ultimately have an adverse impact on the ratings assigned by the relevant Rating Agency to the Rated Notes.

Agencies other than the Rating Agencies could seek to rate any of the Notes and, if such unsolicited ratings are lower than the comparable ratings assigned to the Rated Notes by the Rating Agencies, those shadow ratings could have an adverse effect on the value of the relevant Notes. For the avoidance of doubt and unless the context otherwise requires, any references to **ratings** or **rating** in this Prospectus are to ratings assigned by the specified Rating Agency only.

5.4 ***Market for Receivables***

The ability of the Issuer to redeem all the Notes in full, after the occurrence of an Event of Default in relation to the Notes, whilst any of the Purchased Receivables remain outstanding, may depend on

whether the Purchased Receivables can be sold, otherwise realised or refinanced so as to obtain a sufficient amount available for the distribution to the Issuer to enable it to redeem the Notes. There is no established active and liquid secondary market for auto finance receivables in the UK. It is therefore possible that neither the Issuer nor the Security Trustee is able to sell, otherwise realise or refinance the Purchased Receivables on appropriate terms should it be necessary for it to do so. Any failure by the Issuer or the Security Trustee to sell or refinance the Purchased Receivables following an Event of Default could have an adverse effect on the Issuer's ability to make payments under the Notes.

5.5 *The market continues to develop in relation to SONIA as a reference rate for floating rate notes*

Various interest rate and other indices which are deemed to be "benchmarks", including the Sterling Overnight Index Average (**SONIA**), are the subject of recent national, international and other regulatory reforms and proposals for reform. Some of these reforms are already effective, including the EU Benchmarks Regulation (Regulation (EU) 2016/1011) (the **Benchmarks Regulation**), whilst others are still to be implemented.

Under the Benchmarks Regulation, which applied from 1 January 2018 in general, certain requirements apply with respect to the provision of a wide range of benchmarks (including SONIA), the contribution of input data to a benchmark and the use of a benchmark within the European Union. In particular, the Benchmarks Regulation, among other things, (i) requires benchmark administrators to be authorised or registered (or, if non-EU-based, to be subject to an equivalent regime or otherwise recognised or endorsed) and to comply with extensive requirements in relation to the administration of benchmarks and (ii) prevents certain uses by EU-supervised entities of benchmark administrators that are not authorised or registered (or, if non-EU-based, deemed equivalent or recognised or endorsed). These benchmarks reform and other pressures may have (without limitation) the following effects on certain benchmarks: (i) discouraging market participants from continuing to administer or contribute to a benchmark; (ii) triggering changes in the rules or methodologies used in the benchmark and/or (iii) leading to the disappearance of the benchmark. Any of the above changes or any other consequential changes as a result of international or national reforms or other initiatives or investigations, could have a material adverse effect on the value of and return on any Notes linked to, referencing, or otherwise dependent (in whole or in part) upon, a benchmark.

Since January 2018, the BoE's and FCA's Working Group on Sterling Risk-Free Rates has been mandated with implementing a broad-based transition to SONIA so that SONIA is established as the primary sterling interest rate benchmark by the end of 2021. Investors should be aware that the market continues to develop in relation to SONIA as a reference rate in the capital markets and its adoption as an alternative to sterling London Inter-Bank Offered Rate (**LIBOR**). In particular, market participants and relevant working groups are exploring alternative reference rates based on SONIA, including term SONIA reference rates (which seek to measure the market's forward expectation of an average SONIA rate over a designated term). The market or a significant part thereof may adopt an application of SONIA that differs significantly from that set out in the terms and conditions of the notes and used in relation to the Rated Notes. Interest on the Rated Notes are only capable of being determined at the end of the relevant observation period and immediately prior to the relevant Interest Payment Date. It may be difficult for investors in the Rated Notes to reliably estimate the amount of interest which will be payable on such notes. Further, if the Rated Notes become due and payable under the Conditions, the rate of interest payable shall be determined on the date the Rated Notes became due and payable and shall not be reset thereafter.

Investors should note the various circumstances under which a Base Rate Modification may be made. In the event that SONIA is discontinued and an amendment has not been made under the Conditions to change the SONIA rate on the Rated Notes, the rate of interest on such Rated Notes will be determined for a period by the fall-back provisions provided for under Condition 4.3 (Rate of

Interest). Such provisions are dependent in part upon the provision by Reference Banks of offered quotations for the SONIA rate, and may not operate as intended (depending on market circumstances and the availability of rates information at the relevant time) and may result in the effective application of a fixed rate based on the rate which applied in the previous period when SONIA was available. There can be no assurance that a Base Rate Modification will be made or, if made, that it will (i) fully or effectively mitigate interest rate risks or result in an equivalent methodology for determining the interest rates on the Rated Notes or (ii) be made prior to any date on which any of the risks described in this risk factor may become relevant.

In addition, there can be no assurance that the applicable fall-back provisions under the Swap Agreement would operate so as to ensure that the base floating interest rate used to determine payments under the Swap Agreement is the same as that used to determine interest payments under the Rated Notes, or that any such amendment made under Condition 11.6(h) (General Meetings of Noteholders, Modification and Waiver) would allow the transactions under the Swap Agreement to effectively mitigate interest rate and currency risks on the Rated Notes. In addition, the applicable fall-back provisions under the Swap Agreement provide for the replacement of the base floating interest rate used to determine payments under that Swap Agreement in circumstances other than those set out in Condition 11.6(h) (General Meetings of Noteholders, Modification and Waiver) and accordingly there can be no assurance that the application of any replacement base floating interest rate under a Hedging Arrangement will take effect at the same time as any amendment made under Condition 11.6(h) (General Meetings of Noteholders, Modification and Waiver).

Investors should consider these matters when making their investment decision with respect to the Rated Notes.

5.6 *Forecasts and Estimates*

Estimates of the weighted average life of the Notes included in this Prospectus, together with any other projections, forecasts and estimates are supplied for information only and are forward-looking statements. Such projections, forecasts and estimates are speculative in nature and it can be expected that some or all of the assumptions underlying them may differ or may prove substantially different from the actual results. Consequently, the actual results might differ from the projections and such differences might be significant.

6. **RISK FACTORS RELATING TO CERTAIN REGULATORY ASPECTS AND OTHER CONSIDERATIONS**

6.1 *Regulatory initiatives may have an adverse impact on the regulatory treatment of the Notes and/or decrease liquidity in respect of the Notes.*

In Europe, the U.S., and elsewhere, there is increased political and regulatory scrutiny of the asset-backed securities industry. This has resulted in multiple measures for increased regulation which are at various stages of implementation and which may have an adverse impact on the regulatory position of certain investors in securitisation exposures and/or on the incentives for certain investors to hold asset-backed securities, and may thereby affect the liquidity of such securities. Investors in the Notes are responsible for analysing their own regulatory position, and should consult their own advisers in this respect. None of the Issuer, the Arranger, the Joint Lead Managers or the Swap Counterparty makes any representation to any prospective investor or purchaser of the Notes regarding the regulatory treatment of their investment on the Closing Date, or at any time in the future.

6.2 *Noteholder's interests may be adversely affected by a change of law*

The structure of the Trust Deed, the Deed of Charge, the Receivables Sale and Purchase Agreement and the other Transaction Documents and the issue of the Notes as well as the ratings which are to be assigned to the Rated Notes are based on English law, the laws of Northern Ireland and Scots law and UK tax, regulatory and administrative practice in effect as at the date of this Prospectus as they affect the parties to the transaction and the Issuer Assets, and having due 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 English law, the laws of Northern Ireland and Scots law and UK tax, regulatory or administrative practice after the date of this 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. In addition, it should be noted that regulatory requirements (including any applicable retention, due diligence or disclosure obligations) may be recast or amended and there can be no assurance that any such changes will not adversely affect the compliance position of a transaction described in this Prospectus or of any party under any applicable law or regulation.

6.3 *Prudential regulation reforms under Basel or other frameworks may have an adverse impact on the regulatory capital treatment of the Notes*

Investors should note that the Basel Committee on Banking Supervision (**BCBS**) has approved a series of significant changes to the Basel framework for prudential regulation (such changes being referred to by the BCBS as Basel III, and referred to, colloquially, as Basel III in respect of reforms finalised prior to 7 December 2017 and Basel IV in respect of reforms finalised on or following that date). The Basel III/IV reforms, which include revisions to the credit risk framework in general and the securitisation framework in particular, may result in increased regulatory capital and/or other prudential requirements in respect of securitisation positions. The BCBS continues to work on new policy initiatives. The implementation of the Basel III/IV reforms requires national legislation which may result in some level of national variation in relation to the final rules and timetable for implementation in each jurisdiction, as well as the treatment of asset-backed securities. It should also be noted that changes to prudential requirements have been made for insurance and reinsurance undertakings through participating jurisdiction initiatives, such as the Solvency II framework in Europe. Investors in the Notes are responsible for analysing their own regulatory position and prudential regulation treatment applicable to the Notes and should consult their own advisers in this respect. The Securitisation Regulation regime applies to the Notes and non-compliance with this regime may have an adverse impact on the regulatory treatment of the Notes and/or decrease liquidity of the Notes.

The Securitisation Regulation applies in general (subject to certain grandfathering) from 1 January 2019, although some legislative measures necessary for the full implementation of the new regime have not yet been finalised and compliance with certain requirements is subject to the application of transitional provisions.

The Securitisation Regulation establishes certain common rules for all securitisations that fall within its scope (including recast of pre-1 January 2019 risk retention and investor due diligence regimes).

The Securitisation Regulation has direct effect in member states of the EU and is to be implemented in due course in other countries in the EEA.

The Securitisation Regulation applies to the Notes. As such, certain European-regulated institutional investors, including credit institutions, investment firms, authorised alternative investment fund managers, insurance and reinsurance undertakings, certain undertakings for the collective investment of transferable securities (**UCITs**) and certain regulated pension funds (institutions for occupational retirement provision), are required to comply under Article 5 with certain due diligence requirements prior to holding a securitisation position and on an ongoing basis while holding the position. Among

other things, prior to holding a securitisation position, such institutional investors are required to verify certain matters with respect to compliance of the relevant transaction parties with credit granting standards, risk retention and transparency requirements and, on transactions notified as STS, compliance of that transaction with the STS Requirements. If the relevant European-regulated institutional investor elects to acquire or holds the Notes having failed to comply with one or more of these requirements, this may result in the imposition of a penal capital charge on the Notes for institutional investors subject to regulatory capital requirements or a requirement to take a corrective action, in the case of a certain type of regulated fund investors. Aspects of the requirements of the Securitisation Regulation and what is or will be required to demonstrate compliance to national regulators remain unclear. Prospective investors should therefore make themselves aware of requirements applicable to them and are required to independently assess and determine the sufficiency of the information described in this Prospectus generally for the purposes of complying with such due diligence requirements under the Securitisation Regulation and any corresponding national measures which may be relevant.

For example, Article 5(1)(c) of the Securitisation Regulation requires certain institutional investors to verify that the originator, sponsor or original lender retains on an ongoing basis a material net economic interest in the transaction in accordance with Article 6 of the Securitisation Regulation and such risk retention is disclosed to the institutional investor in accordance with Article 7(1)(e) of the Securitisation Regulation. There can be no assurance that the retention obligations of the Seller in this Prospectus will constitute explicit disclosure (on the part of the Seller) or adequate due diligence (on the part of the Noteholders) for the purposes of Article 5 of the Securitisation Regulation.

Various parties to the securitisation transaction described in this Prospectus (including the Issuer) are also subject to the requirements of the Securitisation Regulation. However, there is at present some uncertainty in relation to some of these requirements and what is or will be required to demonstrate compliance to national regulators, including in particular with regard to the transparency obligations imposed under Article 7 of the Securitisation Regulation and the final position on the new disclosure templates to be applied under the new technical standards which will enter into force in Q1 2020. Please note that the European Commission-adopted texts of Article 7 technical standards were published in October 2019, representing the near final position on the applicable reporting templates, but these are yet to be approved by the European Parliament and the Council of the European Union and it is expected that these technical standards will be finalised and enter into force in Q1 2020. Prospective investors are referred to the section entitled "Certain Regulatory Considerations" for further details and should note that there can be no assurance that the information in this Prospectus or to be made available to investors in accordance with Article 7 of the Securitisation Regulation will be adequate for any prospective institutional investors to comply with their due diligence obligations under the Securitisation Regulation.

Prospective investors in the Notes are responsible for analysing their own regulatory position, and should consult their own advisers in this respect.

6.4 *STS designation impacts on regulatory treatment of the Notes*

The Securitisation Regulation (and the associated Regulation (EU) 2017/2401, which amends certain provisions of Regulation (EU) No 575/2013 as it relates to securitisation (the **CRR Amendment Regulation**) also includes provisions intended to implement the revised securitisation framework developed by BCBS (with adjustments) and provides, among other things, for harmonised foundation criteria and procedures applicable to securitisations seeking designation as STS securitisation.

The STS securitisation designation impacts on the potential ability of the Notes to achieve better or more flexible regulatory treatment under various EU regimes that were amended (or will be amended in due course) to take into account the STS framework (such as Type 1 securitisation under Solvency

II, as amended); regulatory capital treatment under the securitisation framework of the Capital Requirements Regulation, as amended by the CRR Amendment Regulation; Type 2B securitisation under the LCR Regulation, as amended and changes to the EMIR regime that address certain exemptions for STS securitisation swaps, as to which investors are referred to the risk factor entitled "*European Market Infrastructure Regulation*".

It is intended that an STS Notification will be submitted to ESMA by Vauxhall Finance, as originator. The STS Notification, once notified to ESMA, will be available for download on the ESMA STS Register website. Investors should note that a draft STS Notification will be made available to investors before pricing.

Vauxhall Finance and the Issuer have used the services of the an authorised verification agent (the **Authorised Verification Agent**) to carry out the STS Verification and to provide additional assessments with regard to the status of the Notes for the purposes of Article 243 of the Capital Requirements Regulation and Articles 13 of the LCR Regulation (the **STS Additional Assessment**). It is expected that the STS Verification and the STS Additional Assessment prepared by the Authorised Verification Agent will be available at <https://www.pcsmarket.org/sts-verification-transactions/>. For the avoidance of doubt, such website and the contents of that website do not form part of this Prospectus.

It is important to note that the involvement of the Authorised Verification Agent is not mandatory and the responsibility for compliance with the Securitisation Regulation remains with the relevant institutional investors, originators and issuers, as applicable in each case. An STS Verification and/or STS Additional Assessment will not absolve such entities from making their own assessment with respect to the Securitisation Regulation and other relevant regulatory provisions, and an STS Verification and/or STS Additional Assessment cannot be relied on to determine compliance with the foregoing regulations in the absence of such assessments by the relevant entities. The STS status of the Notes is not static and investors should verify the current status of the ESMA STS Register website, which will be updated where the Notes are no longer considered to be STS following a decision of competent authorities or a notification by Vauxhall Finance.

The STS Verification and/or STS Additional Assessment is not an opinion on the creditworthiness of the relevant Notes nor on the level of risk associated with an investment in the relevant Notes. It is not an indication of the suitability of the relevant Notes for any investor and/or a recommendation to buy, sell or hold notes. Institutional investors that are subject to the due diligence requirements of the Securitisation Regulation need to make their own independent assessment and may not solely rely on an STS Verification, the STS Notification, any STS Additional Assessments or other disclosed information.

No assurances can be provided that the securitisation transaction described in this Prospectus does or continues to qualify as an STS securitisation under the Securitisation Regulation. None of the Issuer, the Seller (in its capacity as the Seller, the originator and the Servicer), the Joint Lead Managers, the Swap Counterparty, the Account Bank, the Cash Manager, the Agents or the Trustee gives any explicit or implied representation or warranty that the transaction described in this Prospectus does or continues to comply with the Securitisation Regulation, or that such transaction does or will continue to be recognised or designated as "STS" or "simple, transparent and standardised" within the meaning of Article 18 of the Securitisation Regulation after the date of this Prospectus. The relevant European-regulated institutional investors are required to make their own assessment with regard to compliance of the securitisation with the STS Requirements and such investors should be aware that non-compliance with the STS Requirements and the change in the STS status of the Notes may result in the loss of better regulatory treatment of the Notes under the applicable regime(s), including in the case of prudential regulation, higher capital charges being applied to the Notes and may have a negative effect on the price and liquidity of the Notes in the secondary market. In addition, non-compliance may result in various sanctions and/or remedial measures being imposed

on the relevant transaction parties, including Vauxhall Finance, which may have an impact on the availability of funds to pay the Notes.

6.5 *European Market Infrastructure Regulation*

EMIR, which entered into force on 16 August 2012, establishes certain requirements for OTC derivatives contracts, including a mandatory clearing obligation, margin posting and other risk-mitigation techniques for OTC derivatives contracts not cleared by a central counterparty, and, in respect of all derivative contracts, reporting and record-keeping requirements.

Under EMIR, (i) financial counterparties (**FCs**) and (ii) non-financial counterparties whose positions, together with the positions of all other non-financial counterparties in its "group" (as defined in EMIR), in OTC derivatives (excluding hedging positions) exceed any of the specified clearing thresholds (**NFC+s**, and together with FCs, the **In-scope Counterparties**) must clear certain classes of OTC derivatives contracts that are entered into on or after the effective date for the clearing obligation for that counterparty pair (the **Clearing Start Date**). Contracts which are declared subject to the clearing obligation will have to be cleared through an authorised or recognised central counterparty (**CCP**) when In-scope Counterparties trade with each other or with equivalent third country entities unless an exemption applies. Subject to certain conditions, intragroup transactions will not be subject to the clearing obligation. On the basis that the Issuer is currently a non-financial counterparty whose positions, together with the positions of all other non-financial counterparties in its "group", in OTC derivatives (after the exclusion of hedging positions) do not exceed any of the specified clearing thresholds (an **NFC-**), relevant OTC derivative contracts that are entered into by the Issuer would not in any event be subject to any mandatory clearing requirements. If the Issuer's counterparty status as an **NFC-** changes, then certain OTC derivatives contracts that are entered into or materially amended by the Issuer from such time as it is no longer an **NFC-** may become subject to mandatory clearing requirements and the Swap Counterparty may terminate the Hedging Arrangements under the Swap Agreement.

Under EMIR, OTC derivatives contracts that are not cleared by a CCP may be subject to variation and/or initial margin requirements. Variation margin obligations applying to all in-scope transactions entered into by In-scope Counterparties from 1 March 2017 and initial margin requirements are being phased in from September 2017 through September 2020, depending on the In-Scope Counterparty type. However, on the basis that the Issuer is an **NFC-**, OTC derivatives contracts that are entered into by the Issuer would not be subject to any margining requirements. If the Issuer's counterparty status as an **NFC-** changes, then uncleared OTC derivatives contracts that are entered into or materially amended by the Issuer from such time as it is no longer an **NFC-** may become subject to margining requirements and the Swap Counterparty may terminate the Hedging Arrangements under the Swap Agreement.

Further, OTC derivatives contracts that are not cleared by a CCP are also subject to certain other risk-mitigation techniques, including arrangements for timely confirmation of OTC derivatives contracts, portfolio reconciliation, dispute resolution and arrangements for monitoring the value of outstanding OTC derivatives contracts. These requirements are already in effect. In order to comply with certain of these risk-mitigation techniques, the Issuer includes appropriate provisions in the Swap Agreement. In addition, under EMIR, counterparties must report all their OTC and exchange traded derivatives contracts to a registered or recognised trade repository or (in certain limited circumstances) to ESMA.

EMIR may, inter alia, lead to more administrative burdens and higher costs for the Issuer which may in turn reduce the amounts available to make payments with respect to the Notes. Further, if any party fails to comply with the applicable rules under EMIR it may be liable for a fine. If such fine is imposed on the Issuer, this may also reduce the amounts available to make payments with respect to the Notes.

It should also be noted that further changes have been made to the EMIR framework under EMIR Refit, including in respect of counterparty classification. EMIR Refit was published in the Official Journal of the European Union on 28 May 2019 and the majority of its provisions entered into force on 17 June 2019. Although EMIR Refit has resulted in an expansion of the definition of financial counterparty, the amended financial counterparty definition specifically excludes from its scope securitisation special purpose entities. However, no assurances can be given that any future changes made to EMIR, including technical standards published under EMIR Refit, would not cause the status of the Issuer to change and lead to some or all of the potentially adverse consequences outlined above. In addition, EMIR Refit has changed the way in which the clearing thresholds for NFCs are calculated and applied. In the event that the Issuer were to exceed the clearing threshold in respect of any asset class or classes of assets, the clearing obligation would only apply to that asset class or those classes of assets for which the Issuer has exceeded the clearing threshold.

Finally, in order to enable the Issuer and/or the Swap Counterparty to comply with any obligation which applies to it under EMIR, amendments may be made to the Transaction Documents or the Conditions without the consent of the Noteholders and without the consent of any Secured Creditors (other than those Secured Creditors who are party to the relevant Transaction Document(s)) provided that the Issuer or the Swap Counterparty, as appropriate, certifies in writing to the Security Trustee, the Note Trustee and the Swap Counterparty or Issuer, as applicable, that such amendment is required solely for the purpose of enabling it to satisfy such obligation and has been drafted solely to such effect, as described above under "*Risk Factors Relating to The Availability of Funds to Pay The Notes – General Meetings of Noteholders, Modification and Waiver*".

It should also be noted that the Securitisation Regulation, among other things, makes provisions for the development of technical standards in connection with the EMIR regime specifying (i) an exemption from clearing obligations and (ii) a partial exemption from the collateral exchange obligations for non-cleared OTC derivatives, in each case for STS securitisation swaps (subject to the satisfaction of the relevant conditions). The final draft technical standards are now subject to the EU political negotiation process.

As a result, the date of application of the new technical standards is unknown at this point. Vauxhall Finance, in its capacity as originator under the Securitisation Regulation, will submit on or about the date of this Prospectus an STS Notification to ESMA and the FCA confirming that the STS Requirements have been satisfied with respect to the Notes. However, no assurance can be given that the swaps will meet the applicable exemption criteria provided therein. Notwithstanding the STS designation and the ability, as a result, to rely on the exemptions from clearing and collateral exchange obligations under the EMIR regime, the expectation is that the Issuer should not be required to comply with the EMIR collateral exchange obligations and clearing requirements for the reasons outlined above (being their NFC- status) in any event. The STS designation and the related forthcoming exemptions from collateral exchange obligations and clearing requirements are only likely to become relevant should the status under the EMIR of the Issuer change from NFC to NFC+ or FC and, if applicable, should the swaps be regarded as a type that is subject to EMIR clearing requirement.

6.6 *Loan Contracts regulated by the Financial Services and Markets Act 2000 and the Consumer Credit Act 1974*

United Kingdom consumer protection laws regulate consumer credit contracts, including the Loan Contracts (such contract a **Regulated Loan Contract**). If a Regulated Loan Contract does not comply with these laws, the Servicer may be prevented from or delayed in enforcing all or parts of the Regulated Loan Contract and collecting amounts due on the related Purchased Receivable and this could have an adverse effect on the ability of the Issuer to make payments of interest and/or principal on the Notes.

The regulatory framework for consumer credit activities in the United Kingdom consists of the Financial Services and Markets Act 2000 (**FSMA**) and its secondary legislation, retained provisions in the Consumer Credit Act 1974 (as amended) and its retained associated secondary legislation (the **CCA**), and rules and guidance in the FCA Handbook, including the Consumer Credit sourcebook (**CONC**). The application of the relevant UK consumer protection laws to the Regulated Loan Contracts which will have several consequences, including the following:

- (a) Vauxhall Finance plc has to comply with authorisation and permission requirements and the credit agreement must comply with origination requirements. If they do not comply with those requirements, then the credit agreement is unenforceable against the Borrower in certain circumstances (refer to the section entitled "Consumer Credit Regulation in the United Kingdom" for further details);
- (b) the Borrower has a right to withdraw from the relevant Regulated Loan Contract in certain circumstances;
- (c) a Borrower has a statutory right to terminate a Regulated Loan Contract and return the Financed Vehicle to Vauxhall Finance plc. In this circumstance, the Borrower must pay to Vauxhall Finance plc all arrears, one half of the total amount payable under the Regulated Loan Contract to maturity and all other sums due but unpaid under the contract (including any deposit);
- (d) if a Borrower exercises its rights to terminate a Regulated Loan Contract pursuant to sections 99 and 100 of the CCA, it is possible that the Notes may be redeemed earlier than anticipated (see the risk factor entitled "Voluntarily Terminated Receivables, PCP Agreements and Repayment of the Notes");
- (e) a Borrower also has a statutory right to early settlement of the Regulated Loan Contract;
- (f) Vauxhall Finance plc has the right to terminate a Regulated Loan Contract in the event of an unremedied material breach of the agreement by the Borrower;
- (g) the court also has a power to give relief to the Borrower, including to give time to the Borrower to pay arrears and remedy any breach;
- (h) the court also has the power under the CCA to determine that the relationship between Vauxhall Finance plc and a customer arising out of a credit agreement (whether alone or with any related agreement) is unfair to the customer. If the court makes the determination, then it may make an order in relation to Vauxhall Finance plc, among other things, requiring Vauxhall Finance plc, or any assignee such as the Issuer, to repay any sum paid by the Borrower. Once a Borrower alleges that an unfair relationship exists, the burden of proof is on Vauxhall Finance plc to prove to the contrary;
- (i) complaints against authorised persons under the FSMA relating to conduct in the course of specified regulated activities (including in relation to consumer credit) can be determined by the Financial Ombudsman Service (the FOS) (an out-of-court dispute resolution scheme);
- (j) a Borrower who is a private person may be entitled to claim damages for loss suffered as a result of any contravention by an FCA authorised person of a rule under the FSMA. The Borrower may set-off any such damages that are awarded against the amount it owes under a Regulated Loan Contract. Any such set-off may adversely affect the Issuer's ability to make payments in full when due on the Notes;

- (k) the FCA has a broad range of enforcement powers under the FSMA, including restitution and customer redress;
- (l) Vauxhall Finance plc has to comply with certain post-contractual information requirements under the CCA. Failure to comply with these requirements can have a significant impact on the enforceability of the Regulated Loan Contracts and Vauxhall Finance plc's ability to recover interest and default fees; and
- (m) Vauxhall Finance plc has interpreted certain technical rules under the CCA in a way common with many other lenders in the vehicle finance market. If such interpretation were held to be incorrect by a court or other dispute resolution authority, the Loan Contract may be unenforceable. If such interpretation were challenged by a significant number of Borrowers, then this could lead to a significant disruption and shortfall in the income of the Issuer.

In addition:

- (a) under a regulated consumer credit contract, where a credit broker (such as a Dealer) carries out antecedent negotiations with a Borrower those negotiations will be deemed to be performed in the capacity of agent of Vauxhall Finance plc (as lender) as well as in his or her actual capacity. As a result Vauxhall Finance plc will be potentially liable for misrepresentations made by a credit broker (such as a Dealer) involved in introducing a Borrower to Vauxhall Finance plc;
- (b) if any Financed Vehicle becomes "protected" pursuant to the CCA, this could potentially cause delays in recovering amounts due from Borrowers and consequently may reduce amounts available to Noteholders;
- (c) the CRA15 applies in relation to Loan Contracts involving consumers. A Borrower may challenge a term in a consumer contract on the basis that it is "unfair" within the meaning of CRA15 and therefore not binding on the Borrower. The broad and general wording of the CRA15 makes any assessment of the fairness of terms largely subjective and makes it difficult to predict whether or not a court would find a term to be unfair. It is therefore possible that any agreements made with consumers may contain unfair terms, which may result in the possible unenforceability of those unfair terms. This may adversely affect the ability of the Issuer to dispose of Purchased Receivables, or any part thereof, in a timely manner and/or the realisable value of the Purchased Receivables, or any part thereof, and accordingly affect the ability of the Issuer to meet its obligations under the Notes when due. In addition, no assurance is given that (a) changes to the guidance in relation to CRA15 and (b) future changes to CRA15 or the manner in which CRA15 is applied, interpreted or enforced will not have an adverse effect on the Purchased Receivables, Vauxhall Finance plc, the Servicer, the Issuer and their respective businesses and operations;
- (d) there are certain consequences for a breach of the Consumer Protection from Unfair Trading Regulations 2008 (the UTR), which prohibit unfair, aggressive and misleading business-to-consumer commercial practices before, during and after a consumer contract is made. These consequences include liabilities for misrepresentation or breach of contract and/or prosecution of Vauxhall Finance plc. No assurance can be given that any regulatory action or guidance in respect of the UTR will not have a material adverse effect on the Loan Contracts and accordingly on the Issuer's ability to make payments in full when due on the Notes.

For further details on consumer protection laws and how they apply to the Seller and the Purchased Receivables please refer to the section of the Prospectus entitled "*Consumer Credit Regulation in the United Kingdom*".

6.7 ***FCA Review of the Motor Finance Sector***

On 18 April 2017 the FCA announced in its 2017/18 Business Plan that it intended to conduct an exploratory review of the motor finance industry as a result of concerns that there may be a lack of transparency, potential conflicts of interest and irresponsible lending in the industry. In its 2018/19 Business Plan the FCA announced that it expected to complete its review of the motor finance market by the end of 2018. The review focussed on, among other things, whether consumers have sufficient, timely and transparent information when taking out motor finance, the approach taken by motor finance lenders to assessing creditworthiness (including affordability) and the link between dealer commissions and the interest rate charged to consumers. The FCA published a report entitled "Our work on motor finance – final findings" (publication reference: 005810) on 4 March 2019. The FCA found that commission models allowing broker discretion on interest rates have the potential for significant customer harm in terms of higher interest charges. The FCA refers in particular to Increasing Difference in Charges (**Increasing DiC**) and Reducing Difference in Charges (**Reducing DiC**) commission models, which "can provide strong incentives for brokers to arrange finance at higher interest rates". With difference in charges models, brokers are paid a fee which is linked to the interest rate payable by the customer. The contract between the lender and broker sets a minimum (for Increasing DiC) or maximum (for Reducing DiC) interest rate and the fee is a proportion of the difference in interest charges between the actual interest rate and the minimum/maximum interest rate. As a result of its findings, the FCA published a consultation paper on 15 October 2019 (CP19/28) consulting on the FCA's proposals to ban commission models that can give brokers and motor dealers an incentive to increase a customer's interest rate. In CP19/28, the FCA also proposes to amend parts of the FCA rules and guidance relating to disclosure of commission arrangements. The consultation closed on 15 January 2020 and the FCA plans to publish a Policy Statement at the beginning of Q2 2020.

On 23 April 2019 the FCA published Feedback Statement FS19/2 entitled "*A duty of care and potential alternative approaches: summary of responses and next steps*", following on from Discussion Paper DP18/5 published in July 2018. The FCA is considering introducing new duty of care requirements that could place a general obligation on firms to act in the best interests of consumers. The FCA intends to publish a further paper in 2020 outlining specific options for change. It is possible that changes may be made to the FCA's rules and guidance, in particular its Principles for Businesses, as a result. The Financial Services Duty of Care Bill 2019, which requires the FCA to introduce a duty of care, is in the process of passing through Parliament.

No assurance can be given that changes will not be made to the regulatory regime and developments described above in respect of the vehicle finance market in the UK generally, the Seller's particular sector in that market or specifically in relation to the Seller, whether arising from the FCA review into the motor finance industry or otherwise. Any such action or developments, in particular, but not limited to, the cost of compliance, may have a material adverse effect on the Seller, the Issuer and/or the Servicer and their respective businesses and operations. This may adversely affect the Issuer's ability to make payments in full when due on the Notes.

6.8 ***Liquidation expenses payable on floating charge realisation will reduce amounts available to satisfy the claims of secured creditors of the Issuer***

Prior to the House of Lords' decision in the case of *Re Leyland Daf* in 2004, the general position was that, in a liquidation of a company, the liquidation expenses ranked ahead of unsecured debts and floating chargees' claims. *Re Leyland Daf* reversed this position so that liquidation expenses could no longer be recouped out of assets subject to a floating charge. However, section 176ZA of the

Insolvency Act 1986 and the equivalent Article 150ZA of the Insolvency (Northern Ireland) Order 1989 (as amended), both of which came into force on 6 April 2008, effectively reversed by statute the House of Lords' decision in *Re Leyland Daf*. As a result, it is now the case that the costs and expenses of a liquidation (including certain tax charges) will be payable out of floating charge assets in priority to the claims of the floating charge-holder. In respect of certain litigation expenses of the liquidator only, this is subject to the approval of the amount of such expenses by the floating charge-holder (or, in certain circumstances, the court) pursuant to rules 6.42 and 7.108 of the Insolvency (England and Wales) Rules 2016 (as amended) and the equivalent rules 4.228 and 6.222 of the Insolvency Rules (Northern Ireland) 1991. In general, the reversal of *Leyland Daf* applies in respect of all liquidations commenced on or after 6 April 2008.

Therefore, floating charge realisations upon the enforcement of the floating charge security to be granted by the Issuer would be reduced by the amount of all, or a significant proportion of, any liquidation expenses.

6.9 *Insolvency proceedings and subordination provisions*

There is uncertainty 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 hedging 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 (so-called "flip clauses"). Such provisions are similar in effect to the terms which will be included in the Transaction Documents relating to the subordination of Subordinated Swap Amounts.

The English Supreme Court has held in *Belmont Park Investments Pty Limited v BNY Corporate Trustee Services Ltd and Lehman Brothers Special Financing Inc* [2011] UKSC 38 that a flip clause as described above is valid under English law. Contrary to this, however, the US Bankruptcy Court held that such a subordination provision is unenforceable under US bankruptcy law and that any action to enforce such provision would violate the automatic stay which applies under such law in the case of a US bankruptcy of the counterparty. The implications of this conflict remain unresolved.

If a creditor of the Issuer (such as the Swap Counterparty) or a related entity becomes subject to insolvency proceedings in any jurisdiction outside England and Wales (including, but not limited to, the US), and it is owed a payment by the Issuer, a question arises as to whether the insolvent creditor or any insolvency official appointed in respect of that creditor could successfully challenge the validity and/or enforceability of subordination provisions included in the English law governed Transaction Documents (such as a provision of the Priority of Payments which refers to the ranking of the Swap Counterparty's payment rights in respect of Subordinated Swap Amounts). In particular, based on the decision of the US Bankruptcy Court referred to above, there is a risk that such subordination provisions would not be upheld under US bankruptcy laws. Such laws may be relevant in certain circumstances with respect to the Swap Counterparty, notwithstanding that it is a non-US established entity (and/or with respect to any replacement counterparty, depending on certain matters in respect of that entity). In general, if a subordination provision included in the Transaction Documents was successfully challenged under the insolvency laws of any relevant jurisdiction outside England and Wales and any relevant foreign judgment or order was recognised by the English courts, there can be no assurance that such actions would not adversely affect the rights of the Noteholders, the market value of the Notes and/or the ability of the Issuer to satisfy its obligations under the Notes.

Lastly, given the general relevance of the issues under discussion in the judgments referred to above and that the Transaction Documents will include terms providing for the subordination of Subordinated Swap Amounts, there is a risk that the final outcome of the dispute in such judgments

(including any recognition action by the English courts) may result in negative rating pressure in respect of the Notes. If any rating assigned to the Notes is lowered, the market value of the Notes may reduce.

6.10 ***English, Scottish and Northern Irish law security and insolvency considerations***

The Issuer will enter into the Deed of Charge pursuant to which it will grant the Security in respect of certain of its obligations, including its obligations under the Notes (as to which, see "*Overview of the Transaction Documents – Deed of Charge*"). If certain insolvency proceedings are commenced in respect of the Issuer, the ability to realise the Security may be delayed and/or the value of the Security impaired.

The Insolvency Act 1986 and the Insolvency (Northern Ireland) Order 1989 (as amended) allow for the appointment of an administrative receiver in relation to certain transactions in the capital markets. Although there is as yet no case law on how these provisions will be interpreted, it should be applicable to the floating charge created by the Issuer and granted by way of security to the Trustee. However, as this is partly a question of fact, were it not to be possible to appoint an administrative receiver in respect of the Issuer, the Issuer would be subject to administration if it became insolvent which may lead to the ability to realise the Security being delayed and/or the value of the Security being impaired.

In addition, it should be noted that, to the extent that the assets of the Issuer are subject only to a floating charge (including any fixed charge recharacterised by the courts as a floating charge), in certain circumstances under the Insolvency Act 1986 and under the Insolvency (Northern Ireland) Order 1989 (as amended), certain floating charge realisations which would otherwise be available to satisfy the claims of secured creditors under the Deed of Charge may be used to satisfy any claims of unsecured creditors. While certain of the covenants and undertakings given by the Issuer in the Transaction Documents are intended to ensure it has no significant creditors other than the Secured Creditors under the Deed of Charge, it will be a matter of fact as to whether the Issuer has any other such creditors at any time. There can be no assurance that the Noteholders will not be adversely affected by any such reduction in floating charge realisations upon the enforcement of the Security.

While the transaction structure is designed to minimise the likelihood of the Issuer becoming insolvent, there can be no assurance that the Issuer will not become insolvent and/or the subject of insolvency proceedings and/or that the Noteholders would not be adversely affected by the application of insolvency laws (including English, Scottish and Northern Irish insolvency laws).

6.11 ***U.S. Risk Retention Requirements***

Section 941 of the Dodd-Frank Act amended the Exchange Act to generally require the "securitizer" of a "securitization transaction" to retain at least 5% of the "credit risk" of "securitized assets", as such terms are defined for the purposes of that statute, and generally prohibit a securitizer from directly or indirectly eliminating or reducing its credit exposure by hedging or otherwise transferring the credit risk that the securitizer is required to retain. The U.S. Risk Retention Rules came into effect on 24 December 2016 with respect to all classes of asset-backed securitizations. The U.S. Risk Retention Rules provide that the securitizer of an asset backed securitization is its sponsor. The U.S. Risk Retention Rules also provide for certain exemptions from the risk retention obligation that they generally impose.

The Seller does not intend to retain at least 5% of the credit risk of the securitized assets for purposes of compliance with the U.S. Risk Retention Rules, but rather intends to rely on an exemption provided for in Section 20 of the U.S. Risk Retention Rules regarding non-U.S. transactions. Such non-U.S. transactions must meet certain requirements, including that (1) the transaction is not required to be and is not registered under the Securities Act; (2) no more than 10% of the dollar

value (or equivalent amount in the currency in which the "ABS interests" (as defined in Section 2 of the U.S. Risk Retention Rules) are issued) of all classes of ABS interests issued in the securitization transaction are sold or transferred to or for the account or benefit of, U.S. persons (as defined in the U.S. Risk Retention Rules, **Risk Retention U.S. Persons**); (3) neither the sponsor nor the issuer of the securitization transaction is organised under U.S. law or is a branch located in the United States of a non-U.S. entity; and (4) no more than 25% of the underlying collateral was acquired from a majority-owned affiliate or branch of the sponsor or issuer organised or located in the United States.

The Issuer Assets will be comprised of Receivables (and certain ancillary rights) under or in connection with the Loan Contracts, all of which are originated by the Seller, a company incorporated in England and Wales. See the section entitled "*The Seller, the Servicer and the Receivables*".

Prior to any Notes which are offered and sold by the Issuer being purchased by, or for the account or benefit of, any Risk Retention U.S. Person, the purchaser of such Notes must first disclose to the Joint Lead Managers that it is a Risk Retention U.S. Person and obtain the written consent of Vauxhall Finance plc in the form of a U.S. Risk Retention Waiver. Prospective investors should note that the definition of U.S. person in the U.S. Risk Retention Rules is different from the definition of U.S. person under Regulation S, and that persons who are not "U.S. persons" under Regulation S may be U.S. persons under the U.S. Risk Retention Rules. The definition of U.S. person in the U.S. Risk Retention Rules is excerpted below. Particular attention should be paid to clauses (b) and (h), which are different than comparable provisions from Regulation S.

Under the U.S. Risk Retention Rules, and subject to limited exceptions, "U.S. person" means any of the following:

- (a) any natural person resident in the United States;
- (b) any partnership, corporation, limited liability company, or other organisation or entity organised or incorporated under the laws of any State or of the United States³;
- (c) any estate of which any executor or insolvency administrator is a U.S. person (as defined under any other clause of this definition);
- (d) any trust of which any trustee is a U.S. person (as defined under any other clause of this definition);
- (e) any agency or branch of a foreign entity located in the United States;
- (f) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. person (as defined under any other clause of this definition);
- (g) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated, or (if an individual) resident in the United States; and
- (h) any partnership, corporation, limited liability company, or other organisation or entity if:
 - (i) organised or incorporated under the laws of any foreign jurisdiction; and

³ The comparable provision from Regulation S is "(ii) any partnership or corporation organised or incorporated under the laws of the United States."

- (ii) formed by a U.S. person (as defined under any other clause of this definition) principally for the purpose of investing in securities not registered under the Securities Act⁴;

Each holder of a Note or a beneficial interest therein acquired on the Closing Date, by its acquisition of a Note or a beneficial interest in a Note, will be deemed, and, in certain circumstances, will be required to represent to the Issuer, the Seller and the Joint Lead Managers that it (1) either (i) is not a Risk Retention U.S. Person or (ii) it has obtained a U.S. Risk Retention Waiver, (2) is acquiring such Note or a beneficial interest therein for its own account and not with a view to distribute such Note and (3) is not acquiring such Note or a beneficial interest therein as part of a scheme to evade the requirements of the U.S. Risk Retention Rules (including acquiring such Note through a non-Risk Retention U.S. Person, rather than a Risk Retention U.S. Person, as part of a scheme to evade the 10% Risk Retention U.S. Person limitation in the exemption provided for in Section 20 of the U.S. Risk Retention Rules described herein).

There can be no assurance that the requirement to request Vauxhall Finance plc to give its prior written consent in the form of a U.S. Risk Retention Waiver to any Notes which are offered and sold by the Issuer being purchased by, or for the account or benefit of, any Risk Retention U.S. Person will be complied with or will be made by such Risk Retention U.S. Persons.

There can be no assurance that the exemption provided for in Rule Section 20 of the U.S. Risk Retention Rules regarding non-U.S. transactions will be available. No assurance can be given as to whether a failure by Vauxhall Finance plc to comply with the U.S. Risk Retention Rules (regardless of the reason for such failure to comply) may give rise to regulatory action which may adversely affect the Notes or their market value. Furthermore, the impact of the U.S. Risk Retention Rules on the securitization market generally is uncertain, and a failure by Vauxhall Finance plc to comply with the U.S. Risk Retention Rules could therefore negatively affect the value and secondary market liquidity of the Notes.

None of the Security Trustee, the Note Trustee, the Joint Lead Managers or any of their respective affiliates makes any representation to any prospective investor or purchaser of the Notes as to whether the transactions described in this Prospectus comply as a matter of fact with the U.S. Risk Retention Rules on the Closing Date or at any time in the future. Investors should consult their own advisers as to the U.S. Risk Retention Rules. No predictions can be made as to the precise effects of such matters on any investor or otherwise.

6.12 ***Fixed charges may take effect under English or Northern Irish law as floating charges***

Pursuant to the terms of the Deed of Charge, the Issuer has purported to grant fixed charges over, among other things, its interests in the Purchased Receivables and their Ancillary Rights, its rights and benefits in the Issuer Accounts and all Authorised Investments purchased from time to time.

English law and Northern Irish law relating to the characterisation of fixed charges is unsettled. The fixed charges purported to be granted by the Issuer (other than by way of assignment in security) may take effect under English law as floating charges only, if, for example, it is determined that the Security Trustee has not been provided sufficient control over the Charged Property (although it should be noted that there is no equivalent concept of recharacterisation of fixed security as floating security under Scots law). If the charges take effect as floating charges instead of fixed charges, then, as a matter of law, certain claims would have priority over the claims of the Security Trustee in respect of the floating charge assets.

⁴ The comparable provision from Regulation S "(vii)(B) formed by a U.S. person principally for the purpose of investing in securities not registered under the Securities Act, unless it is organised or incorporated, and owned, by accredited investors (as defined in 17 CFR 230.501(a)) who are not natural persons, estates or trusts."

The interest of the Secured Creditors in property and assets over which there is a floating charge will rank behind the expenses of any insolvency administrator or liquidator and the claims of certain preferential creditors on enforcement of the Security. Section 250 of the Enterprise Act 2002 and the equivalent Article 6 of the Insolvency (Northern Ireland) Order 2005 abolish Crown Preference in relation to all insolvencies (and thus reduce the categories of preferential debts that are to be paid in priority to debts due to the holder of a floating charge) but a new Section 176A of the Insolvency Act 1986 and the equivalent Article 150A of the Insolvency (Northern Ireland) Order 1989 (as amended, inter alia, by the Insolvency (Northern Ireland) Order 2005)) require a "prescribed part" (up to a maximum amount of £600,000) of the floating charge realisations available for distribution to be set aside to satisfy the claims of unsecured creditors. This means that the expenses of any administration, the claims of preferential creditors and the beneficiaries of the prescribed part will be paid out of the proceeds of enforcement of the floating charge ahead of amounts due to Noteholders. The prescribed part will not be relevant to property subject to a valid fixed security interest or to a situation in which there are no unsecured creditors.

6.13 *Equitable assignment*

The assignment by the Seller of the English Receivables and the Northern Irish Receivables will take effect in equity only because no notice of the assignment will be given to Borrowers unless a Perfection Event shall have occurred. The Issuer will assign to the Security Trustee by way of security, among other things, the Issuer's interest in the Purchased Receivables.

The giving of notice to the Borrower of the Seller's assignment would have the following consequences:

- (a) Notice to the Borrower would "perfect" the assignment so that the Issuer would take priority over any interest of a later encumbrancer or assignee of the Seller's rights who has no notice of the assignment to the Issuer.
- (b) Notice to a Borrower would mean that the Borrower should no longer make payment to the Seller as creditor under the Loan Contract but should make payment instead to the Issuer. If the Borrower were to ignore a notice of assignment and pay the Seller for its own account, the Borrower will still be liable to the Issuer for the amount of such payment. However, for so long as Vauxhall Finance plc remains the Servicer under the Servicing Agreement it is also the agent of the Issuer for the purposes of the collection of the Purchased Receivables and will, accordingly, be accountable to the Issuer for any amount paid to it in respect of the Purchased Receivables.
- (c) Until notice is given to the Borrower, equitable set-offs (such as referred to in the sections of the Prospectus entitled "*Consumer Credit Act 1974*", "*Regulated conditional sale agreements*", "*Sale of Goods Act 1979*" and "*Unfair Terms in Consumer Regulations 1999*") may accrue in favour of the Borrower in respect of his obligation to make payments under the relevant Loan Contract. These may, therefore, result in the Issuer receiving less monies than anticipated from the Purchased Receivables. The assignment of any Purchased Receivables to the Issuer will be subject both to any prior equities which have arisen in favour of the Borrower and to any equities which may arise in the Borrower's favour after the assignment until such time (if ever) as he receives actual notice of the assignment. However, where the set-off by a Borrower is connected with the Loan Contract (as would be the case for claims in respect of the related Ancillary Products or vehicle defects) the Borrower may exercise a set-off (or exercise analogous rights in Scotland or Northern Ireland), irrespective of any notice given to them of the assignment to the Issuer.
- (d) Notice to the Borrower would prevent the Seller and the Borrower amending the Related Loan Contract without the involvement of the Issuer. However, the Seller will undertake for

the benefit of the Issuer that it will not waive any breach under, or amend the terms of, any of the Loan Contracts, other than in accordance with its usual credit policies (as described below).

- (e) Lack of notice to the Borrower means that the Issuer will have to join the Seller as a party to any legal action which the Issuer may want to take against any Borrower. The Seller will, however, undertake for the benefit of the Issuer that it will lend its name to, and take such other steps as may be required by the Issuer or the Note Trustee in relation to, any action in respect of the Purchased Receivables.

Perfection Events have been used to mitigate the risk deriving from the equitable assignment but there can be no certainty as to the timing and effectiveness of such Perfection Events.

6.14 *Scottish Receivables*

Legal title to the Scottish Receivables will remain with Vauxhall Finance plc because no formal assignation thereof duly intimated to the relevant Borrowers will be made unless a Perfection Event shall have occurred. The legal position of the Issuer and the Seller in respect of the Scottish Receivables is substantially in accordance with that set out above in relation to the holding of an equitable or beneficial interest in the English Receivables and the Northern Irish Receivables.

The fixed charge granted by the Issuer in favour of the Security Trustee over the Issuer's interest in the Purchased Receivables includes, among other things, each assignation in security of the Issuer's interest in the Scottish Receivables.

7. RISK FACTORS RELATING TO CERTAIN TAX CONSIDERATIONS

7.1 *UK taxation treatment of the Issuer*

The Issuer has been advised that it should fall within the permanent regime for the taxation of securitisation companies (as set out in the Taxation of Securitisation Companies Regulations 2006 (SI 2006/3296) (as amended) (the **Securitisation Tax Regulations**)), and, as such, should be taxed only on the amount of its "retained profit" (as that term is defined in the Securitisation Tax Regulations), for so long as it satisfies the conditions of the Securitisation Tax Regulations. However, if the Issuer does not in fact satisfy the conditions of the Securitisation Tax Regulations (or subsequently ceases to satisfy those conditions), then the Issuer may be subject to tax liabilities not contemplated in the cash flows for the transaction described in this Prospectus. Any such tax liabilities may reduce amounts available to the Issuer to meet its obligations under the Notes and may result in investors receiving less interest and/or principal than expected.

7.2 *EU Financial Transactions Tax proposals may give rise to tax liabilities*

On 14 February 2013, the European Commission issued proposals, including a draft Directive (the **Commission's proposal**) for a financial transaction tax (**FTT**) to be adopted in certain participating EU Member States (including Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia). However Estonia has since stated that it will not participate. If the Commission's proposal was adopted, the FTT would be a tax primarily on "financial institutions" (which would include the Issuer) in relation to "financial transactions" (which would include the conclusion or modification of derivative contracts and the purchase and sale of financial instruments).

Under the Commission's proposal, the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply where at least one party is a financial institution, and at least one party is established in a participating Member State. A

financial institution may be, or be deemed to be, "established" in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the financial transaction is issued in a participating Member State.

The FTT may give rise to tax liabilities for the Issuer with respect to certain transactions (including concluding swap transactions and/or purchases or sales of securities (such as Authorised Investments)) if it is adopted based on the Commission's proposals. Any such tax liabilities may reduce amounts available to the Issuer to meet its obligations under the Notes and may result in investors receiving less interest or principal than expected. To the extent that such liabilities may arise at a time when winding up proceedings have been commenced in respect of the Issuer, such liabilities may be regarded as an expense of the liquidation and, as such, be payable out of the floating charge assets of the Issuer (and its general estate) in priority to the claims of Noteholders and other secured creditors. It should also be noted that the FTT could be payable in relation to relevant transactions by investors in respect of the Notes (including secondary market transactions) if the conditions for a charge to arise are satisfied and the FTT is adopted based on the Commission's proposal. Primary market transactions referred to in Article 5(c) of Regulation (EC) No 1287/2006 are expected to be exempt.

However, the FTT proposal remains subject to negotiation between participating Member States. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate. Prospective holders of the Notes are advised to seek their own professional advice in relation to the FTT.

7.3 *Withholding tax in respect of the Notes and the Swap Agreement*

Provided that the Notes are and continue to be "listed on a recognised stock exchange" (within the meaning of section 1005 of the Income Tax Act 2007), as at the date of this Prospectus no withholding or deduction for or on account of UK income tax will be required on payments of interest on the Notes. However, there can be no assurance that the law in this area will not change during the life of the Notes.

In the event that any withholding or deduction for or on account of tax is required to be made from payments in respect of the Notes, neither the Issuer nor any other person will be obliged to pay any additional amounts to Noteholders or to otherwise compensate the Noteholders for such withholding or deduction. However, in such circumstances, the Issuer shall (following the exercise by the Seller of the Tax Call Option) redeem all outstanding Notes in full at their Principal Amount Outstanding (together with accrued interest). See Condition 6.2 (Mandatory redemption in full).

The applicability of any withholding or deduction for or on account of UK tax on payments of interest on the Notes is discussed further under "*Taxation – UK Taxation*".

All payments to be made by a party under the Swap Agreement are to be made without withholding or deduction for or on account of any tax unless such withholding or deduction is required by applicable law (as modified by the practice of any relevant tax authority). Each of the Issuer and the Swap Counterparty will represent, on entering into the Swap Agreement, that it is not obliged to make any such deduction or withholding under current taxation law and practice (save in respect of certain payments of interest and deliveries, transfers and payments to be made pursuant to the credit support annex to the Swap Agreement). If, as a result of a change in law (or the application or official interpretation thereof), the Issuer is required to make such a withholding or deduction from any payment to be made to the Swap Counterparty under the Swap Agreement, the Issuer will not be obliged to pay any additional amounts to the Swap Counterparty in respect of the amounts so required to be withheld or deducted. If the Swap Counterparty is required to make such a withholding or deduction from any payment to the Issuer under the Swap Agreement, it shall

generally pay to the Issuer such additional amount as is necessary to ensure that the net amount actually received by the Issuer will equal the full amount the Issuer would have received had no such deduction or withholding been required. The party receiving a reduced payment or that is required to make an additional payment, as the case may be, will have the right to terminate a Hedging Arrangement under the Swap Agreement (subject to the Swap Counterparty's obligation to use all reasonable efforts (provided that such efforts will not require the Swap Counterparty to incur a loss, excluding immaterial, incidental expenses) to transfer its rights and obligations under the Swap Agreement to another of its offices or affiliates such that payments made by or to that office or affiliate under the Swap Agreement can be made without any withholding or deduction for or on account of tax). If a Hedging Arrangement under the Swap Agreement is terminated, the Issuer may be unable to meet its obligations under the Rated Notes in full, with the result that the Noteholders may not receive all of the payments due to them in respect of the Rated Notes.

8. RISK FACTORS RELATING TO THE CHARACTERISTICS OF THE NOTES

8.1 *The minimum denomination of the Notes may adversely affect payments on the Notes if issued in definitive form*

The Notes have a denomination consisting of a minimum authorised denomination of £100,000 plus higher integral multiples of £1,000. Accordingly, it is possible that the Notes may be traded in amounts in excess of the minimum authorised denomination that are not integral multiples of such denomination. In such a case, if definitive Notes are required to be issued, a Noteholder who holds a principal amount less than the minimum authorised denomination at the relevant time may not receive a definitive Note in respect of such holding and may need to purchase a principal amount of Notes such that their holding amounts to the minimum authorised denomination (or another relevant denomination amount).

If definitive Notes are issued, Noteholders should be aware that definitive Notes which have a denomination that is not an integral multiple of the minimum authorised denomination may be illiquid and difficult to trade.

8.2 *Book-Entry Interests in respect of the Notes*

Unless and until Definitive Notes are issued in exchange for the book-entry interests in the Global Note in respect of the Notes through the Clearing Systems, holders and beneficial owners of book-entry interests will not be considered the legal owners or holders of the Notes under the Trust Deed. After payment by the Principal Paying Agent to Euroclear or Clearstream, 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.

Each Class of Notes will be represented by a Global Note delivered to Clearstream or Euroclear as Common Safekeeper, and will not be held by the beneficial owners or their nominees. Each Class of Notes will be held by the Common Safekeeper in New Global Note (NGN) format. As a result, unless and until a Class of Notes in definitive form are issued, beneficial owners of such Class will not be recognised by the Issuer, the Note Trustee or the Security Trustee as Noteholders, as that term is used in the Trust Deed. Accordingly, each person owning a book-entry interest must rely on the relevant procedures of Euroclear and Clearstream and, if such person is not a participant in such entities, on the procedures of the participant through which such person owns its interest, to exercise any right of a Noteholder under the Trust Deed.

Payments of principal and interest on, and other amounts due in respect of, the Global Note in respect of the Notes will be made by the Principal Paying Agent to the order of the Common Safekeeper thereof against presentation. Upon receipt of any payment from the Principal Paying Agent, Euroclear and Clearstream, as applicable, will credit participants' accounts with payment in

amounts proportionate to their respective ownership of book-entry interests as shown on their records. The Issuer expects that payments by participants or indirect payments to owners of book-entry interests held through such participants or indirect participants will be governed by standing customer instructions and customary practices, as is now the case with the securities held for the accounts of customers registered in "street name", and will be the responsibility of such participants or indirect participants. None of the Issuer, the Note Trustee, the Security Trustee, any Paying Agent or the Joint Lead Managers will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, the book-entry interests or for maintaining, supervising or reviewing any records relating to such book-entry interests.

Unlike Noteholders, holders of the book-entry interests will not have the right under the 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 in respect of the Notes will be permitted to act only to the extent it has received appropriate proxies to do so from Euroclear or Clearstream (as the case may be) and, if applicable, their participants. There can be no assurance that procedures implemented for the granting of such proxies will be sufficient to enable holders of book-entry interests in respect of the relevant Notes 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 in respect of the Notes will be restricted to acting through Euroclear and Clearstream unless and until Definitive Notes are issued in accordance with the relevant provisions described herein under the section entitled "*Terms and Conditions of the Notes*". There can be no assurance that the procedures to be implemented by Euroclear and Clearstream under such circumstances will be adequate to ensure the timely exercise of remedies under the Trust Deed.

Although Euroclear and Clearstream have agreed to certain procedures to facilitate transfers of book-entry interests among account holders of Euroclear and Clearstream, 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, the Security Trustee, any Paying Agent or any of their agents or the Joint Lead Managers will have any responsibility for the performance by Euroclear or Clearstream or their respective participants or account holders of their respective obligations under the rules and procedures governing their operations.

Certain transfers of Notes or interests therein may only be effected in accordance with, and subject to, certain transfer restrictions and certification requirements.

8.3 *There can be no assurance of Eurosystem eligibility*

The Notes are intended to be held in a manner which will allow Eurosystem eligibility. This means that the Notes are intended upon issue to be deposited with one of Euroclear or Clearstream as Common Safekeeper and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem (**Eurosystem eligible collateral**) either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.

In November 2015, the ECB published amending Guideline (EU) 2016/64, which amended the definition of "leasing receivables" to mean "the scheduled and contractually mandated payments by the lessee to the lessor under the term of a lease agreement. Residual values are not leasing receivables. Personal Contract Purchase (PCP) agreements, i.e. agreements pursuant to which the obligor may exercise its option: (a) to make a final payment to acquire full legal title of the goods; or (b) to return the goods in settlement of the agreement; are assimilated to leasing agreements". Consequently, if any receivables under PCP agreements were to be regarded as residual values, then they would not be considered to be "leasing receivables" and the Notes would therefore not be recognised as Eurosystem eligible collateral.

None of the Issuer, the Joint Lead Managers nor Vauxhall Finance plc gives any representation, warranty, confirmation or guarantee to any investor in the Notes that the Notes will, either upon issue or at any time prior to redemption in full, satisfy all or any of the requirements for Eurosystem eligibility and be recognised as Eurosystem eligible collateral. Any potential investor in the Notes should make their own conclusions and seek their own advice with respect to whether or not the Notes constitute Eurosystem eligible collateral.

8.4 ***There can be no assurance of Bank of England eligibility***

Whilst central bank schemes such as, amongst others, the Bank of England's Sterling Monetary Framework, the Funding for Lending Scheme, the Term Funding Scheme or the European Central Bank's liquidity scheme have provided an important source of liquidity in respect of eligible securities, as at the date of this Prospectus, use of such schemes is now restricted to the maintenance of existing drawings by participants. None of the Issuer, the Joint Lead Managers nor the Seller gives any representation, warranty, confirmation or guarantee to any investor in the Notes that the Notes will, either upon issue or at any time prior to redemption in full, satisfy all or any of the requirements for such central bank schemes. Any potential investor in the Notes should make their own conclusions and seek their own advice with respect to whether or not the Notes constitute eligible collateral for such central bank schemes.

8.5 ***The Notes may not be a suitable investment for all investors***

The Notes are complex securities and investors should possess, or seek the advice of advisers with, the expertise necessary to evaluate the information contained in this Prospectus in the context of such investor's individual financial circumstances and tolerance for risk. An investor should not purchase Notes unless it understands the principal repayment, credit, liquidity, market and other risks associated with the Notes.

Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor may wish to consider, either on its own or with the help of its financial and other professional advisers, whether it:

- (a) has sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained in this Prospectus;
- (b) has access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;
- (c) has sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including Notes where the currency for principal or interest payments is different from the potential investor's currency;
- (d) understands thoroughly the terms of the Notes and is familiar with the behaviour of any relevant indices and financial markets; and
- (e) is able to evaluate possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Neither the Issuer nor any other Transaction Party is acting as an investment adviser, or assumes any fiduciary obligation, to any investor in the Notes and investors may not rely on any such entity. The Transaction Parties do not assume any responsibility for conducting or failing to conduct any investigation into the business, financial condition, prospects, creditworthiness, status and/or affairs of any of the Transaction Parties.

A potential investor should not invest in the Notes, which are complex financial instruments, unless it has the expertise (either alone or with a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of the Notes and the impact this investment will have on the potential investor's overall investment portfolio.

See also the risk factor entitled "*Risk Factors Relating to Certain Regulatory Aspects and Other Considerations – Regulatory initiatives may have an adverse impact on the regulatory treatment of the Notes and/or decrease liquidity in respect of the Notes*".

9. CONCLUSION

The Issuer believes that the risks described above are the principal risks inherent in the transaction for Noteholders, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with the Notes may occur for other reasons and the Issuer does not represent that the above statements regarding the risks of holding the Notes are exhaustive. Although the Issuer believes that the various structural elements described in this Prospectus mitigate some of these risks for Noteholders, there can be no assurance that these measures will be sufficient to ensure payment to Noteholders of interest, principal or any other amounts on or in connection with the Notes on a timely basis or at all.

USE OF PROCEEDS FROM THE NOTES

The proceeds from the issue of the Class A Notes will be £361,250,000, the proceeds from the issue of the Class B Notes will be £35,000,000, the proceeds from the issue of the Class C Notes will be £ 25,000,000, the proceeds from the issue of the Class D Notes will be £20,000,000, the proceeds from the issue of the Class E Notes will be £16,250,000, the proceeds from the issue of the Class F Notes will be £8,750,000, the proceeds from the issue of the Class G Notes will be £8,750,000 and the proceeds from the issue of the Class H Notes will be £25,000,000.

On the Closing Date, the Issuer will pay to the Seller the aggregate Initial Purchase Price calculated on or around the Closing Date for the Initial Purchased Property on the Closing Date.

The Liquidity Reserve Proceeds advanced under the Subordinated Loan will be deposited in the Transaction Account and used to establish the Liquidity Reserve Amount in an amount equal to or greater than the Liquidity Reserve Target Amount.

RIGHTS OF NOTEHOLDERS

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

Prior to an Event of Default:

Prior to the occurrence of an Event of Default, the Issuer or the Note Trustee may at any time, and Noteholders holding not less than 10% of the Principal Amount Outstanding of the Notes then outstanding are entitled to, upon requisition in writing to the Issuer, convene a Noteholders' meeting to consider any matter affecting their interests.

Following an Event of Default:

Following the occurrence of an Event of Default, Noteholders may, if they hold not less than one-fifth of the Principal Amount Outstanding of the Most Senior Class of Notes then outstanding or if the Noteholders of the Most Senior Class of Notes pass an Extraordinary Resolution, direct the Note Trustee to give a Note Acceleration Notice to the Issuer notifying the Issuer that all classes of the Notes are immediately due and repayable at their respective Principal Amount Outstanding together with accrued interest.

In the case of the Issuer failing to perform or observe any of its other obligations under the Conditions or any Transaction Document to which it is a party (other than with respect to the payment of principal and interest when due), such an Extraordinary Resolution will be effective only if the Note Trustee shall also have certified in writing to the Issuer that such event is, in its opinion, materially prejudicial to the interests of the Most Senior Class of Notes. The Note Trustee may also, without the consent of the Noteholders, if it is of the opinion that such determination will not be materially prejudicial to the interests of the Noteholders, determine that an Event of Default or Potential Event of Default shall not, or shall not subject to specified conditions, be treated as such.

See further the section entitled "Terms and Conditions of the Notes" for more information.

		<u>Initial General Meeting</u>	<u>Adjourned General Meeting</u>
Noteholders meeting provisions:	Notice Period:	At least 21 clear days (and no more than 365 calendar days) for the initial meeting	At least 10 clear days for the adjourned meeting (and no more than 42 clear days in the case of an initial adjournment of a meeting at which an Extraordinary Resolution is to be proposed)
	Quorum:	20% of the Principal Amount Outstanding of the relevant Class of Notes then outstanding for all Ordinary Resolutions; 50% of the Principal Amount Outstanding of the relevant Class of Notes for the initial meeting to pass an Extraordinary Resolution (other than a Basic Terms Modification, which requires 75% of the Principal Amount Outstanding of the relevant Class of Notes)	Any holding (other than an Extraordinary Resolution or a Basic Terms Modification, which requires 25% of the Principal Amount Outstanding of the relevant Class of Notes)
	Required majority:	50% of votes cast for matters requiring Ordinary Resolution and 75% of votes cast for matters requiring Extraordinary Resolution	50% of votes cast for matters requiring Ordinary Resolution and 75% of votes cast for matters requiring Extraordinary Resolution
	Written Resolution:	75% of the Principal Amount Outstanding of the relevant Class of Notes then outstanding. A Written Resolution has the same effect as an Extraordinary Resolution.	
	Time and Place:	Every such meeting shall be held at such time and place as the Note Trustee may appoint or approve, provided that the place shall be a location in the United Kingdom (or, if applicable, the European Union).	

**Matters requiring
Extraordinary Resolution:**

Broadly speaking, the following matters require an Extraordinary Resolution:

- to approve any Basic Terms Modification;
- to approve the substitution of any person for the Issuer as principal obligor under the Notes;
- to waive any breach or authorise any proposed breach by the Issuer of its obligations under the Notes or any Transaction Document or any act or omission which might otherwise constitute an Event of Default under the Notes;
- to remove the Note Trustee and/or the Security Trustee and to approve the appointment of a new Note Trustee and/or Security Trustee;
- to authorise the Note Trustee or any other person to execute all documents and do all things necessary to give effect to any Extraordinary Resolution;
- to discharge or exonerate the Note Trustee from any liability in respect of any act or omission for which it may become responsible under the Trust Deed or the Notes;
- to give any other authorisation or approval which under the Trust Deed or the Notes is required to be given by Extraordinary Resolution; and
- to appoint any persons as a committee to represent the interests of the Noteholders and to convey upon such committee any powers which the Noteholders could themselves exercise by Extraordinary Resolution.

**Right of modification
without Noteholder
consent**

Pursuant to and in accordance with the detailed provisions of Condition 11.6 (General Meetings of Noteholders, Modification and Waiver), the Note Trustee shall be obliged, without any consent or sanction of the Noteholders or the other Secured Creditors (but subject to the receipt of written consent from any of the Secured Creditors party to the Transaction Documents being modified), to concur and to direct the Security Trustee to concur with the Issuer in making any modification (other than a Basic Terms Modification) to the Conditions and/or any Transaction Document or enter into any new, supplemental or additional documents for the purposes of:

- (a) complying with, or implementing or reflecting, any change in criteria of the Rating Agencies;
- (b) complying with any changes in the requirements of the Securitisation Regulation after the Closing Date, including as a result of the adoption of regulatory technical standards in relation to the Securitisation Regulation, (ii) the CRR Amendment Regulation or (iii) any other legislation, regulations or official guidance relating to securitisation transactions;

- (c) enabling the Notes to be (or to remain) listed on Euronext Dublin;
- (d) enabling the Issuer or any other Transaction Party to comply with FATCA;
- (e) complying with any changes in the requirements of the CRA 3 Regulation and certain other risk retention legislation;
- (f) amending the Swap Agreement (in accordance with the provisions thereof) for the purposes of changing the base floating interest rate used to determine payments under such Swap Agreement from SONIA to a replacement base floating interest rate (and such other amendments as are necessary or advisable in the reasonable judgment of the Issuer to facilitate such change), to the extent there has been or there is reasonably expected to be a material disruption or cessation to the base floating interest rate or certain other events as specified in the Swap Agreement; or
- (g) changing the base rate on any of the Rated Notes from SONIA to an Alternative Base Rate (and such other amendments as are necessary or advisable in the reasonable judgment of the Issuer to facilitate such change) to the extent there has been or there is reasonably expected to be a material disruption or cessation to the base rate.

Amongst other things, the Issuer must certify to the Note Trustee that it has provided at least 30 days' notice to Noteholders of each Class of Notes of the proposed modification in accordance with Condition 14 (Notice to Noteholders) and by publication on Bloomberg on the "Company News" screen relating to the Notes. If Noteholders representing at least 10% of the aggregate Principal Amount Outstanding of the Most Senior Class of Notes then outstanding have notified the Issuer in writing that such Noteholders do not consent to the modification then such modification will not be made unless passed by an Extraordinary Resolution of the Noteholders of the Most Senior Class of Notes then outstanding in accordance with Condition 11 (General Meetings of Noteholders, Modification and Waiver).

In addition, the Security Trustee and the Note Trustee shall be obliged, without any consent or sanction of the Noteholders or the other Secured Creditors but subject to the receipt of written consent from any of the Secured Creditors party to the Transaction Document being modified, to concur with the Issuer in making any modification (other than a Basic Terms Modification) to the Conditions and/or any other Transaction Document in order to enable the Issuer and/or any Swap Counterparty to comply with any obligation which applies to it under EMIR, provided that the Issuer or the Swap Counterparty, as appropriate, certifies to the Security Trustee, the Note Trustee and relevant the Swap Counterparty or Issuer, as applicable, in writing that such modification is required solely for the purpose of enabling it to satisfy such obligation and has been drafted solely to such effect.

**Relationship between
Classes of Noteholders:**

Except in respect of certain matters set out in Condition 11 (General Meetings of Noteholders, Modification and Waiver) and the Trust Deed and excluding for the avoidance of doubt a Basic Terms Modification in respect of Classes other than the Most Senior Class of Notes, an Extraordinary Resolution of Noteholders of the Most Senior Class of Notes shall be binding on the holders of all other Classes of Notes. For further details see Condition 11 (General Meetings of Noteholders, Modification and Waiver).

A Basic Terms Modification requires an Extraordinary Resolution of the holders of the relevant affected Classes of Notes.

**Relationship between
Noteholders and other
Secured Creditors:**

So long as the Notes are outstanding, the Note Trustee will have regard to the interests of the Noteholders and the other Secured Creditors, but if in the Note Trustee's sole opinion there is a conflict between their interests it will have regard solely to the interests of the Noteholders.

**Provision of Information
to the Noteholders:**

For so long as the Notes remain outstanding, information in respect of the underlying Issuer Assets will be provided to the Noteholders on a monthly basis by the Servicer pursuant to the terms of the Servicing Agreement, including information required to be made available pursuant to Articles 7(1) and 7(2) of the Securitisation Regulation.

TRIGGERS TABLES

(A) RATING TRIGGERS TABLE

Transaction Party	Required Ratings	Contractual requirements on occurrence of breach of ratings trigger include the following:
Account Bank	<p>(a) either a COR of at least A(high) by DBRS, or if a COR from DBRS is not available, a long-term, senior, unsecured debt rating of A by DBRS (either by way of a public rating or, in its absence, by way of a private rating supplied by DBRS), provided that if the Account Bank is not rated by DBRS, a DBRS Equivalent Rating at least equal to A by DBRS, or, failing which, in each case, such other ratings that are consistent with the then published criteria of the relevant Rating Agency as being the minimum ratings that are required to support the then rating of the Class A Notes; and (b) a short-term issuer credit rating of at least A-1 by S&P Global (if a short-term rating is assigned by S&P Global); or a long-term issuer credit rating of at least A by S&P Global (or if the Account Bank does not benefit from a short-term issuer credit rating by S&P Global, a long-term issuer credit rating of at least A+ by S&P Global), or such other ratings that are consistent with the then published criteria of the relevant Rating Agency as being the minimum ratings that are required to support the then rating of the Class A Notes.</p>	<p>The consequence of breach is that the Account Bank must, within 60 days of the breach occurring (provided that, prior to the expiry of 33 calendar days following the first day on which such downgrade occurred the balances on the Transaction Accounts shall not be transferred from the Issuer Accounts nor the Issuer Accounts closed), do one of the following: (a) close the Transaction Account and open a new replacement account with a financial institution (I) having all the requisite ratings and (II) which is a bank as defined in Section 991 of the Income Tax Act 2007 and which is situated in a Member State of the European Union, and authorised as a credit institution by a competent authority in a Member State of the European Union, for the purposes of Directive 2006/48/EC on credit institutions, provided that if any financial institution as described in paragraph (II) above is acting through a foreign branch which is situated in a Member State of the European Union, the foreign currency long-term rating of such hosting sovereign is at least BBB-; (b) obtain a guarantee in support of the Account Bank's obligations under the Account Bank Agreement is obtained from a financial institution having all the requisite ratings, provided that such guarantee complies with the S&P Global Guarantee Criteria; or (c) carry out such other actions as may be requested by the parties to the Account Bank Agreement</p>

(other than the Security Trustee) to maintain the rating of the Class A Notes immediately prior to the breach.

If the Account Bank fails to comply with the above, the Account Bank's appointment will be terminated by the Issuer or the Calculation Agent (with prior written notice to the Security Trustee) by providing not less than 30 days' prior written notice to the Account Bank (such termination being effective on a replacement account bank being appointed by the Issuer).

Swap Counterparty

S&P Global rating requirements

The S&P Global "Counterparty Risk Framework Methodology and Assumptions" (published on 8 March 2019) permits four different frameworks for selecting applicable ratings triggers (**S&P Global Strong**, **S&P Global Adequate**, **S&P Global Moderate** and **S&P Global Weak**, and each a **S&P Global Framework**), and the contractual requirements that should apply on the occurrence of breach of the relevant ratings trigger by the Swap Counterparty. Subject to certain conditions specified in the Swap Agreement, the Swap Counterparty has elected as of the Closing Date **S&P Global Weak** as the applicable **S&P Global Framework** and may elect to change the applicable **S&P Global Framework** by written notice to S&P Global, the Issuer and the Security Trustee.

The S&P Global required ratings depend on both the rating of the highest rated class of Rated Notes rated by S&P Global at the relevant time (the **S&P Global Relevant Notes**) and which S&P Global framework applies at the relevant time.

The Swap Counterparty will have at least the **Initial S&P Global Required Rating** and the **Subsequent S&P Global Required Rating** in respect of the relevant S&P Global Relevant Notes if either the issuer credit rating or the resolution counterparty rating assigned by S&P Global to the Swap Counterparty in respect of the relevant S&P Global Relevant Notes is at least as high as the relevant rating (depending on the then current rating assigned by S&P Global to the S&P Global Relevant Notes and the then applicable S&P Global framework) specified in the table below under the column “Initial S&P Global Rating” or “Subsequent S&P Global Rating”, as applicable.

Rating of the S&P Global Relevant Notes	S&P Global Strong		S&P Global Adequate		S&P Global Moderate		S&P Global Weak	
	Initial S&P Global Rating	Subsequent S&P Global Rating	Initial S&P Global Rating	Subsequent S&P Global Rating	Initial S&P Global Rating	Subsequent S&P Global Rating	Initial S&P Global Rating	Subsequent S&P Global Rating
AAA	A-	BBB+	A-	A-	A	A	NA	A+
AA+	A-	BBB+	A-	A-	A-	A-	NA	A+
AA	A-	BBB	BBB+	BBB+	A-	A-	NA	A
AA-	A-	BBB	BBB+	BBB+	BBB+	BBB+	NA	A-
A+	A-	BBB-	BBB	BBB	BBB+	BBB+	NA	A-
A	A-	BBB-	BBB	BBB	BBB	BBB	NA	BBB+
A-	A-	BBB-	BBB	BBB-	BBB	BBB	NA	BBB+
BBB+	A-	BBB-	BBB	BBB-	BBB	BBB-	NA	BBB
BBB	A-	BBB-	BBB	BBB-	BBB	BBB-	NA	BBB
BBB-	A-	BBB-	BBB	BBB-	BBB	BBB-	NA	BBB-

BB+ and below	A-	At least as high as 3 notches below the S&P Global Relevant Notes rating	BBB	At least as high as 2 notches below the S&P Global Relevant Notes rating	BBB	At least as high as 1 notch below the S&P Global Relevant Notes rating	NA	At least as high as the S&P Global Relevant Notes rating
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Failure by the Swap Counterparty or an applicable guarantor to have the Initial S&P Global Required Rating where S&P Global Strong, S&P Global Adequate or S&P Global Moderate applies shall give rise to an Initial S&P Global Rating Event.

Subject to the terms of the Swap Agreement if an Initial S&P Global Rating Event occurs, the Swap Counterparty (a) if the S&P Global Strong, S&P Global Adequate or S&P Global moderate applies, must, at its own cost, post collateral within 10 Business Days (or within 20 Business Days if the Swap Counterparty has received written confirmation from S&P Global that they will not take negative rating action if a proposal by the Swap Counterparty is implemented within 20 Business Days) and may (b) at its own discretion and at its own cost, (i) procure a transfer to an eligible replacement of its obligations under the Swap Agreement or (ii) procure a guarantee from an eligible guarantor in respect of its obligations under the Swap Agreement or (iii) take such other action as required to maintain or restore the rating of the S&P Global Relevant Notes by S&P Global.

The Issuer may terminate the Hedging Arrangements under the Swap Agreement if the Swap Counterparty fails to provide collateral in respect of the Swap Agreement in the relevant time period.

Failure by the Swap Counterparty, or an applicable guarantor to have the Subsequent S&P Global Required Rating where S&P Global Strong, S&P Global Adequate, S&P Global Moderate or S&P Global Weak applies, shall

Subject to the terms of the Swap Agreement, if a Subsequent S&P Global Rating Event occurs and irrespective of which S&P Global Framework is applicable at the relevant time, the Swap Counterparty must, at its own cost,

give rise to a **Subsequent S&P Global Rating Event**.

use its commercially reasonable efforts to, within 90 calendar days, either (i) procure a transfer to an eligible replacement of its obligations under the Swap Agreement, (ii) procure a guarantee from an eligible guarantor in respect of its obligations under the Swap Agreement or (iii) take such other action as required to maintain or restore the rating of the S&P Global Relevant Notes by S&P Global.

Where S&P Global Strong, S&P Global Adequate or S&P Global Moderate applies, while the above process is ongoing, the Swap Counterparty must, at its own cost, also post collateral within 10 Business Days (or within 20 Business Days if the Swap Counterparty has received written confirmation from S&P Global that they will not take negative rating action if a proposal by the Swap Counterparty is implemented within 20 Business Days).

The Issuer may terminate the Hedging Arrangements under the Swap Agreement if the Swap Counterparty either fails to use its commercially reasonable efforts to take the relevant actions or the relevant time period has expired.

Where S&P Global Strong, S&P Global Adequate or S&P Global Moderate applies, the Issuer may also terminate the Hedging Arrangements under the Swap Agreement if the Swap Counterparty fails to provide collateral in respect of the Swap Agreement in the relevant time period.

DBRS rating requirements

Irrespective of the current rating of the Rated Notes, the contractual requirements that apply on the

occurrence of a breach of the relevant ratings trigger by the Swap Counterparty are determined by reference to the Swap Counterparty rating being (i) the Critical Obligations Rating of the Swap Counterparty, (ii) if no Critical Obligations Rating has been assigned to such entity by DBRS, the higher of (I) the solicited public issuer rating assigned by DBRS to such entity or (II) the solicited public rating assigned by DBRS to such entity's long term senior unsecured debt obligations or (iii) if no such solicited public rating has been assigned to such entity by DBRS, the corresponding DBRS Equivalent Rating set out in the DBRS Equivalent Chart below (the **Long-Term DBRS Rating**),

where **Critical Obligations Rating** means the rating assigned to a relevant entity by DBRS to address the risk of default of particular obligations and/or exposures of certain banks that have a higher probability of being excluded from bail-in and remaining in a continuing bank in the event of the resolution of a troubled bank than other senior unsecured obligations.

DBRS Equivalent Chart			
DBRS	Moody's	S&P	Fitch
AAA	Aaa (cr)	AAA	AAA
AA (high)	Aa1 (cr)	AA+	AA+
AA	Aa2 (cr)	AA	AA
AA (low)	Aa3 (cr)	AA-	AA-
A (high)	A1 (cr)	A+	A+
A	A2 (cr)	A	A

A (low)	A3 (cr)	A-	A-
BBB (high)	Baa1 (cr)	BBB+	BBB+
BBB	Baa2 (cr)	BBB	BBB
BBB (low)	Baa3 (cr)	BBB-	BBB-
BB (high)	Ba1 (cr)	BB+	BB+
BB	Ba2 (cr)	BB	BB
BB (low)	Ba3 (cr)	BB-	BB-
B (high)	B1 (cr)	B+	B+
B	B2 (cr)	B	B
B (low)	B3 (cr)	B-	B-
CCC (high)	Caa1 (cr)	CCC+	CCC
CCC	Caa2 (cr)	CCC	
CCC (low)	Caa3 (cr)	CCC-	
CC	Ca (cr)	CC	
		C	
D	C (cr)	D	D

Failure by the Swap Counterparty to maintain a Long-Term DBRS Rating at least as high as "A" (the **Initial DBRS Rating Event**).

The Swap Counterparty must, at its own cost, within 30 Business Days of the occurrence of such Initial DBRS Rating Event, either: (a) post collateral; (b) transfer its rights and obligations under the Swap Agreement to an appropriately rated replacement third party (or a replacement third party with an appropriately rated guarantor); (c) procure a co-obligation or guarantee from an appropriately rated third party; or (d) take such other actions (which may, for the avoidance of doubt, include taking no action) as a result of which the highest rated class of Rated Notes will be rated by DBRS at the same level as

immediately prior to such Initial DBRS Rating Event.

The Issuer may terminate the Hedging Arrangements under the Swap Agreement if the Swap Counterparty fails to provide collateral in respect of the Swap Agreement or to take the relevant actions in paragraph (b) to (d) above in the relevant time period.

Failure by the Swap Counterparty to maintain a Long-Term DBRS Rating at least as high as "BBB" (the **Subsequent DBRS Rating Event**).

The Swap Counterparty must, at its own cost, within 30 Business Days of the occurrence of such Subsequent DBRS Rating Event: (a) post collateral; and (b) use commercially reasonable efforts to either (i) transfer its rights and obligations under the Swap Agreement to an appropriately rated replacement third party (or a replacement third party with an appropriately rated guarantor); (ii) procure a co-obligation or guarantee from an appropriately rated third party; or (iii) take such other actions (which may, for the avoidance of doubt, include taking no action) as a result of which the highest rated class of Rated Notes will be rated by DBRS at the same level as immediately prior to such Subsequent DBRS Rating Event.

The Issuer may terminate the Hedging Arrangements under the Swap Agreement if the Swap Counterparty fails to provide collateral in respect of the Swap Agreement in the relevant time period. The Issuer may also terminate the Swap Agreement if the Swap Counterparty fails to take the relevant actions in paragraph (b)(i) to (iii) above in the relevant time period.

(B) NON-RATING TRIGGERS TABLE

Nature of Trigger	Description of Trigger	Contractual requirements on occurrence of breach of trigger include the following:
<p>Perfection Events</p> <p>See the section entitled "<i>Overview of the Transaction Documents – Receivables Sale and Purchase Agreement</i>" for further information.</p>	<p>The occurrence of any of the following:</p> <ul style="list-style-type: none"> (a) it becoming necessary by law to perfect the Issuer's legal title to the Purchased Receivables, (or procure the perfection of the Issuer's legal title to the Purchased Receivables) in accordance with the terms of the Receivables Sale and Purchase Agreement; or (b) unless otherwise agreed in writing by the Security Trustee, a Servicer Default occurs; or (c) the Seller calling for perfection or transfer of legal title by serving notice in writing to that effect on the Issuer and the Security Trustee; or (d) the occurrence of an Insolvency Event in respect of the Seller; or (e) the Seller is in breach of its obligations under the Receivables Sale and Purchase Agreement, but only if: (i) such breach, where capable of remedy, is not remedied to the reasonable satisfaction of the Security Trustee (acting in accordance with the Deed of Charge) within 90 calendar days; and (ii) S&P Global shall have provided confirmation that the then current ratings of the Notes will be withdrawn, downgraded or qualified 	<p>Borrowers will be notified of the sale and assignment to the Issuer and legal title to the Purchased Receivables will be transferred to the Issuer.</p> <p>Further, customers will be directed to pay amounts outstanding in respect of Purchased Receivables directly to the Issuer and instructions will be made to make transfers from the Collections Account to the Transaction Account.</p>

as a result of such breach, provided further that the provisions of this paragraph shall (1) not apply if the Seller has delivered a certificate to the Security Trustee that such provisions do not form part of the triggers requiring perfection necessary in order for a securitisation to be designated or continue to be designated as a 'simple, transparent and standardised' securitisation (within the meaning of the Securitisation Regulation); and (2) be subject to such amendment as the Seller may require so long as the Seller delivers a certificate to the Security Trustee that the amendment of such event does not impact the designation as a 'simple, transparent and standardised' securitisation (within the meaning of the Securitisation Regulation).

Servicer Default

See the section entitled "*Overview of the Transaction Documents – Servicing Agreement*" for further information.

The occurrence of any of the following:

- (a) default in payment of amounts due to be paid by the Servicer under the Servicing Agreement and unremedied for 5 Business Days; or
- (b) material non-compliance with other covenants or obligations and unremedied for 60 days; or
- (c) failure by the Servicer to maintain any regulatory

Following the occurrence of a Servicer Default the Issuer may terminate the appointment of the Servicer under the Servicing Agreement.

Further, at any time, the Servicer may also resign its appointment on no less than 12 months' written notice to, among others, the Issuer, the Security Trustee and the Back-Up Servicer Facilitator with a copy being sent to the Rating Agencies provided that such resignation shall not take effect unless the Issuer and the Security Trustee consent to such

licence or approval required under the Servicing Agreement and unremedied for 60 days; or

- (d) an Insolvency Event occurs in respect of the Servicer or the Seller.

Cash Manager Termination Event

See the section entitled "*Overview of the Transaction Documents – Cash Management Agreement*" for further information.

The occurrence of any of the following:

- (a) an order is made or a resolution is passed for the administration, winding up, dissolution or other similar or analogous procedure in respect of such entity; or
- (b) such entity enters into any voluntary arrangement, scheme or arrangement, composition or arrangement with creditors; or
- (c) any receiver, receiver and manager, manager, administrative receiver, insolvency administrator or liquidator or any similar or analogous official is appointed in respect of the whole or substantially the whole of the property of the Cash Manager; or
- (d) the Cash Manager ceases or threatens to cease to carry on its business or a substantial part of its business or stops payment or threatens to stop payment of its debts or is deemed unable to pay its debts or becomes unable to pay its debts as they fall due; or
- (e) the Cash Manager fails to make a deposit or a

resignation and a replacement servicer has been appointed by the Issuer.

Following the occurrence of a Cash Manager Termination Event the Issuer may terminate the appointment of the Cash Manager under the Cash Management Agreement.

Further at any time, the Cash Manager may also resign its appointment on no less than 60 days' written notice to, among others, the Issuer and the Security Trustee with a copy being sent to the Rating Agencies, provided that such resignation shall not take effect unless the Issuer and the Security Trustee consent to such resignation and until a Replacement Cash Manager, which has been approved by the Security Trustee and the Issuer, has been appointed in its place.

If the Cash Manager's appointment is terminated, the Issuer shall identify a suitable entity to act as Replacement Cash Manager which must first be approved by the Security Trustee.

payment when required to be made by the Cash Manager under the Cash Management Agreement (subject to there being sufficient funds in the relevant Issuer Bank Account for such purpose and the Cash Manager having received all material information that is to be provided by any other party which is required for the Cash Manager to be able to perform its payment duties hereunder) and such failure remains unremedied for 5 Business Days; or

- (f) such entity fails to perform or observe any of its material duties, obligations, covenants or services under the Cash Management Agreement and such default continues unremedied for a period of 60 days after the earlier of (I) the entity becoming aware of such default or (II) receipt by the entity of notice from the Issuer, the Calculation Agent or the Security Trustee requiring the same to be remedied.

Calculation Agent Termination Event

See the section entitled "*Overview of the Transaction Documents – Calculation Agency Agreement*" for further information.

The occurrence of any of the following:

- (a) an Insolvency Event occurs in respect of the Calculation Agent; or
- (b) the Calculation Agent enters into any voluntary arrangement, scheme or composition with creditors; or
- (c) the Calculation Agent fails to perform or

Following the occurrence of a Calculation Agent Termination Event the Issuer may terminate the appointment of the Calculation Agent under the Calculation Agency Agreement.

Further, at any time, the Issuer may also, with the prior approval of the Security Trustee, terminate the appointment of the Calculation Agent by giving the Calculation Agent 30 days' prior notice without a Calculation Agent Termination Event having

observe any of its material duties, obligations, covenants or services under the Calculation Agency Agreement or the Cash Management Agreement and such default is continuing unremedied or is not waived for a period of 10 Business Days after the earlier of (A) the Calculation Agent becoming aware of such default or (B) receipt by the Calculation Agent of written notice from the Issuer or the Security Trustee requiring the same to be remedied

occurred. The Calculation Agent may also resign its appointment on no less than 60 days' written notice to the Issuer and the Security Trustee provided that such resignation shall not take effect until the Issuer has appointed a successor calculation agent and prior to a Calculation Agent Termination Event, the Calculation Agent has consented to the appointment of a successor calculation agent.

If the Calculation Agent's appointment is terminated, the Issuer shall appoint a successor calculation agent. If the Issuer has not appointed a replacement Calculation Agent by the day falling 10 days before the expiry of any notice of the Calculation Agent being terminated, the Calculation Agent shall be entitled, on behalf of the Issuer, to appoint a successor Calculation Agent in its place which the Issuer shall approve.

ELIGIBILITY CRITERIA OF PURCHASED RECEIVABLES

For more detailed information on the Issuer Assets please refer to the section entitled "*The Provisional Portfolio*".

In order for a Purchased Receivable to meet the Eligibility Criteria, the Purchased Receivable or, as the case may be, the Related Loan Contract from which it is derived must have satisfied the following criteria:

1. As at the Cut-off Date (or in respect of the Further Purchased Property, the relevant Further Purchase Cut-off Date or in respect of the Substitute Receivables, the relevant Substitution Date):
 - (a) in respect of a relevant Purchased Receivable, the Related Loan Contract relates to a new car, a used car or a light commercial vehicle;
 - (b) in respect of a relevant Purchased Receivable, the Related Loan Contract relates to an agreement that provides for level Monthly Payments by the Borrower (provided that the payment in the first month and the final month of the life of such Purchased Receivable may be different from the level payment) that shall amortise the amount financed by maturity, or otherwise relates to a PCP Agreement;
 - (c) in respect of a relevant Purchased Receivable, the Related Loan Contract has an Outstanding Principal Balance of not greater than £100,000;
 - (d) in respect of a relevant Purchased Receivable, the Related Loan Contract has had at least one scheduled Monthly Payment made in respect of it by the Borrower;
 - (e) in respect of a relevant Purchased Receivable, the Related Loan Contract does not have an Annual Percentage Rate in excess of 29%;
 - (f) in respect of a relevant Purchased Receivable, the Related Loan Contract is freely transferable by the Seller;
 - (g) in respect of a relevant Purchased Receivable, the Related Loan Contract is an agreement under which no withholding taxes are applicable to any payments made under it;
 - (h) Other than a relevant Purchased Receivable due from a Borrower that is not an individual, none of the property which is assigned under the Receivables Sale and Purchase Agreement consists of or includes any "stock" or "marketable securities" within the meaning of section 125 of Finance Act 2003, "chargeable securities" for the purposes of section 99 Finance Act 1986 or a "chargeable interest" for the purposes of section 48 of the Finance Act 2003 or section 2 of the Welsh Land Transaction Tax and Anti-avoidance of Devolved Taxes (Wales) Act 2017, and no relevant Purchased Receivable due from a Borrower that is not an individual which is assigned under the Receivables Sale and Purchase Agreement consists of or includes any "chargeable securities" for the purposes of section 99 of the Finance Act 1986 or a "chargeable interest" for the purposes of section 48 of the Finance Act 2003 or section 2 of the Welsh Land Transaction Tax and Anti-avoidance of Devolved Taxes (Wales) Act 2017 and each such Purchased Receivable is "exempt loan capital" (that is, loan capital that is exempt from stamp duty on transfer under section 79(4) Finance Act 1986);
 - (i) in respect of a relevant Purchased Receivable, the Related Loan Contract is originated in the UK by Vauxhall Finance plc, in the ordinary course of its business in accordance with the Seller's Credit and Collection Procedures (that are no less stringent than those that Vauxhall Finance plc applied at the time of origination to similar exposures that are not included in the

Issuer Assets) and is governed by the laws of England and Wales, Scotland or Northern Ireland, as applicable;

- (j) in respect of a relevant Purchased Receivable, the Related Loan Contract has an original term of no more than:
 - (i) 49 months (in respect of a Related Loan Contract that is a PCP Agreement); or
 - (ii) 60 months (in respect of all other Related Loan Contracts);
- (k) none of the relevant Purchased Receivables is due from a Borrower who is either an employee or an officer of the Seller or its respective affiliate;
- (l) the relevant Purchased Receivables are denominated and payable in Sterling;
- (m) none of the relevant Purchased Receivables is a Defaulted Amount, a PCP Handback Receivable or a Voluntarily Terminated Receivable;
- (n) none of the relevant Purchased Receivables is considered past due, that is, all payments due on that Purchased Receivable in excess of £10.00 were received within 31 days of the scheduled payment date, and such Purchased Receivable has not been a Liquidating Receivable and each of the relevant Purchased Receivables does not qualify as an exposure in default within the meaning of Article 178(1) of Regulation (EU) 575/2013;
- (o) each of the relevant Purchased Receivables is due from a Borrower who:
 - (i) is a UK resident;
 - (ii) is not insolvent or bankrupt and no proceedings for the commencement of insolvency proceedings are pending in any jurisdiction against it (to the best knowledge of the Originator);
 - (iii) does not have a credit assessment indicating, based on the Originator's underwriting policy, a significant risk that contractually agreed payments will not be made;
 - (iv) has not had a county court judgment entered or awarded against him on or in the three years prior to the date of origination of the relevant Receivable;
- (p) none of the relevant Purchased Receivables relates to a Loan Contract pertaining to a Financed Vehicle that runs only on electricity;
- (q) to the best of the Seller's knowledge, no Purchased Receivables is one month or more in arrears;
- (r) the Outstanding Principal Balance of Purchased Receivables due from a single Borrower does not exceed £100,000;
- (s) in respect of a Purchased Receivable as to which the Related Loan Contract is a PCP Agreement, when aggregated with all other Purchased Receivables where the Related Loan Contracts are PCP Agreements, the PCP Residual Value is not greater than 50 per cent. of the aggregate Outstanding Principal Balance of the Purchased Receivables as at the Cut-off Date; and
- (t) the LTV of each receivable must be no more than 100 per cent.

2. As at the Cut-off Date (or in respect of the Further Purchased Property, the relevant Further Purchase Cut-off Date or in respect of the Substitute Receivables, the relevant Substitution Date), the Seller's interest in relation to the related Financed Vehicle is registered with a nationally recognised agency that regulates and records interests in vehicles (including car data register).
3. On each date on which a Variation is agreed in respect of a relevant Purchased Receivable, the Variation is not a Non-Permitted Variation or a PCP Refinancing Variation.
4. All Borrowers who are individuals were aged 18 years or older at the date of entering into the relevant Related Loan Contract.
5. Where a Borrower under a relevant Loan Contract has a guarantee from a third party, the Eligibility Criteria in respect of the Borrowers are complied with as if the reference to Borrower were instead to the guarantor or co-borrower.
6. Following the sale of the Purchased Receivables to the Issuer on the Closing Date or the relevant Further Purchase Date, all of the Purchased Receivables held by the Issuer taken together will not exceed the Concentration Limits.

Concentration Limits means each of the following requirements:

- (a) on the relevant Calculation Date, the weighted average Annual Percentage Rate of all Purchased Receivables (including any Further Purchased Property identified in any Notice of Sale to be purchased on the next following Interest Payment Date and any Substitute Receivables identified in any Notice of Sale to be transferred on the next following Interest Payment Date) is at least equal to 6.0 per cent. per annum;
- (b) on the relevant Calculation Date, the weighted average remaining term of the Loan Contracts relating to all Purchased Receivables (including any Further Purchased Property identified in any Notice of Sale to be purchased on the next following Interest Payment Date and any Substitute Receivables identified in any Notice of Sale to be transferred on the next following Interest Payment Date) does not exceed 45 months;
- (c) on the relevant Calculation Date, the percentage of the aggregate Outstanding Principal Balance of Purchased Receivables relating to Loan Contracts that constitute Conditional Sale Agreements (including any Further Purchased Property identified in any Notice of Sale to be purchased on the next following Interest Payment Date and any Substitute Receivables identified in any Notice of Sale to be transferred on the next following Interest Payment Date) where the related Financed Vehicles are used cars does not exceed 22 per cent.;
- (d) on the relevant Calculation Date, the Residual Value of all Purchased Receivables (including any Further Purchased Property identified in any Notice of Sale to be purchased on the next following Interest Payment Date and any Substitute Receivables identified in any Notice of Sale to be transferred on the next following Interest Payment Date) that constitute PCP Agreements does not exceed 40 per cent. of the aggregate Outstanding Principal Balance of all Purchased Receivables;
- (e) on the relevant Calculation Date, the aggregate Outstanding Principal Balance of Purchased Receivables relating to a Loan Contract pertaining to a Financed Vehicle not manufactured by the Vauxhall brand does not exceed 10 per cent. of the aggregate Outstanding Principal Balance of all Purchased Receivables;
- (f) on the relevant Calculation Date, the aggregate Outstanding Principal Balance of Purchased Receivables relating to a Borrower does not exceed 2 per cent. of the aggregate Outstanding Principal Balance of all Purchased Receivables in accordance with Article 243 of the CRR;

- (g) on the relevant Calculation Date, the aggregate Outstanding Principal Balance of Purchased Receivables relating to a Loan Contract in respect of a Financed Vehicle that runs on diesel fuel does not exceed 15 per cent. of the aggregate Outstanding Principal Balance of all Purchased Receivables;
- (h) on the relevant Calculation Date, the aggregate Outstanding Principal Balance of Purchased Receivables relating to Loan Contracts that constitute PCP Agreements in respect of new Financed Vehicles does not exceed 65 per cent. of the aggregate Outstanding Principal Balance of all Purchased Receivables; and
- (i) on the relevant Calculation Date, the aggregate Outstanding Principal Balance of Purchased Receivables relating to Loan Contracts that constitute PCP agreements in respect of used Financed Vehicles does not exceed 8 per cent. of the aggregate Outstanding Principal Balance of all Purchased Receivables.

ESTIMATED WEIGHTED AVERAGE LIFE OF THE NOTES

Estimated average lives of the Notes

The maturity and average life of each Class of Notes cannot be exactly predicted as the actual rate at which Collections and Recoveries will be received under the Issuer Assets and a number of other relevant factors are unknown. However, calculations as to the expected maturity and average life of each Class of Notes can be made on the basis of certain assumptions as set out below in this section.

Structure of the Transaction

The ability of the Issuer to meet its obligations in respect of the Notes will be dependent upon the receipt by the Issuer of Collections and Recoveries (if possible) by the Servicer in respect of the Purchased Receivables comprised in the Issuer Assets. The amortisation of each Class of Notes is therefore closely associated with the principal payments of the Purchased Receivables. An analysis of the average life of each Class of Notes can therefore be made by analysing the projected cash flows of the Issuer Assets.

Weighted average life

The expression "weighted average life" refers to the average amount of time that will elapse from the date of issuance of a Note to the date of distribution to the investor of amounts distributed in net reduction of principal of such Note (assuming no losses). The weighted average lives of the Notes will be influenced by, among other things, the actual rate of redemption of the Purchased Receivables.

Structuring Assumptions

The table set forth below was produced using a financial model in which, among other things, it is assumed that prepayments of principal occur in respect of the Purchased Receivables included in the Issuer Assets each month at the indicated assumed constant per annum rates of prepayment (**CPR**) relative to the then outstanding current principal balances of such Purchased Receivables. CPR does not purport to be either a historical description of the prepayment experience of any pool of Purchased Receivables or a prediction of the expected rate of prepayment of Purchased Receivables, including the Purchased Receivables to be included in the Issuer Assets. CPR is an annual prepayment rate.

The table set forth below was prepared on the basis of the characteristics of the Receivables to be included in the Issuer Assets and the following additional assumptions, including:

- (a) no Purchased Receivable is sold by the Issuer;
- (b) no delinquencies, defaults or voluntary terminations arise on any Purchased Receivable;
- (c) the Issuer Assets are subject to a constant annual rate of prepayment;
- (d) no Revolving Period Termination Event has occurred;
- (e) that all amounts credited to the Reinvestment Principal Account are used, during the Revolving Period, to acquire Further Purchased Property;
- (f) during the Revolving Period the Issuer Assets will continue to be topped up to the amount of the Initial Receivables and the Further Purchased Receivables' run off will not change from the Initial Purchased Receivables;
- (g) payments on the Notes will be made on the 18th (subject to adjustment in accordance with the Business Day Convention) commencing on the Interest Payment Date falling in May 2020;

- (h) No debit on any of the Principal Deficiency Ledgers has been recorded;
- (i) the Closing Date is 23 March 2020 and the Notes are issued on such date; and
- (j) the weighted average life calculation is based on 30/360 and no adjustment in accordance with the Business Day Convention was made.

The actual characteristics and performance of the Purchased Receivables are likely to differ from the assumptions used in preparing the tables set forth below, which are hypothetical in nature and are provided only to give a general sense of how the principal cash flows might behave under varying prepayment scenarios. For example, it is not expected that those Purchased Receivables will prepay at a constant rate until the Final Redemption Date, that all of those Purchased Receivables will prepay at the same rate or that there will be no defaults, voluntary terminations or delinquencies on those Purchased Receivables. Any difference between such assumptions and the actual characteristics and performance of those Purchased Receivables will cause the weighted average life of the Notes to differ (which difference could be material) from the corresponding information in the tables for each indicated percentage of CPR. Subject to foregoing discussions and assumptions, the following tables indicate the weighted average lives of the Notes in years.

Weighted Average Life of the Notes (in years) based on a Clean-up Call Option being exercised

Class A Notes			
CPR in %	WAL (in Years)	First Principal Payment	Expected Maturity
0.0%	2.79	April 2021	February 2024
5.0%	2.70	April 2021	February 2024
7.5%	2.66	April 2021	February 2024
10.0%	2.61	April 2021	February 2024
15.0%	2.52	April 2021	January 2024
20.0%	2.43	April 2021	December 2023

Class B Notes			
CPR in %	WAL (in Years)	First Principal Payment	Expected Maturity
0.0%	2.79	April 2021	February 2024
5.0%	2.70	April 2021	February 2024
7.5%	2.66	April 2021	February 2024
10.0%	2.61	April 2021	February 2024
15.0%	2.52	April 2021	January 2024
20.0%	2.43	April 2021	December 2023

Class C Notes

CPR in %	WAL (in Years)	First Principal Payment	Expected Maturity
0.0%	2.79	April 2021	February 2024
5.0%	2.70	April 2021	February 2024
7.5%	2.66	April 2021	February 2024
10.0%	2.61	April 2021	February 2024
15.0%	2.52	April 2021	January 2024
20.0%	2.43	April 2021	December 2023

Class D Notes

CPR in %	WAL (in Years)	First Principal Payment	Expected Maturity
0.0%	2.79	April 2021	February 2024
5.0%	2.70	April 2021	February 2024
7.5%	2.66	April 2021	February 2024
10.0%	2.61	April 2021	February 2024
15.0%	2.52	April 2021	January 2024
20.0%	2.43	April 2021	December 2023

Class E Notes

CPR in %	WAL (in Years)	First Principal Payment	Expected Maturity
0.0%	2.79	April 2021	February 2024
5.0%	2.70	April 2021	February 2024
7.5%	2.66	April 2021	February 2024
10.0%	2.61	April 2021	February 2024
15.0%	2.52	April 2021	January 2024
20.0%	2.43	April 2021	December 2023

Class F Notes

CPR in %	WAL (in Years)	First Principal Payment	Expected Maturity
0.0%	2.79	April 2021	February 2024
5.0%	2.70	April 2021	February 2024
7.5%	2.66	April 2021	February 2024
10.0%	2.61	April 2021	February 2024
15.0%	2.52	April 2021	January 2024
20.0%	2.43	April 2021	December 2023

Class G Notes			
CPR in %	WAL (in Years)	First Principal Payment	Expected Maturity
0.0%	2.79	April 2021	February 2024
5.0%	2.70	April 2021	February 2024
7.5%	2.66	April 2021	February 2024
10.0%	2.61	April 2021	February 2024
15.0%	2.52	April 2021	January 2024
20.0%	2.43	April 2021	December 2023

Class H Notes			
CPR in %	WAL (in Years)	First Principal Payment	Expected Maturity
0.0%	2.79	April 2021	February 2024
5.0%	2.70	April 2021	February 2024
7.5%	2.66	April 2021	February 2024
10.0%	2.61	April 2021	February 2024
15.0%	2.52	April 2021	January 2024
20.0%	2.43	April 2021	December 2023

Weighted Average Life of the Notes (in years) based on a Clean-up Call Option not being exercised

Class A Notes			
CPR in %	WAL (in Years)	First Principal Payment	Expected Maturity
0.0%	2.81	April 2021	August 2024
5.0%	2.72	April 2021	August 2024
7.5%	2.67	April 2021	August 2024
10.0%	2.63	April 2021	August 2024
15.0%	2.54	April 2021	July 2024
20.0%	2.45	April 2021	June 2024

Class B Notes			
CPR in %	WAL (in Years)	First Principal Payment	Expected Maturity
0.0%	2.85	April 2021	September 2024
5.0%	2.76	April 2021	September 2024
7.5%	2.71	April 2021	September 2024
10.0%	2.67	April 2021	September 2024
15.0%	2.58	April 2021	August 2024
20.0%	2.50	April 2021	July 2024

Class C Notes

CPR in %	WAL (in Years)	First Principal Payment	Expected Maturity
0.0%	2.86	April 2021	October 2024
5.0%	2.77	April 2021	October 2024
7.5%	2.72	April 2021	October 2024
10.0%	2.68	April 2021	October 2024
15.0%	2.59	April 2021	September 2024
20.0%	2.51	April 2021	September 2024

Class D Notes

CPR in %	WAL (in Years)	First Principal Payment	Expected Maturity
0.0%	2.87	April 2021	November 2024
5.0%	2.78	April 2021	November 2024
7.5%	2.73	April 2021	November 2024
10.0%	2.69	April 2021	November 2024
15.0%	2.60	April 2021	October 2024
20.0%	2.52	April 2021	October 2024

Class E Notes

CPR in %	WAL (in Years)	First Principal Payment	Expected Maturity
0.0%	2.88	April 2021	December 2024
5.0%	2.79	April 2021	December 2024
7.5%	2.74	April 2021	December 2024
10.0%	2.69	April 2021	December 2024
15.0%	2.61	April 2021	November 2024
20.0%	2.53	April 2021	November 2024

Class F Notes

CPR in %	WAL (in Years)	First Principal Payment	Expected Maturity
0.0%	2.89	April 2021	December 2024
5.0%	2.79	April 2021	December 2024
7.5%	2.75	April 2021	January 2025
10.0%	2.70	April 2021	January 2025
15.0%	2.62	April 2021	December 2024
20.0%	2.54	April 2021	November 2024

Class G Notes

CPR in %	WAL (in Years)	First Principal Payment	Expected Maturity
0.0%	2.90	April 2021	January 2025
5.0%	2.80	April 2021	January 2025
7.5%	2.76	April 2021	January 2025
10.0%	2.71	April 2021	January 2025
15.0%	2.63	April 2021	January 2025
20.0%	2.55	April 2021	December 2024

Class H Notes

CPR in %	WAL (in Years)	First Principal Payment	Expected Maturity
0.0%	2.93	April 2021	February 2026
5.0%	2.83	April 2021	February 2026
7.5%	2.78	April 2021	February 2026
10.0%	2.74	April 2021	February 2026
15.0%	2.66	April 2021	February 2026
20.0%	2.58	April 2021	February 2026

Scheduled Amortisation of the Notes

The amortisation profile of the Notes is based on the assumptions stated above assuming a CDR of 0% and a CPR of 15%. It should be noted that the actual amortisation of the Notes may differ from the amortisation profiles shown below.

Payment Date	Outstanding Principal Balance	Class A%	Class B%	Class C%	Class D%	Class E%	Class F%	Class G%	Class H %
Mar-20	500,000,000.50	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Apr-20	500,000,000.50	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
May-20	500,000,000.50	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Jun-20	500,000,000.50	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Jul-20	500,000,000.50	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Aug-20	500,000,000.50	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Sep-20	500,000,000.50	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Oct-20	500,000,000.50	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Nov-20	500,000,000.50	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Dec-20	500,000,000.50	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Jan-21	500,000,000.50	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Feb-21	500,000,000.50	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Mar-21	500,000,000.50	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Apr-21	483,110,593.73	96.62%	96.62%	96.62%	96.62%	96.62%	96.62%	96.62%	96.62%
May-21	466,426,311.08	93.29%	93.29%	93.29%	93.29%	93.29%	93.29%	93.29%	93.29%
Jun-21	450,469,596.48	90.09%	90.09%	90.09%	90.09%	90.09%	90.09%	90.09%	90.09%
Jul-21	434,950,692.28	86.99%	86.99%	86.99%	86.99%	86.99%	86.99%	86.99%	86.99%
Aug-21	419,685,994.23	83.94%	83.94%	83.94%	83.94%	83.94%	83.94%	83.94%	83.94%
Sep-21	404,933,614.61	80.99%	80.99%	80.99%	80.99%	80.99%	80.99%	80.99%	80.99%
Oct-21	390,395,666.68	78.08%	78.08%	78.08%	78.08%	78.08%	78.08%	78.08%	78.08%
Nov-21	376,390,158.90	75.28%	75.28%	75.28%	75.28%	75.28%	75.28%	75.28%	75.28%
Dec-21	362,964,015.14	72.59%	72.59%	72.59%	72.59%	72.59%	72.59%	72.59%	72.59%
Jan-22	349,822,322.25	69.96%	69.96%	69.96%	69.96%	69.96%	69.96%	69.96%	69.96%
Feb-22	336,859,496.69	67.37%	67.37%	67.37%	67.37%	67.37%	67.37%	67.37%	67.37%
Mar-22	323,977,271.14	64.80%	64.80%	64.80%	64.80%	64.80%	64.80%	64.80%	64.80%
Apr-22	310,833,556.89	62.17%	62.17%	62.17%	62.17%	62.17%	62.17%	62.17%	62.17%
May-22	298,198,803.31	59.64%	59.64%	59.64%	59.64%	59.64%	59.64%	59.64%	59.64%
Jun-22	286,391,727.31	57.28%	57.28%	57.28%	57.28%	57.28%	57.28%	57.28%	57.28%
Jul-22	274,860,404.52	54.97%	54.97%	54.97%	54.97%	54.97%	54.97%	54.97%	54.97%
Aug-22	262,669,026.96	52.53%	52.53%	52.53%	52.53%	52.53%	52.53%	52.53%	52.53%
Sep-22	251,427,165.48	50.29%	50.29%	50.29%	50.29%	50.29%	50.29%	50.29%	50.29%
Oct-22	240,459,901.17	48.09%	48.09%	48.09%	48.09%	48.09%	48.09%	48.09%	48.09%
Nov-22	229,716,089.90	45.94%	45.94%	45.94%	45.94%	45.94%	45.94%	45.94%	45.94%
Dec-22	219,206,663.22	43.84%	43.84%	43.84%	43.84%	43.84%	43.84%	43.84%	43.84%
Jan-23	209,004,259.45	41.80%	41.80%	41.80%	41.80%	41.80%	41.80%	41.80%	41.80%
Feb-23	193,634,478.35	38.73%	38.73%	38.73%	38.73%	38.73%	38.73%	38.73%	38.73%
Mar-23	179,286,501.96	35.86%	35.86%	35.86%	35.86%	35.86%	35.86%	35.86%	35.86%
Apr-23	158,397,177.77	31.68%	31.68%	31.68%	31.68%	31.68%	31.68%	31.68%	31.68%
May-23	143,727,825.21	28.75%	28.75%	28.75%	28.75%	28.75%	28.75%	28.75%	28.75%
Jun-23	130,590,169.32	26.12%	26.12%	26.12%	26.12%	26.12%	26.12%	26.12%	26.12%
Jul-23	115,276,315.12	23.06%	23.06%	23.06%	23.06%	23.06%	23.06%	23.06%	23.06%

Aug-23	104,647,477.97	20.93%	20.93%	20.93%	20.93%	20.93%	20.93%	20.93%	20.93%
Sep-23	94,376,738.72	18.88%	18.88%	18.88%	18.88%	18.88%	18.88%	18.88%	18.88%
Oct-23	81,192,543.97	16.24%	16.24%	16.24%	16.24%	16.24%	16.24%	16.24%	16.24%
Nov-23	67,673,055.86	13.53%	13.53%	13.53%	13.53%	13.53%	13.53%	13.53%	13.53%
Dec-23	56,220,711.76	11.24%	11.24%	11.24%	11.24%	11.24%	11.24%	11.24%	11.24%

RATING OF THE NOTES

It is expected that:

- (a) the Class A Notes will, when issued, be assigned a public rating of AAA by S&P Global and AAA by DBRS;
- (b) the Class B Notes will, when issued, be assigned a public rating of AA+ by S&P Global and AA by DBRS;
- (c) the Class C Notes will, when issued, be assigned a public rating of A+ by S&P Global and A by DBRS;
- (d) the Class D Notes will, when issued, be assigned a public rating of BBB+ by S&P Global and BBB(H) by DBRS;
- (e) the Class E Notes will, when issued, be assigned a public rating of BB+ by S&P Global and BB(H) by DBRS;
- (f) the Class F Notes will, when issued, be assigned a public rating of BB- by S&P Global and BB by DBRS; and
- (g) the Class G Notes will, when issued, be assigned a public rating of CCC+ by S&P Global and B(L) by DBRS; and
- (h) the Class H Notes will, when issued, not be assigned a public rating.

A security rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time by the Rating Agencies. The ratings assigned to the Rated Notes should be evaluated independently from similar ratings on other types of securities. There is no assurance that the ratings will continue for any period of time or that they will not be lowered, reviewed, suspended or withdrawn by the Rating Agencies. In the event that the ratings initially assigned to the Rated Notes by the Rating Agencies are subsequently withdrawn or lowered for any reason, no person or entity is obliged to provide any additional support or credit enhancement to the Rated Notes. A qualification, downgrade or withdrawal of any of the ratings mentioned above may impact upon the value of the Notes.

THE SELLER, THE SERVICER AND THE RECEIVABLES

1. Corporate Information and Business Purpose

Vauxhall Finance plc (**Vauxhall Finance**) is registered in England and Wales at Companies House under number 275607. On 27 November 2017, the Seller changed its name from GMAC UK plc to Vauxhall Finance PLC. Its registered office is at Heol-Y-Gamlas, Parc Nantgarw, Treforest, South Glamorgan, CF15 7QU. Vauxhall Finance holds permanent Part 4A permissions for activities corresponding to a number of regulated activities including that of the kind specified by article 60B (regulated credit agreements) of the FSMA (Regulated Activities) Order 2001 (as amended) and is subject to credit regulation by the FCA (or prior to 1 April 2014, the OFT). It is authorised by the FCA to carry on insurance mediation activities. Vauxhall Finance is a wholly owned subsidiary of Opel Bank SA, a *societe anonyme* formed under the laws of France. Opel Bank SA is wholly owned by BNP Paribas Personal Finance S.A. (**BNPPPF**), Banque PSA Finance S.A (**BPF**) each of whom hold 49.965% of the shares in Opel Bank SA, and certain minority shareholders (who, in aggregate, hold 0.07% of the shares in Opel Bank SA). BNPPPF is a wholly owned subsidiary of BNP Paribas S.A. BPF is owned by Peugeot S.A. (74.928%), Automobiles Peugeot (16.053%) and Automobiles Citroen (9.019%).

Vauxhall Finance began operations in the UK in 1920 as a subsidiary of General Motors Acceptance Corporation, then a wholly owned subsidiary of General Motors Corporation the predecessor of General Motors Company (**GM**). In 2006, the capital and organisational structure of General Motors Acceptance Corporation began to undergo significant changes. GM reduced its ownership interest to less than 10% of the voting and total equity of General Motors Acceptance Corporation. In May 2010, the company, then known as GMAC LLC changed its name to Ally, a corporation formed under the laws of the State of Delaware, USA. In 2013, General Motors Financial Company, Inc. (**GMF**) expanded the markets it serves by acquiring Ally's auto finance operations in Europe and Latin America. On 5 March 2017, General Motors Holdings LLC and Peugeot S.A. (**PSA**) entered into an agreement under which PSA would acquire GM's European operations (including the Opel and Vauxhall brands). As part of this transaction, which closed on 30 October 2017 and was legally effective on expiry of 31 October 2017 (Central European Time), BPF (a subsidiary of PSA) and BNPPPF (a subsidiary of BNP Paribas S.A.) jointly acquired Opel / Vauxhall entities located in different countries (including Vauxhall Finance).

Vauxhall Finance's core business is wholesale and retail automotive financing in the UK. It provides wholesale financing to automotive dealers to support the distribution of new vehicles for resale. New Vauxhall vehicles are the principal brand supported by Vauxhall Finance. It also finances used cars of most brands. Vauxhall Finance directly originates retail agreements and leasing agreements with retail customers introduced through dealers.

In the year ended 31 December 2019, Vauxhall Finance's total assets were £3,313 million. Its total portfolio was £2,927 million. Retail delinquencies were 0.48%.

In the year ended 31 December 2019, Vauxhall Finance's profit on ordinary activities before tax was £52,557,000 and its operating efficiency (defined as average controllable operating expenses divided by average assets outstanding) was 0.25%.

Vauxhall Finance plc is an entity which is subject to prudential and capital regulation in the United Kingdom and, as mentioned in the risk factor "*Consumer Credit Act 1974*", it has regulatory authorisation and permissions which are relevant to the provision of servicing in relation to the auto leases comprising the Portfolio (including the Loan Contracts) and other auto leases originated by Vauxhall Finance plc which are not sold to the Issuer.

Vauxhall Finance has significantly more than five years' experience in the origination, underwriting and servicing (see Servicing and Collections section below) of auto receivable loans similar to those included in the Portfolio.

2. **Securitisation Experience**

Vauxhall Finance has been engaged in securitising assets since 2004, in both cases as one means of financing ongoing operations. Vauxhall Finance has been securitising receivables generated from retail vehicle conditional sale and hire purchase contracts and conditional sale facilities to Dealers secured by the Dealer vehicle inventories. In addition, Vauxhall Finance's affiliates in Europe (collectively, **Opel Vauxhall Finance**). Opel Vauxhall Finance most recent public securitisation transactions have been the securitisation of retail auto loan receivables in connection with an issue of notes by E-CARAT 10 plc in February 2019 and FCT E-CARAT 10 in September 2019. Opel Vauxhall Finance securitise assets because the securitisation market can potentially provide the securitising company with a source of lower cost of funding, diversified funding among different markets and investors, and provide opportunities for capital relief.

When Vauxhall Finance or an affiliate securitises assets, it is required to retain an interest in the sold assets. These interests may take the form of asset-backed securities, including senior and subordinated interests in the form of investment grade, non-investment grade, or unrated securities or other forms of subordination.

Neither Vauxhall Finance nor any of its affiliates, will be obligated to make or otherwise guarantee any principal, interest or other payment on the Notes.

3. **Vauxhall Finance's Automotive Retail Lending Business**

Vauxhall Finance's head office in the UK is in Cardiff, which contains core functions including operations, risk management, financial control, treasury, compliance and regulatory affairs and human resources.

The Vauxhall Finance office in Cardiff is responsible for all Vauxhall Finance operations, including the retailer service centre, recoveries and forward flow team, wholesale service centre, late stage collections and part of its customer service functions. In addition, various Vauxhall Finance global functions are based on-site in Cardiff. This includes the UK and Swedish finance and HR departments, UK payroll and credit risk. Furthermore, part of global IT, compliance and treasury operations are based in Cardiff. The UK Sales and Marketing function in the UK is based in Luton. Vauxhall Finance has outsourced the customer service and early stage collections activity to Capita Customer Management Limited (**Capita**, previously Club 24 Limited trading as Ventura), a subsidiary of Capita plc that was created from the merger of two of the UK's largest customer management outsourcers. Capita plc is a process outsourcing and professional services company. More information can be found via their website www.capita.co.uk. Vauxhall Finance retains full control of all outsourced activities and notwithstanding any outsourcing arrangements, Vauxhall Finance as Servicer remains primarily liable in respect of the performance of the services and of all its obligations as Servicer under the Servicing Agreement.

Vauxhall Finance will act as Servicer of the Receivables sold to the Issuer in return for a fee and other amounts payable in accordance with the Servicing Agreement as described in more detail under "*Overview of the Transaction Documents – Servicing Agreement*". Vauxhall Finance will be responsible for paying the initial establishment costs of the Issuer, legal fees of certain Transaction Parties, Rating Agency fees for rating the Notes and other transaction costs.

In the year ended 31 December 2019, Vauxhall Finance's originations comprised New Car, 53,322, Subvented, 13,439, PCP, 32,196 and Used Car, 41,963.

Vauxhall Finance's retail portfolio has grown from £2,032 million as at 31 December 2018 to £2,128 million as at 31 December 2019. The number of outstanding contracts has decreased from 263,000 as at 31 December 2018 to 257,000 as at 31 December 2019.

As of 31 December 2019, Vauxhall Finance's retail portfolio consisted of approximately 33% fully amortising loans and 67% PCP loans with a balloon payment at the maturity of the contract. Loans granted for the purchase of primarily new vehicles comprised 73%.

The average term of a retail contract ranged from approximately 52 months in 2018 and 2019. The average down payment ranged from approximately 13% in 2018 and 2019.

4. Vauxhall Finance Retail Product Description

Vauxhall Finance offers a range of retail products that include consumer and commercial finance for both new and used vehicles. Vauxhall Finance relies almost exclusively on contracts it has established with Dealers. The Dealers agree to introduce customers wishing to finance vehicles supplied by the Dealer to Vauxhall Finance. Vauxhall Finance buys the vehicle from the Dealer, Vauxhall Finance then enters into a Loan Contract with the customer and Vauxhall Finance pays a commission to the Dealer for the introduction. Currently Vauxhall Finance has such relationships with more than 90% of the Vauxhall Motors UK (**Vauxhall**) dealer network. Vauxhall Finance also provides financing to retail customers of vehicles manufactured by other manufacturers in the UK. Retail customers are obligated to obtain comprehensive vehicle damage insurance.

Vauxhall Finance offers Guaranteed Asset Protection insurance (**GAP**) to customers purchasing new or used vehicles either with or without the assistance of retail financing and this product is again offered to customers through Vauxhall Finance's relationships with Dealers. The GAP product provides additional protection to the customer in the event that the car is the subject of a total loss insurance claim. This could either be for theft or physical damage. In the event of a claim, the customer's comprehensive car insurance policy will normally pay an amount equal to the current market value of the car at the time of loss. The GAP policy would then cover the difference between this and the initial amount that the customer paid for the car or the cost of a replacement car depending on which of the two levels of coverage that is chosen when setting up the policy. Vauxhall Finance also offers a cosmetic warranty policy and, if selected by the customer, an upgraded cosmetic warranty with alloy wheel repair insurance. The policy is designed to maintain the value of the vehicle through maintaining the cosmetic appearance of the vehicle and therefore protects the customer's and Vauxhall Finance's interest. As at the date of this Prospectus Vauxhall Finance no longer offers payment protection insurance on any of its retail financing contracts. No contracts with payment protection insurance are part of the Purchased Receivables.

Vauxhall Finance works closely with its manufacturing partners to ensure that it develops the correct product structures to mirror the needs of retail customers. Vauxhall Finance will work closely with the manufacturer to develop finance driven marketing campaigns to help the manufacturer sell more vehicles. These campaigns typically provide low rate financing offers and/or other finance incentives such as a finance deposit allowance. In these campaigns the manufacturing partner will typically pay Vauxhall Finance an amount in respect of the financing costs of such products.

5. The Loan Contract

The Purchased Receivables are Receivables originated by the Seller under auto finance contracts with the Borrowers. The Loan Contracts have been entered into by the Seller with the Borrowers following an introduction from a Dealer retailer acting as a credit broker and credit intermediary. The Financed Vehicles are mainly new or used Vauxhall, Ssang Yong or MG vehicles.

On the Closing Date, the Seller will sell and assign absolutely to the Issuer, without recourse, all of its rights, title, interest and benefit in and to the Initial Purchased Property together with the related Ancillary Rights and the Issuer agrees to purchase the rights, title, interest and benefit in and to the Initial Purchased Property in accordance with the Receivables Sale and Purchase Agreement described in "*Overview of the Transaction Documents – Receivables Sale and Purchase Agreement*". On each Further Purchase Date, the Seller may assign Further Purchased Property to the Issuer in accordance with the Receivables Sale and Purchase Agreement described in "*Overview of the Transaction Documents – Receivables Sale and Purchase Agreement*". The Seller may also substitute Non-Compliant Receivables with Substitute Receivables to the Issuer in accordance with the Receivables Sale and Purchase Agreement described in "*Overview of the Transaction Documents – Receivables Sale and Purchase Agreement*". The Seller will make representations to the Issuer in respect of the Purchased Receivables. These representations are described further in "*Overview of the Transaction Documents – Receivables Sale and Purchase Agreement*".

The Issuer's assets arising from or in connection with the Purchased Receivables will include:

- the Purchased Receivables and collections on the Purchased Receivables applied on and after the Cut-off Date (or in respect of the Further Purchased Property, the relevant Further Purchase Cut-off Date or in respect of the Substitute Receivables, the relevant Substitution Cut-off Date); and
- Ancillary Rights in relation to the Purchased Receivables.

The Financed Vehicles will not be transferred by Vauxhall Finance to the Issuer. Instead any proceeds derived from (including by way of sale or otherwise) any Financed Vehicle returned to or recovered by or on behalf of Vauxhall Finance will be paid to the Issuer. Also any claims against the manufacturers will not be sold to the Issuer and any fees and expenses payable by Borrowers will be paid to Vauxhall Finance.

6. Retail Auto Receivables

General

The Receivables arise under fixed interest rate agreements. The Financed Vehicle is sold to the Borrower on deferred payment terms. Legal title in the Financed Vehicle is retained by the Seller until all the instalments have been made.

All of the Loan Contracts provide for level monthly payments (provided that the payment in the first month and the final month of the life of the Purchased Receivable may be different from the level payment) of instalments that amortise the amount financed over the term, or otherwise relate to a PCP Contract.

Payments of Interest

The Loan Contracts amortise the amount financed over a series of instalment payments. Each instalment payment generally consists of an interest portion and a principal portion except for some of the Loan Contracts that have zero interest where instalments are exclusively paid on the principal amount outstanding.

If the Borrower pays an instalment payment after its scheduled due date, Vauxhall Finance may charge the Borrower late payment interest on the outstanding amount of the instalment (at the interest rate of the Loan Contract, except at 5% above Finance House Base Rate from time to time in the case of certain Loan Contracts not regulated by the CCA).

The Borrower may early settle the Loan Contract in whole or in part, in accordance with the formula for full and partial early settlements contained under the CCA.

Amortisation Characteristics

Generally, the Borrower pays monthly instalments pursuant to the instalment plan set out in the Loan Contract. Other than in respect of PCP Agreements, on payment of the last instalment, any outstanding amount under the Loan Contract will be fully amortised. In respect of PCP Agreements, the Borrower has the option to (i) make a final balloon payment to acquire the legal title of the Financed Vehicle or (ii) exercise its contractual right to return the Financed Vehicle financed under such Loan Contract in lieu of making such final balloon payment. The instalment plan sets out the amount of each instalment as well as the total number of instalments. In respect of PCP Agreements the instalment plan, in addition to the amount of each instalment and the total number of instalments, also sets out the amount and timing of the final balloon payment. The first instalment becomes payable on the date specified in the instalment plan. Any of the subsequent monthly instalments become payable in the relevant month on the same calendar day as the first instalment.

Residual value risk (PCP agreements)

To mitigate risk in PCP agreements, the balloon payment is usually set below the predicted future value in respect of the relevant vehicle based on contractual mileage assumptions using CAP valuation. If a vehicle is handed back, Vauxhall Finance will pursue the customer for fair wear and tear and/or excess mileage.

Vauxhall Finance monitors the residual value exposure on a monthly basis and monitors the future CAP valuation in respect of the relevant vehicle in its monthly risk reporting and risk committee reporting.

7. Origination

All of the Loan Contracts are originated through Vauxhall Finance's network of Dealers, which has been the method of origination of such agreements in the UK for many years. Vauxhall Finance enters into formal written agreements with Dealers before it permits them to offer their products. Until June 2015, a dealer declaration was completed by the Dealer for every regulated agreement and which imposed obligations regarding the requirement to give an adequate explanation of the agreement to the Borrower, the form and content of contract documents, verification of the signing of Loan Contracts by Borrowers. Since 1 June 2015, all dealers have signed a dealer retail agreement, which imposes the same obligations as the dealer declaration with some enhancements.

Dealers are responsible for the preparation and submission of a Borrower's application to the underwriters in the retailer lending centre in Cardiff. The Dealer takes Borrower application data, such as name, address, bank and employment details and other information described below (in the case of private customers), and submits this data to Vauxhall Finance via a computer link system, Genesis (**Genesis**), an online portal that provides vehicle retailers access to retail credit applications, quotes and finance document printing. All applications must be submitted for approval to the retail lending centre, and no Dealer may underwrite or approve any application. Vauxhall Finance then identifies the applicant via a credit bureau check, at which point an automated credit score is given to the application. This credit score, along with the consideration of a number of other in-house credit policy rules, is used to make the final decision in respect of the application, as described in paragraph 8 ("*Underwriting*") below.

If an application has been submitted via Genesis, upon credit approval Genesis takes the information that was entered at the time of application and generates the required finance documents for execution on the premises of the retailer. As the Loan Contracts are electronically generated, no

manual review or intervention is necessary with respect to the documents prior to them being presented to the applicant for execution.

Vauxhall Finance allows for electronic customer identification verification and e-signature in Genesis. It allows customers to sign the retail contract electronically, as an alternative to the Dealer printing the contract and obtaining a "wet ink" signature. Vauxhall Finance has updated the form of its retail contracts to allow for this new process. The e-signing process utilises the services of DocuSign. This was initially rolled out on a pilot basis before full rollout in Q4 2017.

8. Underwriting

For private customers, all applications delivered to the underwriters through Genesis are first processed through Equifax, the online credit bureau provider used in the UK, and the CRT system, a consumer credit scoring system. The application is delivered first to Equifax, which provides the credit bureau information directly, and is then delivered by direct data link to CRT for automatic decisions and referrals.

For commercial customers, applications are underwritten using a variety of information including financial statements using Equifax reports and credit bureau information for any directors on the credit application.

Upon receiving an application, the underwriter must follow clearly defined underwriting criteria. It is the responsibility of the underwriter to verify the applicant's details and ensure that the details are consistent and that they meet the required terms as outlined in the request. The underwriter also conducts a manual credit search, if required. The only exception to these policies is if the application is subject to an automatic decision, as described below. These policies and procedures ensure that a consistent approach is followed in evaluating each credit application.

The Vauxhall Finance scorecard(s) will allocate specific "scores" based on the credit applicant's details and the results from the credit bureau search. CRT uses algorithm sets that take into account historical credit and portfolio parameters together with applicant specific factors such as financial history and capacity, residential and employment stability and credit status. If an application has been received on a previous occasion, this fact is highlighted by CRT. CRT assign a score to each criterion, which is then weighted accordingly. Every application is finally assigned "odds". The "odds" predict the statistical likelihood that a severe delinquency or loss will occur with respect to the application at some point during its term, but does not predict the performance of any contract with certainty. Scorecards are reviewed and updated periodically to take into account changes in social, economic and legislative conditions as well as changes in portfolio performance or the "through the door" population. This review of the credit scoring criteria allows Vauxhall Finance to accurately assess an application in a changing environment. The most recent scorecard in respect of new and used vehicles was implemented in February 2018. The current scorecard was developed based on historical performance data of Vauxhall Finance contracts and rejected applicants.

The underwriter assesses each application on its own terms using CRT. The level of the underwriter's investigation is determined by the amount of risk associated with the application. Previous Vauxhall Finance retail auto finance agreements with the applicant are displayed in CRT to ensure consistency in decision-making and detailed information on current accounts is verified manually with a finance contract data management system, the SRS System (**SRS System**), if necessary.

Each underwriter may approve an application up to the level of an individually agreed mandate that is established based upon the underwriter's time in service and level of experience. The general level of mandates follows the overall European guidelines, aligning all OVF mandate levels. The mandates are agreed between the head of risk and head of operations for each country. The head of

credit risk sets the mandate for each underwriter, which is reviewed on a regular basis. Where the amount of finance or when the proposal falls outside of the underwriting policy, the application must be referred as an exception to a senior underwriter level or above. If any special acceptance criterion has been imposed on an application by Vauxhall Finance, the underwriter is required to enter these into CRT. Underwriting staff are trained in these policies and receive daily and weekly reviews of their work to ensure adherence to standards and underwriting criteria.

A proportion of all applications received in the retail lending centre are automatically approved or rejected (an automatic decision) if they meet the criteria set out in CRT. For an application to have an auto decision the application must meet a number of conditions with respect to, amongst other things, age of vehicle, minimum score, amount of the advance requested against the vehicle, information on the credit bureau. All of the pre-set criteria must be met for an application to be decided automatically. If any of the criteria are not met, the application will be referred to the underwriter for standard processing and evaluation. All applications except those that are assigned an auto decision, are reviewed by an underwriter to maximise the opportunities to approve the application. The rules for the automated criteria are determined by the Vauxhall Finance credit risk team and are reviewed periodically to ensure the auto-facility reflects current purchase policy.

The auto decision (approvals and rejections) for 2019 (January–August) is 67%.

Vauxhall Finance's retail customer average credit bureau score between January 2019 and August 2019 was 466 for new cars and 418 for used cars.

The assessment of a potential borrower's creditworthiness is conducted in accordance with the Eligibility Criteria and, where appropriate, shall meet the requirements set out in Article 8 of Directive 2008/48/EC or paragraphs 1 to 4, point (a) of paragraph 5, and paragraph 6 of Article 18 of Directive 2014/17/EU or, where applicable, equivalent requirements in third countries.

With respect to approved applications, loan contracts are entered into by the main applicant and, if applicable, (i) for private customers, a "co-borrower" (being a secondary user of the vehicle with equal financial responsibility for the loan or lease as the main applicant, added to the application to strengthen the main applicant's repayment capacity) rather than a third party guarantor; or (ii) for commercial customers, a "guarantor" (being an additional party that assumes financial responsibility without vehicle rights in case of default by the main applicant; any guarantor of an applicant that is a limited company must be a listed director of the relevant company).

9. Fraud Detection

This is an important part of the credit and application approval process and various methods are used to ensure applicant identity is validated. Details regarding individuals or addresses known to be associated with fraud are visible in CRT. This information can come from previous experience, competitors and public information. If data within an application meets any of these criteria then the application is highlighted by the system and the underwriter will investigate the case before issuing a credit decision or, in cases that require further investigation, they will refer the application to the Vauxhall Finance Fraud Team. The Fraud Team then undertakes the appropriate investigation before reporting to the Underwriting Team. Once the Loan Contract and supporting documentation is received, they are validated by the Payouts Team prior to funding. Where concerns or inaccuracies are identified related to potential fraud issues, they are referred to the Fraud Team to review and investigate. If other inaccuracies are identified, for example, missing paperwork, the contract is placed into a held status. In either case payout of the contract is deferred until clearance is obtained.

10. Material Changes to Origination and Underwriting Policies and Procedures

The Risk Management department regularly reviews and analyses its portfolio of receivables to evaluate the effectiveness of Vauxhall Finance underwriting guidelines, scoring models and purchasing criteria. This trend analysis may trigger changes to policies in order to change the quality of its portfolio.

11. Servicing and Collections

All duties carried out by the Servicer will be undertaken using the standard of care that the Servicer would exercise in its own affairs taking into account the degree and skill that it exercises for all comparable assets. Vauxhall Finance will act as servicer of the Purchased Receivables for this securitisation transaction. Vauxhall Finance has outsourced certain back office functions to Capita. Capita undertakes customer service, early stage collections and service support functions that are primarily related to the administration of payments as well as account maintenance including renewals, refunds, cancellations and excess funds. All these activities are handled on-site within the Cardiff operation. The servicing system does not indicate whether a Receivable has been sold in a securitisation transaction or otherwise. Vauxhall Finance's servicing and collections systems maintain records for all Receivables, applications of payments, relevant information on Borrowers and account status.

The customer service team is responsible for the administration of retail and lease accounts. This includes queries relating to the Borrowers' account and liaising with the retailer as appropriate. Initial collection activity (generally before 60 days past due) is performed by Capita, before being returned to Vauxhall Finance for escalation. Collection activity for delinquent accounts (which are generally accounts that are 60 or more days past due), for lease and instalment credit terminations, disposal of repossessed units and forward flow and recovery is performed by Vauxhall Finance employees.

Approximately 99% of Vauxhall Finance's retail customers make their payments through direct debit payment systems, the remainder pay via standing order, cash, cheque or bank transfer. In the case of direct debit and standing order payments, payment files are received on a daily basis from the independent third party banks that process these transactions. This file is uploaded to SRS System from which every transaction is reported directly to the finance and control and service support departments via a daily SRS System report detailing all payments received. In the event a payment is rejected, it will be identified and action will be taken by the service support team. After the system updates all payments, details of the total payment amount for each finance account are printed on a daily balancing report and the totals are reconciled against the ledger balances in Vauxhall Finance's core accounting systems, SAP (SAP). If there are any discrepancies, the finance and control department identifies and rectifies this daily.

Once an account becomes past due, collection activity is commenced by Capita. A daily file is produced identifying all accounts that are past due in Regular status with treatment then following the agreed strategy dependant on risk. This can include collections dialler, SMS messaging, arrears letters and manual review. The dialler file is run a maximum of three times per day attempting to establish contact with the delinquent customer. Depending on the outcome of these initial collections activities, the account may be returned to Vauxhall Finance to pursue or formal legal notifications may be issued to the customer. Where applicable, Vauxhall Finance will also use external agents to assist with collection field calls.

Vauxhall Finance has also contracted the services of a field collection agency, Anglia (UK) Limited (Anglia) (<http://www.angliauk.com>). The customer service professional assigned to a delinquent finance account will generally issue a field assignment when the account meets specific criteria or internal collections activity is exhausted. Every assignment contains customer and vehicle details

and specific information about the amount in arrears. The field collection agency is paid a commission on each contract successfully collected or vehicle repossessed.

12. Repossessions and Write-offs

Repossession of a vehicle may occur following a termination of the Loan Contract. Repossession activity is ultimately managed and controlled by Vauxhall Finance to ensure all legal requirements have been met.

Repossessed vehicles are collected on behalf of Vauxhall Finance and delivered to the local selling site of its remarketing partner, Aston Barclay & Manheim Remarketing (**Manheim**), part of The Manheim Group (www.manheim.co.uk) for the UK. Vehicles in Northern Ireland are disposed via BCA (Belfast City Auctions). A vehicle inspection is carried out and a report produced detailing the condition of the vehicle and any issues affecting its resale value. Our Remarketing partners then market these vehicles via their weekly public auctions or their internet-based services.

As part of Vauxhall Finance collection activity and prior to any asset being recovered, the original contract file is reviewed to confirm that the terms and details of the application were true and correct at the time of underwriting. Where deviations or fraudulent statements are discovered, Vauxhall Finance may seek compensation for any after-sale shortfall from the original selling retailer.

Delinquent accounts are written off after standard collection efforts are exhausted and all collections, including sale proceeds, auction proceeds and insurance claims have been applied to the account. In the majority of cases, the amount written off equals the balance due after the sale of the repossessed vehicle. If a vehicle has been completely written off due to an accident, the balance remaining (whether from an insured or uninsured loss) is written off when the customer is unable to pay. This is part of a formal process and any deviation from the standard process needs approval of the Vauxhall Finance operations manager.

Following the process outlined above, the principal amount, accrued interest and collection fees of accounts are written off. An actual write off is made after all amounts, including the sale proceeds of the repossessed vehicle and any rebates, are applied to an account.

In some cases, after a vehicle is repossessed and all standard collection efforts are exhausted, but prior to a delinquent account being written off, the account may be sold to a third party bad debt collection agency. Recoveries from such bad debt sales will be credited in full against the corresponding defaulted loan account.

Regular retail portfolio repossessions, excluding handback and terminations as a percentage of retail portfolio units have ranged from approximately 0.014% in August 2015 to approximately 0.02% in August 2019 (average of 0.12% from January to August 2019).

13. Financed Vehicles returned pursuant to voluntary termination/(in respect of PCP Agreements) in lieu of a final balloon payment

Any vehicles returned by a customer to the Seller following a voluntary termination or (in respect of PCP Agreements) in lieu of making a final balloon payment are delivered to our Remarketing partners by the customer or collected on behalf of Vauxhall Finance termed as Inspect & collect. The vehicles are subsequently delivered to the local selling site of its remarketing partner, being either Aston Barclay or Manheim. A vehicle inspection is carried out and a report produced detailing the condition of the vehicle and any issues affecting its resale value. The remarketing partner then markets these vehicles via their weekly public auctions and / or their internet-based service.

The number of voluntary terminations of retail contracts has ranged from approximately 39 cases in January 2013 to 191 in January 2019 (average of approximately 2200 cases from January to September 2019, this increase is mainly driven by the increasing portfolio size. The average loss as a result of voluntary termination of retail contracts has ranged from approximately £1,767 in January 2013 to £2,090 in January 2019 (average of £1,966 per case from January to September 2019).

During vehicle remarketing, the average CAP clean value achieved for prime vehicles ranged from approximately 97% in January 2014 for prime vehicles to 96% % in 2019 (up to Q3). This change is mainly driven by a change in the mix of vehicles being sold.

The other disposal channel encompasses PCP end of term vehicles whereby customers are offered an appointment to return the vehicle to their local dealer via the Vauxhall dealer network. The latter channel was introduced in 2017 as a result of a successful pilot, in which a review of the existing vehicle PCP hand back process was identified an area to improve the customer experience, by providing them the opportunity to hand back their vehicle at a Retailer site.

This route enhances the customers journey and generates another sales opportunity for the supplying retailer. It also allows exclusive access for the retailer to purchase prime stock, which keeps the vehicles within the Vauxhall network, protecting residual values. From an OVF perspective this allows Vauxhall Finance to save considerable costs on previous auction fees incurred. It also gives Vauxhall Finance the opportunity to re-finance that vehicle for a second time driving incremental revenue. The Remarketing team will manage the processes associated to all vehicle types in order to facilitate the movement of vehicles and ultimately the sale of goods. In a nut shell, the goal is to dispose of all applicable assets to achieve the maximum sale price whilst minimizing the days in stock.

14. Information Regarding the Seller's Policies and Procedures

The Seller 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 Seller in this regard broadly include the following:

- (a) criteria for the granting of credit and the process for approving, amending, renewing and re-financing credit, as to which please see the information set out in this section of this Prospectus headed "*The Seller, the Servicer and the Receivables*" and the section of this Prospectus headed "*Overview of the Transaction Documents – Servicing Agreement*";
- (b) systems in place to administer and monitor the various credit-risk bearing portfolios and exposures, as to which we note that the Issuer Assets will be serviced in line with the usual servicing procedures of the Seller – please see further this section of this Prospectus headed "*The Seller, the Servicer and the Receivables*" and the section of this Prospectus headed "*Overview of the Transaction Documents – Servicing Agreement*";
- (c) adequate diversification of credit portfolios given the Seller's target market and overall credit strategy; and
- (d) policies and procedures in relation to risk mitigation techniques, as to which please see further the section of this Prospectus headed "*Overview of the Transaction Documents – Servicing Agreement*" and this section of this Prospectus headed "*The Seller, the Servicer and the Receivables*".

Delinquency and default of debtors, debt restructuring, debt forgiveness, forbearance, payment holidays, losses, charge offs, recoveries and other asset performance remedies are defined in accordance with the Servicer's servicing policies and procedures.

Any material changes from the Seller's prior underwriting policies and lending criteria shall be disclosed without undue delay to the extent required under Article 20(10) of the Securitisation Regulation.

15. Other Characteristics

The Loan Contracts comprised in the Provisional Portfolio as at the Cut-off Date are homogeneous for purposes of Article 20(8) of the Securitisation Regulation, on the basis that all such Loan Contracts: (i) have been underwritten by Vauxhall Finance in accordance with similar underwriting standards applying similar approaches with respect to the assessment of a potential borrower's credit risk; (ii) are retail or wholesale auto loans or a combination of both entered into substantially on the terms of similar standard documentation for auto loans; (iii) are serviced by the Servicer pursuant to the Servicing Agreement in accordance with the same servicing procedures with respect to monitoring, collections and administration of cash receivables generated from such Loan Contracts; and (iv) form one asset category, namely auto loan receivables originated in the UK.

The Loan Contracts comprised in the Provisional Portfolio as at the Cut-off Date do not include: (i) any transferable securities for purposes of Article 20(8) of the Securitisation Regulation; (ii) any securitisation positions for purposes of Article 20(9) of the Securitisation Regulation; or (iii) any derivatives for purposes of Article 21(2) of the Securitisation Regulation, in each case on the basis that such Loan Contracts have been entered into substantially on the terms of similar standard documentation for auto loan receivables. For purposes of Article 20(8) of the Securitisation Regulation, the Loan Contracts contain obligations that are in all material respects contractually binding and enforceable, with full recourse to Borrowers and, where applicable, guarantors, subject to any laws from time to time in effect relating to bankruptcy, liquidation or any other laws or other procedures affecting generally the enforcement of creditors' rights. The Loan Contracts comprised in the Provisional Portfolio as at the Cut-off Date do not include, at the time of selection for inclusion in the Provisional Portfolio, any exposures in default within the meaning of Article 178(1) of Regulation (EU) No 575/2013 or exposures to credit-impaired debtors, in each case for purposes of Article 20(11) of the Securitisation Regulation. The Receivables comprised in the Provisional Portfolio as at the Cut-off Date will be transferred to the Issuer after selection for inclusion in the Portfolio without undue delay for purposes of Article 20(11) of the Securitisation Regulation.

THE NOTE TRUSTEE AND SECURITY TRUSTEE

The Note Trustee and Security Trustee will be HSBC Corporate Trustee Company (UK) Limited acting through its office at 8 Canada Square, London E14 5HQ. HSBC Corporate Trustee Company (UK) Limited was incorporated with limited liability in England and Wales on 7th December, 2007, with a company number 6447555. Its fully paid share capital totals £100,000. Its ultimate holding company is HSBC Holdings PLC, which is incorporated in England. The Note Trustee and Security Trustee's principal business activity is to provide trustee administration services.

THE SWAP COUNTERPARTY

BNP Paribas is a French multinational bank and financial services company with its registered office located at 16 boulevard des Italiens 75009 Paris, France, and its corporate website in English is <http://www.bnpparibas.com/en>.

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 specialized and other financial activities throughout the world.

The BNP Paribas Group, one of Europe's leading providers of banking and financial services, has four domestic retail banking markets in Europe, namely in Belgium, France, Italy and Luxembourg.

It operates in 71 countries and has more than 201,000 employees, including more than 153,000 in Europe. BNP Paribas holds key positions in its two main businesses:

- (a) Retail Banking and Services, which includes:
 - (i) Domestic Markets, comprising:
 - (A) French Retail Banking (FRB);
 - (B) BNL banca commerciale (BNL bc), Italian retail banking;
 - (C) Belgian Retail Banking (BRB); and
 - (D) Other Domestic Markets activities including Luxembourg Retail Banking (LRB).
 - (ii) International Financial Services, comprising:
 - (A) Europe-Mediterranean;
 - (B) BancWest;
 - (C) Personal Finance;
 - (D) Insurance; and
 - (E) Wealth and Asset Management.
- (b) Corporate and Institutional Banking (CIB):
 - (i) Corporate Banking;
 - (ii) Global Markets; and
 - (iii) Securities Services.

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

At 30 September 2019, the BNP Paribas Group had consolidated assets of €2,510 billion (compared to €2,044 billion at 1st January 2019), consolidated loans and receivables due from customers of €797 billion (compared to €766 billion at 1st January 2019), consolidated items due to customers of €850 billion

(compared to €797 billion at 1st January 2019) and shareholders' equity (Group share) of €107.2 billion (compared to €101.3 billion at 1st January 2019).

At 30 September 2019, pre-tax income was €8.9 billion (compared to €8.5 billion at the end of September 2018). Net income, attributable to equity holders, for the first nine months 2019 was €6.3 billion (compared to €6.1 billion for the first nine months 2018).

At the date of this Memorandum, 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 Investors Service, Inc. and "AA-" with stable outlook from Fitch Ratings, Ltd and "AA (low)" with stable outlook from DBRS.

The information contained in this section relates to and has been obtained from BNP Paribas. The information concerning BNP Paribas and the BNP Paribas Group contained herein 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 this section 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 this section 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>.

PRINCIPAL PAYING AGENT, ACCOUNT BANK, AGENT BANK AND CASH MANAGER

The Principal Paying Agent, Account Bank, Agent Bank and Cash Manager will be HSBC Bank plc.

HSBC Bank plc and its subsidiaries form a group providing a range of banking products and Services.

HSBC Bank plc (formerly Midland Bank plc) was formed in England in 1836 and subsequently incorporated as a limited company in 1880. In 1923, the company adopted the name Midland Bank Limited, which it held until 1982 when it re-registered and changed its name to Midland Bank plc. In 1992, Midland Bank plc became a wholly owned subsidiary undertaking of HSBC Holdings plc, whose Group Head Office is at 8 Canada Square, London E14 5HQ. HSBC Bank plc adopted its current name, changing from Midland Bank plc, in 1999.

The HSBC Group is one of the world's largest banking and financial services organisations, with approximately 3,800 offices in 65 countries and territories in Europe, Asia, Middle East and North Africa, North America and Latin America. The HSBC Group's total assets at 30 June 2019 were U.S.\$2,751 billion. HSBC Bank plc is one of the HSBC Group's principal operating subsidiary undertakings in Europe.

The short term senior unsecured and unguaranteed obligations of HSBC Bank plc are, as at the date of this Prospectus, rated P-1 by Moody's and A-1+ by Standard & Poor's and HSBC Bank plc has a short term issuer default rating of F1+ from Fitch. The long term senior unsecured and unguaranteed obligations of HSBC Bank plc are rated Aa3 by Moody's and AA- by Standard & Poor's and HSBC Bank plc has a long term issuer default rating of A+ from Fitch.

HSBC Bank plc is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. HSBC Bank plc's principal place of business in the United Kingdom is 8 Canada Square, London E14 5HQ.

CERTAIN REGULATORY CONSIDERATIONS

EU Risk Retention

Vauxhall Finance plc as originator will retain a material net economic interest of not less than 5% in the securitisation (the **Retained Exposures**) as required by Article 6(1) of the Securitisation Regulation and in accordance with the text of Article 6(3)(a) of the Securitisation Regulation (which does not take into account any corresponding national measures) and will not enter into any credit risk mitigation, short position or any other credit risk hedge or sale with respect to the Retained Exposures, except to the extent permitted under the Securitisation Regulation. As at the Closing Date, the Originator will meet this obligation by retaining the portion of the Notes that (i) in aggregate comprise 5% of the nominal value of the Notes and (ii) constitute a vertical tranche as required by the text of Article 6(3)(a) of the Securitisation Regulation. Any change to the manner in which such interest is held will be notified to Noteholders. Vauxhall Finance plc has provided a corresponding undertaking with respect to the interest to be retained by it to the Joint Lead Managers in the Note Subscription Agreement.

Information made available to investors

As to the information made available to prospective investors by the Issuer, reference is made to the information set out herein and forming part of this Prospectus and, after the Closing Date, to the Monthly Investor Reports prepared by the Seller with the assistance of the Cash Manager on the basis of a Calculation Report prepared by the Calculation Agent and the other information to be provided under the section "*General Information*". In such Monthly Investor Report relevant information with regard to the Purchased Receivables will be disclosed publicly together with an overview of the retention and/or any changes in the method of retention of the material net economic interest by the Seller for the purposes of which the Servicer will provide the Calculation Agent with all information reasonably required with a view to complying with Article 7(1) of the Securitisation Regulation. In addition, the Seller will provide such information as may be reasonably requested by the Note Trustee or the Noteholders from time to time in order to enable those persons that are subject to the requirements of Article 5 of the Securitisation Regulation to comply with such requirements, subject always to any requirement of law regarding the provision of such information, and provided that the Seller will not be in breach of such undertaking if it fails to so comply due to events, actions or circumstances beyond its control but only to the extent in the case of such failure, after having used reasonable efforts to comply with the relevant requirements applicable to it under the Securitisation Regulation.

Pursuant to Article 22(5) of the Securitisation Regulation, the Originator is responsible for compliance with the requirements of Article 7 and will either fulfil such requirements itself or shall procure that such requirements are complied with on its behalf, provided that the Originator will not be in breach of such undertaking if the Originator fails to so comply due to events, actions or circumstances beyond the Originator's control but only to the extent in the case of such failure, after having used reasonable efforts to comply with the relevant requirements applicable to it under the Securitisation Regulation.

For a description of the information to be made available after the Closing Date please see the section of this Prospectus entitled "*General Information*".

STS Requirements

Vauxhall Finance plc, as originator, has procured that on or about the Closing Date an STS Notification shall be submitted to ESMA, in accordance with Article 27 of the Securitisation Regulation, and to the FCA, confirming that the STS Requirements have been satisfied with respect to the Notes. It is expected that the STS Notification will be available on the website of ESMA (<https://www.esma.europa.eu/policy-activities/securitisation/simple-transparent-and-standardised-stssecuritisation>). For the avoidance of doubt, this website and the contents thereof do not form part of this Prospectus.

The Seller has obtained an STS Verification and STS Additional Assessment from the Authorised Verification Agent. It is expected that the STS Assessment prepared by the Authorised Verification Agent, together with detailed explanations of its scope, will be available on the website of such agent (<https://www.pcsmarket.org/sts-verification-transactions/>) (and for the avoidance of doubt, this website and the contents thereof do not form part of this Prospectus).

Verification of data

The Originator has caused a sample of the Loan Contracts (including the data disclosed in respect of those Loan Contracts) to be externally verified by one or more appropriate and independent third parties. Such Loan Contracts have been subject to an agreed upon procedures review of a representative sample of Loan Contracts selected from the Provisional Portfolio as at the Cut-off Date (as well as an agreed upon procedures review, amongst other things, of the conformity of the Loan Contracts in the Provisional Portfolio with certain of the Eligibility Criteria (where applicable)) conducted by a third party and completed on or about 19 February 2020 (the **AUP Report**). No adverse findings arose from such review. This independent third party has also performed agreed upon procedures in order to verify that the stratification tables disclosed in respect of the underlying exposures are accurate. The third party undertaking the review only has obligations to the parties to the engagement letters governing the performance of the agreed upon procedures subject to the limitations and exclusions contained therein.

Investors to assess compliance

Each prospective investor is required to independently assess and determine the sufficiency of the information described above and in this Prospectus generally for the purposes of complying with Article 5 of the Securitisation Regulation and any corresponding national measures which may be relevant and any other regulation that may apply to particular classes of investors and none of the Issuer, Vauxhall Finance plc (in its capacity as the Seller or the Servicer or in any other capacity), HSBC Bank plc (in its capacity as the Cash Manager) or the Joint Lead Managers makes any representation that the information described above or in this Prospectus is sufficient in all circumstances for such purposes.

For further information on the requirements referred to above and the corresponding risks please refer to the Risk Factor entitled "*Risk Factors Relating To Certain Regulatory Aspects And Other Considerations – Regulatory initiatives may have an adverse impact on the regulatory treatment of the Notes*".

CASH MANAGEMENT

Pursuant to the Account Bank Agreement, the Cash Management Agreement and the Calculation Agency Agreement, each to be dated on or about the Closing Date, the Account Bank, the Cash Manager and the Calculation Agent will provide the Issuer (i) in the case of the Account Bank, with certain account holding services, (ii) in the case of the Cash Manager, with certain notification, reporting and cash management services in relation to monies from time to time standing to the credit of the Issuer Accounts and (iii) in case of the Calculation Agent, with certain calculation services in respect of amounts to be applied by the Cash Manager in accordance with the Transaction Documents.

Daily Cash Flows

Pursuant to the Servicing Agreement, the Servicer will procure that all Collections in respect of the Purchased Receivables are credited to the Collections Accounts in respect of the Purchased Receivables and are transferred within two Business Days following receipt by the Seller, directly into the Transaction Account.

Monthly Cash Flows

On or before each Calculation Date, the Calculation Agent will make the necessary determinations and calculations under the Transaction Documents and communicate these to the Cash Manager, in particular determining the Available Interest Distribution Amount and the Available Principal Distribution Amount to be distributed on the immediately following Interest Payment Date.

On each Interest Payment Date, the Cash Manager will apply the Available Interest Distribution Amount and the Available Principal Distribution Amount on behalf of the Issuer in accordance with the applicable Priority of Payments set out in the Cash Management Agreement.

Directions of the Cash Manager

The Account Bank has agreed to comply with the directions of the Cash Manager until such time as the Cash Manager receives a copy of a Note Acceleration Notice served by the Note Trustee on the Issuer or has notice of any enforcement action taken by the Security Trustee, to effect payments from the Transaction Account.

Ledger Accounts

Pursuant to the Account Bank Agreement and the Cash Management Agreement, the Account Bank and the Cash Manager shall establish and maintain the Issuer Retained Profit Account, the Principal Deficiency Ledger (which comprises the Class A Principal Deficiency Sub-ledger, the Class B Principal Deficiency Sub-ledger, the Class C Principal Deficiency Sub-ledger, the Class D Principal Deficiency Sub-ledger, the Class E Principal Deficiency Sub-ledger, the Class F Principal Deficiency Sub-ledger, the Class G Principal Deficiency Sub-ledger and the Class H Principal Deficiency Sub-ledger), the Revenue Deficiency Account, the Liquidity Reserve Account and the Reinvestment Principal Account (together the **Ledger Accounts**). On or before each Interest Payment Date, the Cash Manager will:

- (a) record amounts as appropriate on the Revenue Deficiency Account on each Interest Payment Date by:
 - (i) crediting the Revenue Deficiency Account by an amount equal to the amount transferred under item (1) of the Principal Priority of Payments for such Interest Payment Date towards any Revenue Deficiency; and

- (ii) debiting the Revenue Deficiency Account by an amount equal to the Revenue Deficiency for such Interest Payment Date;
- (b) record amounts as appropriate on the Principal Deficiency Ledger by:
- (i) crediting the Class A Principal Deficiency Sub-ledger by an amount equal to the amounts transferred under item (9) of the Interest Priority of Payments on such Interest Payment Date;
 - (ii) crediting the Class B Principal Deficiency Sub-ledger by an amount equal to the amounts transferred under item (11) of the Interest Priority of Payments on such Interest Payment Date;
 - (iii) crediting the Class C Principal Deficiency Sub-ledger by an amount equal to the amounts transferred under item (13) of the Interest Priority of Payments on such Interest Payment Date;
 - (iv) crediting the Class D Principal Deficiency Sub-ledger by an amount equal to the amounts transferred under item (15) of the Interest Priority of Payments on such Interest Payment Date;
 - (v) crediting the Class E Principal Deficiency Sub-ledger by an amount equal to the amounts transferred under item (17) of the Interest Priority of Payments on such Interest Payment Date;
 - (vi) crediting the Class F Principal Deficiency Sub-ledger by an amount equal to the amounts transferred under item (19) of the Interest Priority of Payments on such Interest Payment Date;
 - (vii) crediting the Class G Principal Deficiency Sub-ledger by an amount equal to the amounts transferred under item (21) of the Interest Priority of Payments on such Interest Payment Date;
 - (viii) crediting the Class H Principal Deficiency Sub-ledger by an amount equal to the amounts transferred under item (23) of the Interest Priority of Payments on such Interest Payment Date; and
 - (ix) debiting the Principal Deficiency Ledger by an amount equal to the aggregate of: (x) the Net Loss Amount; and (y) an amount equal to the amount applied in accordance with item (1) of the Principal Priority of Payment, in the following order:
 - (A) *first*, to the Class H Principal Deficiency Sub-ledger until the debit balance thereon is equal to the then Principal Amount Outstanding of the Class H Notes;
 - (B) *second*, to the Class G Principal Deficiency Sub-ledger until the debit balance thereon is equal to the then Principal Amount Outstanding of the Class G Notes;
 - (C) *third*, to the Class F Principal Deficiency Sub-ledger until the debit balance thereon is equal to the then Principal Amount Outstanding of the Class F Notes;
 - (D) *fourth*, to the Class E Principal Deficiency Sub-ledger until the debit balance thereon is equal to the then Principal Amount Outstanding of the Class E Notes;

- (E) *fifth*, to the Class D Principal Deficiency Sub-ledger until the debit balance thereon is equal to the then Principal Amount Outstanding of the Class D Notes;
 - (F) *sixth*, to the Class C Principal Deficiency Sub-ledger until the debit balance thereon is equal to the then Principal Amount Outstanding of the Class C Notes;
 - (G) *seventh*, to the Class B Principal Deficiency Sub-ledger until the debit balance thereon is equal to the then Principal Amount Outstanding of the Class B Notes; and
 - (H) *eighth*, to the Class A Principal Deficiency Sub-ledger until the debit balance thereon is equal to the then Principal Amount Outstanding of the Class A Notes;
- (c) record amounts as appropriate on the Liquidity Reserve Account by:
- (i) crediting the Liquidity Reserve Account by an amount equal to the aggregate of:
 - (A) Liquidity Reserve Proceeds under the Subordinated Loan; and
 - (B) payments made in accordance with item (7) of the Interest Priority of Payments; and
 - (ii) debiting the Liquidity Reserve Account by an amount equal to the Liquidity Reserve Amount used on each Interest Payment Date from the Closing Date to the Final Class D Interest Payment Date applied:
 - (A) towards any Revenue Deficiency;
 - (B) towards the redemption of the Subordinated Loan to the extent that the amount standing to the credit of the Liquidity Reserve Account is in excess of the Liquidity Reserve Target Amount; and
 - (C) on the Final Class D Interest Payment Date, the entirety of the amount standing to the credit of the Liquidity Reserve Account towards the redemption of the Subordinated Loan in full;
- (d) record amounts as appropriate on the Issuer Retained Profit Account by:
- (i) crediting the Issuer Retained Profit Account by an amount equal to the amount retained in respect of the Issuer Profit Amount in accordance with item (5) of the Interest Priority of Payments or item (15) of the Accelerated Priority of Payments, as the case may be; and
 - (ii) debiting the Issuer Retained Profit Account by the lower of (i) all amounts applied to pay or discharge the Issuer's liability to corporation tax and (ii) the amount standing to the credit of the Issuer Retained Profit Account; and
- (e) record amounts as appropriate on the Reinvestment Principal Account by:
- (i) crediting the Reinvestment Principal Account by an amount equal to the payments made in accordance with item (3) of the Principal Priority of Payments; and
 - (ii) debiting the Reinvestment Principal Account by an amount equal to the amounts in the Reinvestment Principal Account applied as the Available Principal Distribution Amount on each Interest Payment Date.

Application of Amounts in respect of Swap Collateral, Excess Swap Collateral, Swap Tax Credits and Replacement Swap Premium

Amounts received by the Issuer (or the Cash Manager on its behalf) comprising Excess Swap Collateral, Swap Collateral (except to the extent that following the early termination of a Hedging Arrangement under the Swap Agreement the value of such Swap Collateral has been applied, pursuant to the provisions of such Swap Agreement, to reduce the amount that would otherwise be payable by the Swap Counterparty to the Issuer on early termination of the Hedging Arrangements under the Swap Agreement, as applicable, and, to the extent so applied in reduction of the amount otherwise payable by the Swap Counterparty, such Swap Collateral is not to be applied in acquiring a replacement swap), Swap Tax Credits and Replacement Swap Premium (only to the extent it is applied directly to pay a Swap Termination Payment due and payable by the Issuer to the outgoing Swap Counterparty) shall, to the extent due and payable under the terms of the Swap Agreement, be paid by the Cash Manager on behalf of the Issuer directly to the Swap Counterparty without regard to the relevant Priority of Payments and in accordance with the terms of the Deed of Charge and the Swap Agreement.

THE ISSUER

Introduction

The Issuer was incorporated in England and Wales under the Companies Act 2006 on 11 September 2019 as a public company with limited liability under the name of E-CARAT 11 plc with company number 12201217. The registered office of the Issuer is 1 Bartholomew Lane, London EC2N 2AX, United Kingdom. The issued share capital of the Issuer is 50,000 ordinary shares of £1 each of which one share is fully paid and 49,999 shares are quarter-paid and all shares are held by Holdings. The entire issued share capital of Holdings is held on trust by Intertrust Corporate Services Limited under the terms of a share trust deed dated 13 January 2020 under a discretionary trust for discretionary purposes. The Issuer has no subsidiaries.

Principal Activities

The Issuer is permitted, pursuant to the terms of its Articles of Association, *inter alia*, to issue the Notes and to acquire the Purchased Receivables and the Ancillary Rights.

The Issuer has not engaged, since its incorporation, in any activities other than those incidental to its incorporation, the authorisation and issue of the Notes and of the other documents and matters referred to or contemplated in this document to which it is or will be a party and matters which are incidental or ancillary to the foregoing. Except for the purpose of hedging interest-rate or currency risk, the Issuer will not enter into derivative contracts, for purposes of Article 21(2) of the Securitisation Regulation.

There is no intention to accumulate surpluses in the Issuer.

The Issuer will covenant to observe certain restrictions on its activities which are set out in Condition 3 (Covenants).

Directors and Company Secretary

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

Name	Business Address	Principal Activities
Intertrust Directors 1 Limited	1 Bartholomew Lane, London EC2N 2AX	Director of SPVs
Intertrust Directors 2 Limited	1 Bartholomew Lane, London EC2N 2AX	Director of SPVs
Susan Abrahams	1 Bartholomew Lane, London EC2N 2AX	Company Director

The company secretary of the Issuer is Intertrust Corporate Services Limited.

As at the date hereof, the Issuer has no employees, non-executive directors or premises.

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

Name	Business Address	Principal Activities
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Helena Whitaker	1 Bartholomew Lane, London EC2N 2AX	Director
Susan Abrahams	1 Bartholomew Lane, London EC2N 2AX	Director
Michelle O'Flaherty	1 Bartholomew Lane, London EC2N 2AX	Director
Andrea Williams	1 Bartholomew Lane, London EC2N 2AX	Director
Helena Whitaker	1 Bartholomew Lane, London EC2N 2AX	Director

Capitalisation Statement

The following table shows the capitalisation of the Issuer as at the date of this Prospectus:

<i>Issued share capital</i>	<i>Total</i>
50,000 ordinary shares of £1 each, 49,999 issued and paid up as to £0.25 and one issued fully paid share	£12,500.75

HOLDINGS

Introduction

Holdings was incorporated in England and Wales under the Companies Act 2006 on 11 September 2019 as a private company with limited liability under the name E-CARAT 11 Holdings Limited with company number 12200911. The registered office of Holdings is at 1 Bartholomew Lane, London EC2N 2AX, United Kingdom. The share capital of Holdings is one ordinary share of £1 which is issued and is credited as fully paid. The entire issued share capital of Holdings is held on trust by Intertrust Corporate Services Limited under the terms of a share trust deed dated 13 January 2020 under a discretionary trust for discretionary purposes.

Principal Activities of Holdings

Pursuant to the terms of its Articles of Association, Holdings is permitted, *inter alia*, to hold shares in the Issuer. Holdings has not engaged, since its incorporation, in any activities other than those incidental to its incorporation and those matters referred to or contemplated in this document and any matters which are incidental or ancillary to the foregoing.

Directors and Company Secretary of Holdings

The directors of Holdings and their respective business addresses and other principal activities are:

Name	Business Address	Principal Activities
Intertrust Directors 1 Limited	1 Bartholomew Lane, London EC2N 2AX	Director of SPVs
Intertrust Directors 2 Limited	1 Bartholomew Lane, London EC2N 2AX	Director of SPVs
Susan Abrahams	1 Bartholomew Lane, London EC2N 2AX	Company Director

The company secretary of Holdings is Intertrust Corporate Services Limited.

As at the date hereof, Holdings has no employees, non-executive directors or premises.

The directors of Intertrust Directors 1 Limited and Intertrust Directors 2 Limited and their business addresses and principal activities are:

Name	Business Address	Principal Activities
Helena Whitaker	1 Bartholomew Lane, London EC2N 2AX	Director
Susan Abrahams	1 Bartholomew Lane, London EC2N 2AX	Director
Michelle O'Flaherty	1 Bartholomew Lane, London EC2N 2AX	Director
Andrea Williams	1 Bartholomew Lane, London EC2N 2AX	Director

CREDIT STRUCTURE, LIQUIDITY AND HEDGING

Credit Enhancement

Subordination

For so long as no Sequential Redemption Event has occurred, credit enhancement for the Class A Notes will be provided by the subordination of interest payments due in respect of the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes and the Class H Notes which rank lower than the Class A Notes in the applicable Priority of Payments.

For so long as no Sequential Redemption Event has occurred, credit enhancement for the Class B Notes will be provided by the subordination of interest payments due in respect of the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes and the Class H Notes which rank lower than the Class B Notes in the applicable Priority of Payments.

For so long as no Sequential Redemption Event has occurred, credit enhancement for the Class C Notes will be provided by the subordination of interest payments due in respect of the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes and the Class H Notes which rank lower than the Class C Notes in the applicable Priority of Payments.

For so long as no Sequential Redemption Event has occurred, credit enhancement for the Class D Notes will be provided by the subordination of interest payments due in respect of the Class E Notes, the Class F Notes, the Class G Notes and the Class H Notes which rank lower than the Class D Notes in the applicable Priority of Payments.

For so long as no Sequential Redemption Event has occurred, credit enhancement for the Class E Notes will be provided by the subordination of interest payments due in respect of the Class F Notes, the Class G Notes and the Class H Notes which rank lower than the Class E Notes in the applicable Priority of Payments.

For so long as no Sequential Redemption Event has occurred, credit enhancement for the Class F Notes will be provided by the subordination of interest payments due in respect of the Class G Notes and the Class H Notes which rank lower than the Class F Notes in the applicable Priority of Payments.

For so long as no Sequential Redemption Event has occurred, credit enhancement for the Class G Notes will be provided by the subordination of interest payments due in respect of the Class H Notes which rank lower than the Class G Notes in the applicable Priority of Payments.

For so long as no Sequential Redemption Event has occurred, payments of principal in respect of the Notes will be made on a *pro rata* basis. After the occurrence of a Sequential Redemption Event, payments of principal in respect of the Notes will be made in sequential order at all times.

The obligations of the Issuer to pay interest and (following expiry of the Revolving Period) to repay principal on the Notes will be subject to the applicable Priority of Payments and such amounts will only be payable to the extent that the Issuer has sufficient Available Interest Distribution Amounts and Available Principal Distribution Amounts after making payment of all amounts required to be paid pursuant to the relevant provisions of the Cash Management Agreement or the Deed of Charge in priority to such payments. It follows that the rights of the holders of the Class H Notes to receive payments of principal are subordinated to the rights of the Noteholders of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Class G Notes which rank higher in the applicable Priority of Payments. The rights of the Noteholders of the Class G Notes to receive payments of principal are subordinated to the rights of the Noteholders of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes which rank higher in the applicable Priority of

Payments. The rights of the Noteholders of the Class F Notes to receive payments of principal are subordinated to the rights of the Noteholders of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes which rank higher in the applicable Priority of Payments. The rights of the Noteholders of the Class E Notes to receive payments of principal are subordinated to the rights of the Noteholders of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes which rank higher in the applicable Priority of Payments. The rights of the Noteholders of the Class D Notes to receive payments of principal are subordinated to the rights of the Noteholders of the Class A Notes, the Class B Notes and the Class C Notes which rank higher in the applicable Priority of Payments. The rights of the Noteholders of the Class C Notes to receive payments of principal are subordinated to the rights of the Noteholders of the Class A Notes and the Class B Notes, which rank higher in the applicable Priority of Payments. The rights of the Noteholders of the Class B Notes to receive payments of principal are subordinated to the rights of the Noteholders of the Class A Notes, which rank higher in the applicable Priority of Payments. No payments of principal will be made on the Notes until the termination of the Revolving Period.

The Noteholders of the Class B Notes will not receive payments of interest unless the Class B PDL Condition is satisfied, or if amounts are available to pay interest pursuant to item (24) of the Interest Priority of Payments. The Noteholders of the Class C Notes will not receive payments of interest unless the Class C PDL Condition is satisfied, or if amounts are available to pay interest pursuant to item (25) of the Interest Priority of Payments. The Noteholders of the Class D Notes will not receive payments of interest unless the Class D PDL Condition is satisfied, or if amounts are available to pay interest pursuant to item (26) of the Interest Priority of Payments. The Noteholders of the Class E Notes will not receive payments of interest unless the Class E PDL Condition is satisfied, or if amounts are available to pay interest pursuant to item (27) of the Interest Priority of Payments. The Noteholders of the Class F Notes will not receive payments of interest unless the Class F PDL Condition is satisfied, or if amounts are available to pay interest pursuant to item (28) of the Interest Priority of Payments. The Noteholders of the Class G Notes will not receive payments of interest unless the Class G PDL Condition is satisfied, or if amounts are available to pay interest pursuant to item (29) of the Interest Priority of Payments. The Noteholders of the Class H Notes will not receive payments of interest unless the Class H PDL Condition is satisfied, or if amounts are available to pay interest pursuant to item (30) of the Interest Priority of Payments. Any such unpaid interest will be deferred in accordance with Condition 15.1 (Deferred Interest).

On an enforcement of the Security, Noteholders of the Class A Notes will have priority over the Noteholders of the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes and the Class H Notes; Noteholders of the Class B Notes will have priority over the Noteholders of the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes and the Class H Notes; Noteholders of the Class C Notes will have priority over the Noteholders of the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes and the Class H Notes; Noteholders of the Class D Notes will have priority over the Noteholders of the Class E Notes, the Class F Notes, the Class G Notes and the Class H Notes; Noteholders of the Class E Notes will have priority over the Noteholders of the Class F Notes, the Class G Notes and the Class H Notes; Noteholders of the Class F Notes will have priority over the Noteholders of the Class G Notes and the Class H Notes; and Noteholders of the Class G Notes will have priority over the Noteholders of the Class H Notes.

Subordinated Loan

Additional liquidity support for the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes will be provided by the Liquidity Reserve Proceeds advanced under the Subordinated Loan. On the Closing Date, the Liquidity Reserve Proceeds will be drawn down by the Issuer. The Issuer will use this amount to credit the Liquidity Reserve Amount to the Transaction Account, the purpose of which is to provide liquidity support for the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes only so long as the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes are outstanding.

The Subordinated Loan will bear interest at an arm's length rate (subject to deferral if the Issuer has insufficient funds to pay such interest). Prior to the service of a Note Acceleration Notice, interest on the Liquidity Reserve Proceeds will be paid on each Interest Payment Date in accordance with the Interest Priority of Payments. On each Interest Payment Date prior to the service of a Note Acceleration Notice, all amounts standing to the credit of the Liquidity Reserve Account in excess of the Liquidity Reserve Target Amount will be applied towards repayment of the Liquidity Reserve Proceeds advanced under the Subordinated Loan. On the Final Class D Interest Payment Date amounts standing to the credit of the Liquidity Reserve Amount shall be applied on such Interest Payment Date to repay the Liquidity Reserve Proceeds advanced under the Subordinated Loan in full.

Following the service of a Note Acceleration Notice, the Liquidity Reserve Amount shall be released by the Issuer to the Subordinated Lender and the then current credit balance of the Liquidity Reserve Account shall be directly repaid by the Issuer to the Subordinated Lender on the first Interest Payment Date following service of a Note Acceleration Notice and will not be available for any use by the Issuer.

Following the service of a Note Acceleration Notice, the Liquidity Reserve Target Amount shall be zero.

Liquidity Reserve Amount

In order to provide additional liquidity support to the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes, on the Closing Date, the Issuer will draw down the Liquidity Reserve Proceeds under the Subordinated Loan to be made by Vauxhall Finance plc as Subordinated Lender, the proceeds of which will be deposited in the Transaction Account in an amount equal to the Liquidity Reserve Amount.

On each Interest Payment Date from the Closing Date to the Final Class D Interest Payment Date, the Liquidity Reserve Amount shall be applied towards any Revenue Deficiency that subsists after the application of the Available Principal Distribution Amount to cure such Revenue Deficiency *provided that* no Liquidity Reserve Amount may be applied in order to cure a Revenue Deficiency in respect of the payment of interest on the Class B Notes unless the Class B PDL Condition is satisfied, the Class C Notes unless the Class C PDL Condition is satisfied or the Class D Notes unless the Class D PDL Condition is satisfied. On each Interest Payment Date prior to the service of a Note Acceleration Notice, all amounts standing to the credit of the Liquidity Reserve Account in excess of the Liquidity Reserve Target Amount will be applied towards repayment of the Liquidity Reserve Proceeds advanced under the Subordinated Loan. On the Final Class D Interest Payment Date, the Liquidity Reserve Amount shall be applied on such Interest Payment Date to repay the Liquidity Reserve Proceeds advanced under the Subordinated Loan in full.

The **Liquidity Reserve Target Amount** will be, on any Interest Payment Date up to the Final Class D Interest Payment Date, an amount equal to the higher of: (i) 1% of the aggregate of the Principal Amount Outstanding of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes on such Interest Payment Date; and (ii) 0.5% of the aggregate of the Principal Amount Outstanding of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes on the Closing Date, and thereafter, zero. Following the service of a Note Acceleration Notice, the Liquidity Reserve Target Amount shall be zero.

Principal Deficiency Ledger

The Principal Deficiency Ledger has been established to record Revenue Deficiencies and principal deficiencies that arise from Defaulted Amounts, PCP Handback Receivables or Voluntarily Terminated Receivables in the Issuer Assets.

The Principal Deficiency Ledger is comprised of eight sub-ledgers the Class A Principal Deficiency Sub-ledger, the Class B Principal Deficiency Sub-ledger, the Class C Principal Deficiency Sub-ledger, the Class D Principal Deficiency Sub-ledger, the Class E Principal Deficiency Sub-ledger, the Class F Principal Deficiency Sub-ledger, the Class G Principal Deficiency Sub-ledger and the Class H Principal Deficiency

Sub-ledger which correspond to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes and the Class H Notes respectively.

On each Interest Payment Date the aggregate of (i) any Net Loss Amount in respect of Defaulted Amounts and Purchased Receivables which have become PCP Handback Receivables or Voluntarily Terminated Receivables (as appropriate) in the immediately preceding Calculation Period and (ii) an amount equal to the amount of any Available Principal Distribution Amount applied towards any Revenue Deficiency pursuant to the Principal Priority of Payments, will be recorded on the Principal Deficiency Ledger.

The Net Loss Amount is an amount equal to the Outstanding Principal Balance of the Defaulted Amounts and Purchased Receivables which have become PCP Handback Receivables or Voluntarily Terminated Receivables (the **Gross Loss Amount**) less the amount equal to Recoveries realised (the **Gross Recovery Amount**) each in a Calculation Period immediately preceding an Interest Payment Date.

Gross Recovery Amounts shall be applied as Available Principal Distribution Amounts unless Gross Recovery Amounts exceed the Gross Loss Amount, in which case, the Net Recovery Amount will be treated as the Available Interest Distribution Amount and applied in accordance with the Interest Priority of Payments, and may therefore be used to make up any principal deficiencies recorded on the Principal Deficiency Ledger.

Reinvestment Principal Account

During the Revolving Period, the Issuer (or the Cash Manager on its behalf) shall credit the Reinvestment Principal Account on each Interest Payment Date with excess Available Principal Distribution Amounts available after paying for any Revenue Deficiency and the Initial Purchase Price in respect any Further Purchased Property purchased by the Issuer on the Further Purchase Date falling on such Interest Payment Date, in accordance with the Interest Priority of Payments and Principal Priority of Payments.

On each Interest Payment Date, the Issuer (or the Cash Manager on its behalf) shall apply all amounts standing to the credit of the Reinvestment Principal Account as Available Principal Distribution Amounts.

The Swap Counterparty

For a further description of the Swap Counterparty, see "*The Swap Counterparty*".

The Swap Agreement

On or prior to the Closing Date, the Issuer will enter into one or more fixed/floating interest rate swap transactions (each a **Hedging Arrangement**) with the Swap Counterparty under an International Swaps and Derivatives Association Inc. 1992 Master Agreement, in order to address certain risks arising as a result of a fixed rate of interest payable under the Purchased Receivables and the floating rate of interest payable by the Issuer under the Rated Notes.

Pursuant to the terms of each Hedging Arrangement (which supplements, is subject to and forms a part of the Swap Agreement), on each Interest Payment Date commencing on the first Interest Payment Date and ending on the date on which the Rated Notes are redeemed in full, the Issuer will make a fixed rate payment to the Swap Counterparty in sterling which the Issuer will fund using payments which it receives from the Purchased Receivables. The fixed rate will be applied to the notional amount of the relevant Hedging Arrangement for the relevant Interest Period to calculate the fixed amount payable by the Issuer on such Interest Payment Date. The Swap Counterparty will, on the same Interest Payment Date, make a floating rate payment in sterling to the Issuer (calculated by reference to the same notional amount and SONIA determined pursuant to the relevant Hedging Arrangement, subject to any replacement rate being applied pursuant to the terms of such Swap Agreement). The amounts payable by the Issuer and the Swap Counterparty under the relevant Hedging Arrangement will be netted so that only a net amount will be due

from the Issuer or the Swap Counterparty (as the case may be) on an Interest Payment Date. The notional amount of each Hedging Arrangement will be determined at the commencement of each Interest Period as an amount equal to the aggregate of the Principal Amount Outstanding of the Rated Notes at such time.

If the floating rate payable by the Swap Counterparty to the Issuer under each Hedging Arrangement entered into pursuant to the Swap Agreement is negative, the Issuer would not receive floating rate interest but would not be obliged to pay to the Swap Counterparty the absolute value of the product of the negative floating rate and the relevant notional amount.

Ratings downgrade of the Swap Counterparty

S&P Global Required Ratings

The S&P Global Structured Finance Counterparty Risk Framework Methodology and Assumptions (published on 8 March 2019) permit four different frameworks for selecting applicable minimum required ratings (**S&P Global Strong**, **S&P Global Adequate**, **S&P Global Moderate** and **S&P Global Weak**), and the contractual requirements that should apply on the occurrence of breach of the relevant ratings trigger by the Swap Counterparty, the Swap Counterparty may elect to change the applicable S&P Global Framework by written notice to S&P Global, the Issuer and the Security Trustee. The S&P Global minimum ratings depend on the rating of the highest rated class of Rated Notes rated by S&P Global at the relevant time (the **S&P Global Relevant Notes**) and which S&P Global framework applies at the relevant time. As of the Closing Date, S&P Global Weak is expected to apply.

The Swap Counterparty will have the **Initial S&P Global Required Rating** and the **Subsequent S&P Global Required Rating** if either the issuer credit rating or the resolution counterparty rating assigned by S&P Global to the Swap Counterparty is at least as high as the relevant rating (depending on the then current rating assigned by S&P Global to the S&P Global Relevant Notes and the then applicable S&P Global framework) as specified in the table below under the column “Initial S&P Global Rating” or “Subsequent S&P Global Rating”, as applicable.

Rating of the S&P Global relevant notes	S&P Global Strong		S&P Global Adequate		S&P Global Moderate		S&P Global Weak	
	Initial S&P Global Rating	Subsequent S&P Global Rating	Initial S&P Global Rating	Subsequent S&P Global Rating	Initial S&P Global Rating	Subsequent S&P Global Rating	Initial S&P Global Rating	Subsequent S&P Global Rating
AAA	A-	BBB+	A-	A-	A	A	NA	A+
AA+	A-	BBB+	A-	A-	A-	A-	NA	A+
AA	A-	BBB	BBB+	BBB+	A-	A-	NA	A
AA-	A-	BBB	BBB+	BBB+	BBB+	BBB+	NA	A-
A+	A-	BBB-	BBB	BBB	BBB+	BBB+	NA	A-
A	A-	BBB-	BBB	BBB	BBB	BBB	NA	BBB+
A-	A-	BBB-	BBB	BBB-	BBB	BBB	NA	BBB+
BBB+	A-	BBB-	BBB	BBB-	BBB	BBB-	NA	BBB
BBB	A-	BBB-	BBB	BBB-	BBB	BBB-	NA	BBB

BBB-	A-	BBB-	BBB	BBB-	BBB	BBB-	NA	BBB-
BB+ and below	A-	At least as high as 3 notches below the S&P Global Relevant Notes rating	BBB	At least as high as 2 notches below the S&P Global Relevant Notes rating	BBB	At least as high as 1 notch below the S&P Global Relevant Notes rating	NA	At least as high as the S&P Global Relevant Notes rating

In the event that neither the Swap Counterparty nor any guarantor of the Swap Counterparty's obligations under the Swap Agreement (each a **Relevant Entity**) has the Initial S&P Global Required Rating (an **Initial S&P Global Rating Event**), then, where S&P Global Strong, S&P Global Adequate or S&P Global Moderate applies at the relevant time, the Swap Counterparty, (a) must, at its own cost, post collateral to the Issuer within 10 Business Days (or within 20 Business Days if the Swap Counterparty has received written confirmation from S&P Global that they will not take negative rating action if a proposal by the Swap Counterparty is implemented within 20 Business Days) and may (b) at its own discretion and at its own cost: (i) procure a transfer to an eligible replacement of its obligations under the Swap Agreement or (ii) procure a guarantee from an eligible guarantor in respect of its obligations under the Swap Agreement or (iii) take such other action as required to maintain or restore the rating of the S&P Global Relevant Notes by S&P Global.

In the event that no Relevant Entity has the Subsequent S&P Global Required Rating (a **Subsequent S&P Global Rating Event**), the Swap Counterparty must, at its own cost, use its commercially reasonable efforts to, within 90 calendar days, either (i) procure a transfer to an eligible replacement of its obligations under the Swap Agreement, (ii) procure a guarantee from an eligible guarantor in respect of its obligations under the Swap Agreement or (iii) take such other action as required to maintain or restore the rating of the S&P Global Relevant Notes by S&P Global.

Where S&P Global Strong, S&P Global Adequate or S&P Global Moderate applies, while the above process is ongoing, the Swap Counterparty must also, at its own cost, post collateral within 10 Business Days (or within 20 Business Days if the Swap Counterparty has received written confirmation from S&P Global that they will not take negative rating action if a proposal by the Swap Counterparty is implemented within 20 Business Days).

If the Swap Counterparty fails to use its commercially reasonable efforts to take the relevant actions or the relevant time period has expired, the Issuer may (but will not be obliged to) terminate the relevant Hedging Arrangement in accordance with the terms of the Swap Agreement.

DBRS Required Ratings

Irrespective of the current rating of the Rated Notes, the contractual requirements that apply on the occurrence of a breach of the relevant ratings trigger by the Swap Counterparty are determined by (i) the Critical Obligations Rating of the Swap Counterparty, (ii) if no Critical Obligations Rating has been assigned to such entity by DBRS, the higher of (I) the solicited public issuer rating assigned by DBRS to such entity or (II) the solicited public rating assigned by DBRS to such entity's long term senior unsecured debt obligations or (iii) if no such solicited public rating has been assigned to such entity by DBRS, the corresponding DBRS Equivalent Rating as set out in the DBRS Equivalent Chart below (the **Long-Term DBRS Rating**), where **Critical Obligations Rating** means the rating assigned to a relevant entity by DBRS to address the risk of default of particular obligations and/or exposures of certain banks that have a higher probability of being excluded from bail-in and remaining in a continuing bank in the event of the resolution of a troubled bank than other senior unsecured obligations.

DBRS Equivalent Chart			
DBRS	Moody's	S&P	Fitch
AAA	Aaa (cr)	AAA	AAA
AA (high)	Aa1 (cr)	AA+	AA+
AA	Aa2 (cr)	AA	AA
AA (low)	Aa3 (cr)	AA-	AA-
A (high)	A1 (cr)	A+	A+
A	A2 (cr)	A	A
A (low)	A3 (cr)	A-	A-
BBB (high)	Baa1 (cr)	BBB+	BBB+
BBB	Baa2 (cr)	BBB	BBB
BBB (low)	Baa3 (cr)	BBB-	BBB-
BB (high)	Ba1 (cr)	BB+	BB+
BB	Ba2 (cr)	BB	BB
BB (low)	Ba3 (cr)	BB-	BB-
B (high)	B1 (cr)	B+	B+
B	B2 (cr)	B	B
B (low)	B3 (cr)	B-	B-
CCC (high)	Caa1 (cr)	CCC+	CCC
CCC	Caa2 (cr)	CCC	
CCC (low)	Caa3 (cr)	CCC-	
CC	Ca (cr)	CC	
		C	
D	C (cr)	D	D

If the Swap Counterparty fails to maintain a Long-Term DBRS Rating of at least as high as "A" (the **Initial DBRS Rating Event**), the Swap Counterparty must, at its own cost, within 30 Business Days of the occurrence of such Initial DBRS Rating Event, either:

- (a) post collateral;

- (b) transfer its rights and obligations under the Swap Agreement to an appropriately rated replacement third party (or a replacement third party with an appropriately rated guarantor);
- (c) procure a co-obligation or guarantee from an appropriately rated third party; or
- (d) take such other actions (which may, for the avoidance of doubt, include taking no action) as a result of which the highest rated class of Rated Notes will be rated by DBRS at the same level as immediately prior to such Initial DBRS Rating Event.

If the Swap Counterparty fails to maintain a Long-Term DBRS Rating of at least as high as "BBB" (the **Subsequent DBRS Rating Event**), the Swap Counterparty must, at its own cost, within 30 Business Days of the occurrence of such Initial DBRS Rating Event, either:

- (a) post collateral; and
- (b) use commercially reasonable efforts to either:
 - (i) transfer its rights and obligations under the Swap Agreement to an appropriately rated replacement third party (or a replacement third party with an appropriately rated guarantor);
 - (ii) procure a co-obligation or guarantee from an appropriately rated third party; or
 - (iii) take such other actions (which may, for the avoidance of doubt, include taking no action) as a result of which the highest rated class of Rated Notes will be rated by DBRS at the same level as immediately prior to such Initial DBRS Rating Event.

Termination rights and payments

Any Hedging Arrangement may be terminated in certain circumstances including, among others, the following, each as more specifically defined in the Swap Agreement (an **Early Termination Event**):

- (a) if there is a failure by a party to make any payment or delivery due under the Swap Agreement and any applicable grace period has expired;
- (b) if certain insolvency events occur with respect to the Swap Counterparty;
- (c) if a breach of a provision of the Swap Agreement by the Swap Counterparty is not remedied within the applicable grace period;
- (d) if a change of law results in the obligations of one of the parties becoming illegal or a force majeure event results in the performance by either party of its obligations becoming impossible;
- (e) in certain circumstances, if a deduction or withholding for or on account of taxes is imposed on payments under the Hedging Arrangement due to change in law;
- (f) if the Swap Counterparty is downgraded and fails to comply with the requirements of the downgrade provisions contained in the Swap Agreement and described above;
- (g) service of a Note Acceleration Notice on the Issuer pursuant to Condition 9 (Events of Default);
- (h) if any provision of either the Principal Priority of Payments and Interest Priority of Payments, or the Accelerated Priority of Payments is amended without the prior written consent of the Swap Counterparty, such that the Issuer's obligations to the Swap Provider under the Swap Agreement are further contractually subordinated to the Issuer's obligations to any other Secured Party; and

- (i) if any of the Transaction Documents is amended without the prior written consent of the Swap Provider where such amendment could have material adverse effect on the interests of the Swap Provider under the Swap Agreement or the Transaction Documents.

In addition to the Early Termination Events, a Hedging Arrangement will also terminate if the Senior Notes are redeemed in full other than in accordance with Condition 6.1 (Redemption at maturity) or Condition 6.3 (Mandatory Redemption in part), and the termination payment (if any) payable by the Issuer or the Swap Counterparty to the other party will be due on the date on which the Senior Notes are redeemed in full.

Following the designation of an "Early Termination Date" (as defined in the Swap Agreement) in respect of the relevant Hedging Arrangement, the Issuer or the Swap Provider, depending on the circumstances prevailing at the time of termination, may be liable to make a termination payment to the other. This termination payment will be calculated and made in Sterling. The amount of any termination payment will in certain circumstances (including where the Hedging Arrangement is terminated as a result of (i) an "Event of Default" (as defined in relevant Swap Agreement) where the Swap Counterparty is the "Defaulting Party", or (ii) an "Additional Termination Event" (as defined in relevant Swap Agreement) which occurs as a result of the failure of the Swap Counterparty to comply with the requirements of a rating downgrade provision set out in relevant Swap Agreement) be based on the market value of the terminated Hedging Arrangement as determined on the basis of firm offers sought from leading dealers as to the costs of entering into replacement transactions that would have the effect of preserving the economic equivalent of the respective full payment obligations of the parties. In other circumstances (including where no firm offers can be obtained, or following early termination due to a default by the Issuer), the amount of any termination payment may reflect, among other things, the cost of entering into a replacement transaction at the time, third party market data such as rates, prices, yields and yield curves, or similar information derived from internal sources of the party making the determination (which, in the case of an Issuer default under the Swap Agreement, would be the Swap Counterparty). In either case, the early termination amount will include any unpaid amounts that became due and payable on or prior to the date of termination, taking account of any collateral transferred by the Swap Counterparty to the Issuer.

Depending on the terms of the relevant Hedging Arrangement and the circumstances prevailing at the time of termination, any such termination payment could be substantial and may affect the funds available to pay amounts due to the Noteholders.

Any amount received by the Issuer from a replacement Swap Counterparty upon entry by the Issuer into an agreement with such replacement Swap Counterparty to replace an outgoing Swap Counterparty will be applied first to pay any termination payment due from the Issuer to the outgoing Swap Counterparty, with only the excess (if any) of the amount received from the replacement Swap Counterparty after such application constituting Available Interest Distribution Amounts and being available to other Secured Creditors.

Security and Ranking

The Issuer's obligations to the Swap Counterparty under the Swap Agreement will be secured under the Deed of Charge. In the event of the Charged Property being enforced thereunder, such obligations (other than Subordinated Swap Amounts) will rank ahead of payments in respect of the Notes.

Withholding Tax

All payments to be made by a party under the Swap Agreement are to be made without withholding or deduction for or on account of any tax unless such withholding or deduction is required by applicable law (as modified by the practice of any relevant tax authority). Each of the Issuer and the Swap Counterparty will represent, on entering into the Swap Agreement, that it is not obliged to make any such deduction or withholding under current taxation law and practice. If, as a result of a change in law (or the application or official interpretation thereof), the Issuer is required to make such a withholding or deduction from any

payment to be made to the Swap Counterparty under the Swap Agreement, the Issuer will not be obliged to pay any additional amounts to relevant Swap Counterparty in respect of the amounts so required to be withheld or deducted. If relevant Swap Counterparty is required to make such a withholding or deduction from any payment to the Issuer under relevant Swap Agreement, it shall generally pay to the Issuer such additional amount as is necessary to ensure that the net amount actually received by the Issuer will equal the full amount the Issuer would have received had no such deduction or withholding been required. The party receiving a reduced payment or that is required to make an additional payment, as the case may be, will have the right to terminate relevant Swap Agreement (subject to the Swap Counterparty's obligation to use reasonable efforts (provided that such efforts shall not cause significant economic hardship to such Swap Counterparty) to transfer its rights and obligations under the Swap Agreement to another of its offices or affiliates such that payments made by or to that office or affiliate under such Swap Agreement can be made without any withholding or deduction for or on account of tax).

Governing Law

The Swap Agreement and any non-contractual obligations arising out of or in connection with it will be governed by English law.

TERMS AND CONDITIONS OF THE NOTES

The following are the terms and conditions of the Notes in the form (subject to amendment) in which they will be set out in the Trust Deed. The terms and conditions set out below will apply to the Notes.

The £361,250,000 Class A Asset Backed Floating Rate Notes due May 2028 (the **Class A Notes**), the £35,000,000 Class B Asset Backed Floating Rate Notes due May 2028 (the **Class B Notes**), the £25,000,000 Class C Asset Backed Floating Rate Notes due May 2028 (the **Class C Notes**), the £20,000,000 Class D Asset Backed Floating Rate Notes due May 2028 (the **Class D Notes**), the £16,250,000 Class E Asset Backed Floating Rate Notes due May 2028 (the **Class E Notes**), the £8,750,000 Class F Asset Backed Floating Rate Notes due May 2028 (the **Class F Notes**), £ 8,750,000 Class G Asset Backed Floating Rate Notes due May 2028 (the **Class G Notes**) and the £25,000,000 Class H Asset Backed Fixed Rate Notes due May 2028 (the **Class H Notes**) and, together with the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Class G Notes, the **Notes**) in each case of E-CARAT 11 plc (the **Issuer**) are constituted by a trust deed (the **Trust Deed**) dated on or around 23 March 2020 (the **Closing Date**) and made between the Issuer and HSBC Corporate Trustee Company (UK) Limited (in such capacity, the **Note Trustee**) as trustee for the Noteholders (as defined below). Any reference in these terms and conditions (the **Conditions**) to a **Class of Notes** shall be a reference to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes or the Class H Notes, as the case may be.

The security for the Notes is constituted by and pursuant to a Deed of Charge (the **Deed of Charge**) dated on or about the Closing Date and made between, among others, the Issuer and HSBC Corporate Trustee Company (UK) Limited (in such capacity, the **Security Trustee**).

Pursuant to an agency agreement (the **Agency Agreement**) dated on or about the Closing Date and made between the Issuer, HSBC Bank plc as principal paying agent (the **Principal Paying Agent**) and, together with such additional or other paying agents, if any, appointed from time to time pursuant to the Agency Agreement, the **Paying Agents**) and as agent bank (the **Agent Bank**) and the Note Trustee, provision is made for the payment of principal and interest in respect of each Class of Notes.

The statements in these Conditions include summaries of, and are subject to, the detailed provisions of the Trust Deed, the Deed of Charge and the master agreement definitions schedule (the **Master Agreement Definitions Schedule**) entered into by, *inter alios*, the Issuer and the Note Trustee on or about the Closing Date.

Copies of the Trust Deed, the Deed of Charge, the Agency Agreement, the Master Agreement Definitions Schedule and the other Transaction Documents are available for inspection and collection during normal business hours at the Specified Office for the time being of each of the Paying Agents. The Noteholders are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Transaction Documents applicable to them.

Capitalised terms not otherwise defined in these Conditions shall bear the meanings given to them in the Master Agreement Definitions Schedule available as described above. These Conditions shall be construed in accordance with the principles of construction set out in the Master Agreement Definitions Schedule.

1. FORM, DENOMINATION AND TITLE

1.1 The Class A Notes are initially represented by a temporary global note (the **Class A Temporary Global Note**) in bearer form in the aggregate principal amount on issue of £361,250,000.

The Class B Notes are initially represented by a temporary global note (the **Class B Temporary Global Note**) in bearer form in the aggregate principal amount on issue of £35,000,000.

The Class C Notes are initially represented by a temporary global note (the **Class C Temporary Global Note**) in bearer form in the aggregate principal amount on issue of £25,000,000.

The Class D Notes are initially represented by a temporary global note (the **Class D Temporary Global Note**) in bearer form in the aggregate principal amount on issue of £20,000,000.

The Class E Notes are initially represented by a temporary global note (the **Class E Temporary Global Note**) in bearer form in the aggregate principal amount on issue of £16,250,000.

The Class F Notes are initially represented by a temporary global note (the **Class F Temporary Global Note**) in bearer form in the aggregate principal amount on issue of £8,750,000.

The Class G Notes are initially represented by a temporary global note (the **Class G Temporary Global Note**) in bearer form in the aggregate principal amount on issue of £8,750,000.

The Class H Notes are initially represented by a temporary global note (the **Class H Temporary Global Note**, together with the Class A Temporary Global Note, Class B Temporary Global Note, Class C Temporary Global Note, Class D Temporary Global Note, Class E Temporary Global Note, the Class F Temporary Global Note, and the Class G Temporary Global Note, the **Temporary Global Notes**) in bearer form in the aggregate principal amount on issue of £25,000,000.

The Temporary Global Notes have been deposited on behalf of the subscribers of the Notes with the Common Safekeeper on the Closing Date. Upon deposit of the Temporary Global Notes, the Clearing Systems will credit each subscriber of the Notes with the principal amount of the Notes equal to the aggregate principal amount thereof for which it had subscribed and paid. Interests in the Temporary Global Notes are exchangeable on and after the date which is 40 days after the Closing Date, upon certification of non-U.S. beneficial ownership by the relevant Noteholder, for interests in a permanent global note (a **Permanent Global Note**) representing the Notes (the expressions **Global Notes** and **Global Note** meaning, respectively, (i) the Temporary Global Notes and the Permanent Global Note, or (ii) either the Temporary Global Notes or Permanent Global Note, as the context may require). The Permanent Global Note has also been deposited with the Clearing Systems as Common Safekeeper. Title to the Global Notes will pass by delivery.

Interests in a Global Note in respect of the Notes will be transferable in accordance with the rules and procedures for the time being of the relevant Clearing System.

For so long as the Notes are represented by a Global Note and the Clearing Systems so permit, the Notes will be tradeable only in the minimum authorised denomination of £100,000 and higher integral multiples of £1,000, notwithstanding that no Definitive Notes (as defined below) will be issued with a denomination above £199,000.

- 1.2 If, while the Notes are represented by a Permanent Global Note, (a) either of the Clearing Systems is closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so and no other clearing system acceptable to the Note Trustee is then in existence or (b) the Issuer or any Paying Agent has or will become subject to adverse tax consequences which would not be suffered were such Notes in definitive form, then the Issuer will issue the Notes in definitive form (**Definitive Notes**) in exchange for such Permanent Global Note (free of charge to the persons entitled to them) within 30 days of the occurrence of the relevant event. These Conditions and the Transaction Documents will be amended in such manner as the Note Trustee and the Security Trustee require to take account of the issue of Definitive Notes.
- 1.3 The Definitive Notes, if issued, will only be printed and issued in denominations of £100,000 and integral multiples of £1,000 in excess thereof up to and including £199,000. No Definitive Notes will

be issued with a denomination above £199,000. All such Definitive Notes will be serially numbered and will be issued in bearer form with (at the date of issue) interest coupons, principal coupons and, if necessary, talons attached.

1.4 **Noteholders** means:

- (a) With respect to any Notes represented by a Global Note, each person (other than the Clearing Systems themselves) who is for the time being shown in the records of the Clearing Systems as the holder of a particular Principal Amount Outstanding (as defined in Condition 6.5 (Principal Amount Outstanding)) of such Notes (in which regard any certificate or other document issued by Clearstream or Euroclear as to the Principal Amount Outstanding of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) and such person shall be treated by the Issuer, the Note Trustee, the Security Trustee and all other persons as the holder of such Principal Amount Outstanding of such Notes for all purposes, other than for the purpose of payments in respect thereof, the right to which shall be vested, as against the Issuer, any Paying Agent, the Note Trustee, the Security Trustee and all other persons, solely in the bearer of the relevant Global Note in accordance with and subject to its terms and for which purpose Noteholders means the bearer of the relevant Global Note; and
- (b) with respect to any Notes represented by Definitive Notes, the bearer of such Definitive Notes,

and related expressions shall (where appropriate) be construed accordingly.

- 1.5
- (a) **Class A Noteholders** means Noteholders in respect of the Class A Notes;
 - (b) **Class B Noteholders** means Noteholders in respect of the Class B Notes;
 - (c) **Class C Noteholders** means Noteholders in respect of the Class C Notes;
 - (d) **Class D Noteholders** means Noteholders in respect of the Class D Notes;
 - (e) **Class E Noteholders** means Noteholders in respect of the Class E Notes;
 - (f) **Class F Noteholders** means Noteholders in respect of the Class F Notes;
 - (g) **Class G Noteholders** means Noteholders in respect of the Class G Notes; and
 - (h) **Class H Noteholders** means Noteholders in respect of the Class H Notes and, together with the Class A Noteholders, the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F Noteholders and the Class G Noteholders, the **Noteholders**.

2. STATUS AND RELATIONSHIP BETWEEN THE NOTES AND SECURITY

2.1 Status of the Notes

- (a) Class A Notes

The Class A Notes constitute direct, secured and, subject as provided in Condition 10 (Enforcement), unconditional obligations of the Issuer. The Class A Notes rank *pari passu* without preference or priority amongst themselves. The Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes and the Class H Notes are subordinated to the Class A

Notes as to payments of interest and (following a Sequential Redemption Event) principal as provided in these Conditions.

(b) Class B Notes

The Class B Notes constitute direct, secured and (subject as provided in Condition 10 (Enforcement)) unconditional obligations of the Issuer. The Class B Notes rank *pari passu* without preference or priority amongst themselves but junior to the Class A Notes as provided in these Conditions and the Transaction Documents. The Class B Notes are subordinated to the Class A Notes, and the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes and the Class H Notes are subordinated to the Class B Notes as to payments of interest and (following a Sequential Redemption Event) principal as provided in these Conditions.

(c) Class C Notes

The Class C Notes constitute direct, secured and (subject as provided in Condition 10 (Enforcement) and Condition 15 (Subordination by Deferral of Interest)) unconditional obligations of the Issuer. The Class C Notes rank *pari passu* without preference or priority amongst themselves but junior to the Class A Notes and the Class B Notes as provided in these Conditions and the Transaction Documents. The Class C Notes are subordinated to the Class A Notes and the Class B Notes, and the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes and the Class H Notes are subordinated to the Class C Notes as to payments of interest and (following a Sequential Redemption Event) principal as provided in these Conditions.

(d) Class D Notes

The Class D Notes constitute direct, secured and (subject as provided in Condition 10 (Enforcement) and Condition 15 (Subordination by Deferral of Interest)) unconditional obligations of the Issuer. The Class D Notes rank *pari passu* without preference or priority amongst themselves but junior to the Class A Notes, the Class B Notes and the Class C Notes as provided in these Conditions and the Transaction Documents. The Class D Notes are subordinated to the Class A Notes, the Class B Notes and the Class C Notes, and the Class E Notes, the Class F Notes, the Class G Notes and the Class H Notes are subordinated to the Class D Notes as to payments of interest and (following a Sequential Redemption Event) principal as provided in these Conditions.

(e) Class E Notes

The Class E Notes constitute direct, secured and (subject as provided in Condition 10 (Enforcement) and Condition 15 (Subordination by Deferral of Interest)) unconditional obligations of the Issuer. The Class E Notes rank *pari passu* without preference or priority amongst themselves but junior to the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes as provided in these Conditions and the Transaction Documents. The Class E Notes are subordinated to the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes, and the Class F Notes, the Class G Notes and the Class H Notes are subordinated to the Class E Notes as to payments of interest and (following a Sequential Redemption Event) principal as provided in these Conditions.

(f) Class F Notes

The Class F Notes constitute direct, secured and (subject as provided in Condition 10 (Enforcement) and Condition 15 (Subordination by Deferral of Interest)) unconditional obligations of the Issuer. The Class F Notes rank *pari passu* without preference or priority amongst themselves but junior to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes as provided in these Conditions and the Transaction Documents. The Class F Notes are subordinated to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes,

and the Class G Notes and the Class H Notes are subordinated to the Class F Notes as to payments of interest and (following a Sequential Redemption Event) principal as provided in these Conditions.

(g) Class G Notes

The Class G Notes constitute direct, secured and (subject as provided in Condition 10 (Enforcement) and Condition 15 (Subordination by Deferral of Interest)) unconditional obligations of the Issuer. The Class G Notes rank *pari passu* without preference or priority amongst themselves but junior to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes as provided in these Conditions and the Transaction Documents. The Class G Notes are subordinated to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes and the Class H Notes are subordinated to the Class G Notes as to payments of interest and (following a Sequential Redemption Event) principal as provided in these Conditions.

(h) Class H Notes

The Class H Notes constitute direct, secured and (subject as provided in Condition 10 (Enforcement) and Condition 15 (Subordination by Deferral of Interest)) unconditional obligations of the Issuer. The Class H Notes rank *pari passu* without preference or priority amongst themselves but junior to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and Class G Notes as provided in these Conditions and the Transaction Documents. The Class H Notes are subordinated to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Class G Notes as to payments of interest and (following a Sequential Redemption Event) principal as provided in these Conditions.

The Trust Deed contains provisions requiring the Note Trustee to have regard to the interests of the Noteholders equally as regards all rights, powers, trusts, authorities, duties and discretions of the Note Trustee (except where expressly provided otherwise), provided that the Note Trustee (other than as set out in the Trust Deed, in particular with regards to modifications, consents and waivers) will be required in any such case to have regard only to the interests of: (i) the Class A Noteholders if, in the Note Trustee's opinion, there is a conflict between the interests of on the one hand, the Class A Noteholders, and, on the other, each or any of the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F Noteholders, the Class G Noteholders or the Class H Noteholders; (ii) the Class B Noteholders if, in the Note Trustee's opinion, there is a conflict between the interests of on the one hand, the Class B Noteholders, and, on the other, each or any of the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F Noteholders, the Class G Noteholders or the Class H Noteholders; (iii) the Class C Noteholders if, in the Note Trustee's opinion, there is a conflict between the interests of on the one hand, the Class C Noteholders, and, on the other, each or any of the Class D Noteholders, the Class E Noteholders, the Class F Noteholders, the Class G Noteholders or the Class H Noteholders; (iv) the Class D Noteholders if, in the Note Trustee's opinion, there is a conflict between the interests of on the one hand, the Class D Noteholders, and, on the other, each or any of the Class E Noteholders, the Class F Noteholders, the Class G Noteholders or the Class H Noteholders; (v) the Class E Noteholders if, in the Note Trustee's opinion, there is a conflict between the interests of on the one hand, the Class E Noteholders, and, on the other, each or any of the Class F Noteholders, the Class G Noteholders or the Class H Noteholders; (vi) the Class F Noteholders if, in the Note Trustee's opinion, there is a conflict between the interests of on the one hand, the Class F Noteholders, and, on the other, each or any of the Class G Noteholders or the Class H Noteholders and (vii) the Class G Noteholders if, in the Note Trustee's opinion, there is a conflict between the interests of on the one hand, the Class G Noteholders, and, on the other, the Class H Noteholders.

2.2 Relationship between the Notes

- (i) During the Revolving Period and the Normal Redemption Period and in accordance with the Interest Priority of Payments: payments of interest on the Class A Notes will be made in priority to payments of interest on the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes and the Class H Notes; payments of interest on the Class B Notes will be subordinated to payments of interest on the Class A Notes, but will be made in priority to payments of interest on the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes and the Class H Notes; payments of interest on the Class C Notes will be subordinated to payments of interest on the Class A Notes and the Class B Notes, but will be made in priority to payments of interest on the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes and the Class H Notes; payments of interest on the Class D Notes will be subordinated to payments of interest on the Class A Notes, the Class B Notes and the Class C Notes, but will be made in priority to payments of interest on the Class E Notes, the Class F Notes the Class G Notes and the Class H Notes; payments of interest on the Class E Notes will be subordinated to payments of interest on the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes, but will be made in priority to payments of interest on the Class F Notes, the Class G Notes and the Class H Notes; payments of interest on the Class F Notes will be subordinated to payments of interest on the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes, but will be made in priority to payments of interest on the Class G Notes and the Class H Notes; payments of interest on the Class G Notes will be subordinated to payments of interest on the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes but will be made in priority to payments of interest on the Class H Notes; and payments of interest on the Class H Notes will be subordinated to payments of interest on the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Class G Notes.
- (ii) On each Interest Payment Date where a Sequential Redemption Event has not occurred, payments of principal in respect of the Notes shall be made on a *pro rata* basis on each Interest Payment Date in accordance with the Principal Priority of Payments.
- (iii) On each Interest Payment Date after the occurrence of a Sequential Redemption Event during the Normal Redemption Period, payments of principal in respect of the Notes will be made in sequential order at all times in accordance with the Principal Priority of Payments. For the avoidance of doubt, after the occurrence of a Sequential Redemption Event, no *pro rata* redemption of the Notes will be made by the Issuer.
- (iv) Following service of a Note Acceleration Notice only and in accordance with the Accelerated Priority of Payments: payments of interest and principal on the Class A Notes will be made in priority to payments of interest and principal on the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes and the Class H Notes and no payment on the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes and the Class H Notes shall be made for so long as the Class A Notes have not been fully redeemed; once the Class A Notes have been fully redeemed, payments of interest and principal on the Class B Notes will be made in priority to payments of interest and principal on the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes and the Class H Notes and no payment on the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes and the Class H Notes shall be made for so long as the Class B Notes have not been fully redeemed; once the Class B Notes have been fully redeemed, payments of interest and principal on the Class C Notes will be made in priority to payments of interest and principal on the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes and the Class H Notes and no payment on the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes, the Class H Notes shall be made for so long as the Class C Notes have not been fully redeemed; once the Class C Notes have been fully redeemed, payments of interest and principal on the Class D Notes will be made in priority to payments of interest and principal on the Class E Notes, the Class F Notes, the Class G Notes and the Class H Notes and no payment on the Class E Notes, the Class F Notes, the Class G Notes and the Class H Notes shall be made for so long as the Class D Notes have not been fully redeemed; once the Class D Notes have been fully redeemed, payments of interest and principal on the Class E Notes will be made in priority to payments of interest and principal on the Class F Notes, the Class G Notes and the Class H Notes and no payment on the Class F Notes, the Class G Notes and the Class H Notes shall be made for so long as the Class E Notes have not been fully redeemed; once the Class E Notes have been fully redeemed, payments of interest and principal on the Class F Notes will be made in priority to payments of interest and principal on the Class G Notes and the Class H Notes and no payment on the Class G Notes and the Class H Notes shall be made for so long as the Class F Notes have not been fully redeemed; once the Class F Notes have been fully redeemed, payments of interest and principal on the Class G Notes will be made in priority to payments of interest and principal on the Class H Notes and no payment on the Class H Notes shall be made for so long as the Class G Notes have not been fully redeemed; once the Class G Notes have been fully redeemed, payments of interest and principal on the Class H Notes will be made in priority to payments of interest and principal on the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes and the Class H Notes.

Class G Notes and the Class H Notes shall be made for so long as the Class C Notes have not been fully redeemed; once the Class C Notes have been fully redeemed, payments of interest and principal on the Class D Notes will be made in priority to payments of interest and principal on the Class E Notes, the Class F Notes, the Class G Notes and the Class H Notes and no payment on the Class E Notes, the Class F Notes, the Class G Notes and the Class H Notes shall be made for so long as the Class D Notes have not been fully redeemed; once the Class D Notes have been fully redeemed, payments of interest and principal on the Class E Notes will be made in priority to payments of interest and principal on the Class F Notes, the Class G Notes and the Class H Notes and no payment on the Class F Notes, the Class G Notes and the Class H Notes shall be made for so long as the Class E Notes have not been fully redeemed; once the Class E Notes have been fully redeemed, payments of interest and principal on the Class F Notes will be made in priority to payments of interest and principal on the Class G Notes and the Class H Notes and no payment on the Class G Notes and the Class H Notes shall be made for so long as the Class F Notes have not been fully redeemed; once the Class F Notes have been fully redeemed, payments of interest and principal on the Class G Notes will be made in priority to payments of interest and principal on the Class H Notes and no payment on the Class H Notes shall be made for so long as the Class G Notes have not been fully redeemed.

2.3 Security

- (a) The security constituted by and pursuant to the Deed of Charge is granted to the Security Trustee, to hold on trust for itself and for the Noteholders and other Secured Creditors of the Issuer, upon and subject to the terms and conditions of the Deed of Charge.
- (b) The Noteholders and other Secured Creditors will share in the benefit of the security constituted by and pursuant to the Deed of Charge, upon and subject to the terms and conditions of the Deed of Charge.

3. COVENANTS

Save with the prior written consent of the Note Trustee or unless otherwise permitted or contemplated under any of the Transaction Documents, the Issuer shall not, so long as any Note remains outstanding:

- (a) **Negative pledge:** create or permit to subsist any encumbrance (unless arising by operation of law) or other security interest whatsoever over any of its assets or undertaking (other than for the avoidance of doubt, any security created pursuant to the Deed of Charge);
- (b) **Restrictions on activities:** (i) engage in any activity whatsoever which is not incidental to or necessary in connection with any of the activities in which the Transaction Documents provide or envisage that the Issuer will engage (including without limitation activities of the Issuer in connection with its regulatory obligations under EMIR as a consequence of entering into the Swap Agreement); or (ii) have any subsidiaries (as defined in the Companies Act 2006), any subsidiary undertakings (as defined in the Companies Act 2006) or any employees or premises;
- (c) **Disposal of assets:** transfer, sell, lend, part with or otherwise dispose of, or deal with, or grant any option or present or future right to acquire any of its assets or undertakings or any interest, estate, right, title or benefit therein;
- (d) **Dividends or distributions:** pay any dividend or make any other distribution to its shareholders or issue any further shares;

- (e) **Indebtedness:** incur any financial indebtedness or give any guarantee in respect of any financial indebtedness or of any other obligation of any person;
- (f) **Merger:** consolidate or merge with any other person or convey or transfer its properties or assets substantially as an entirety to any other person;
- (g) **No modification or waiver:** permit any of the Transaction Documents to which it is a party to become invalid or ineffective or permit the priority of the security interests created or evidenced thereby or pursuant thereto to be varied or agree to any modification of, or grant any consent, approval, authorisation or waiver pursuant to, or in connection with, any of the Transaction Documents to which it is a party or permit any party to any of the Transaction Documents to which it is a party to be released from its obligations or exercise any right to terminate any of the Transaction Documents to which it is a party;
- (h) **Issuer Bank accounts:** have an interest in any bank account other than the Issuer Accounts, unless such account or interest therein is charged to the Security Trustee on terms acceptable to it; or
- (i) **Corporation tax:** prejudice its eligibility for its corporation tax liability to be calculated in accordance with regulation 14 of the Taxation of Securitisation Companies Regulations 2006.

4. INTEREST

4.1 Interest accrual

Each Note (or, in the case of the redemption of part only of a Note, that part only of such Note) will cease to bear interest from and including the close of business on the day preceding the day on which such Note has been redeemed in full unless, upon due presentation in accordance with Condition 5 (Payments), payment of the principal in respect of the Note is improperly withheld or refused or default is otherwise made in respect of the payment, in which event interest shall continue to accrue as provided in the Trust Deed.

4.2 Interest Payment Dates

The Notes bear interest on their respective Principal Amount Outstanding from and including the Closing Date payable monthly in arrear on the 18th day of each calendar month (each an **Interest Payment Date**) in respect of the relevant Interest Period (as defined below). If any Interest Payment Date would otherwise fall on a day which is not a Business Day, it shall be postponed to the next day which is a Business Day unless it would then fall into the next calendar month, in which event the Interest Payment Date shall be brought forward to the immediately preceding Business Day. The first payment shall be due on the Interest Payment Date falling in May 2020. The period from (and including) the Closing Date to (but excluding) the first Interest Payment Date and each successive period from and including an Interest Payment Date to but excluding the next succeeding Interest Payment Date is called an **Interest Period**.

4.3 Rate of Interest

- (a) For each Interest Period, the interest rate applicable to (1) the Class A Notes shall be Compounded Daily SONIA plus 0.58% per annum (the **Class A Notes Interest Rate**); (2) the Class B Notes shall be Compounded Daily SONIA plus 1.20% per annum (the **Class B Notes Interest Rate**); (3) the Class C Notes shall be Compounded Daily SONIA plus 1.55% per annum (the **Class C Notes Interest Rate**); (4) the Class D Notes shall be Compounded Daily SONIA plus 1.85% per annum (the **Class D Notes Interest Rate**); (5) the Class E Notes shall be Compounded Daily SONIA plus

2.80% per annum (the **Class E Notes Interest Rate**); (6) the Class F Notes shall be Compounded Daily SONIA plus 3.80% per annum (the **Class F Notes Interest Rate**); and (7) the Class G Notes shall be Compounded Daily SONIA plus 5.00% per annum (the **Class G Notes Interest Rate** and together with the Class A Notes Interest Rate, the Class B Notes Interest Rate, the Class C Notes Interest Rate, the Class D Notes Interest Rate, the Class E Notes Interest Rate, the Class F Notes Interest Rate and the Class G Notes Interest Rate, the **Floating Notes Interest Rate**), with Compounded Daily SONIA being determined by the Agent Bank on the following basis:

- (i) at or about 11.00 a.m. London time on each Interest Determination Date (as defined below), the Agent Bank will determine the Compounded Daily SONIA (as defined below);
 - (ii) the Floating Notes Interest Rate for the relevant Interest Period shall be the Compounded Daily SONIA determined as at the related Interest Determination Date plus the relevant margin;
 - (iii) subject to paragraph (ii) above, in the event that the interest rate cannot be determined in accordance with the provisions of these Conditions by the Agent Bank (or such other party responsible for the calculation of the interest rate), the interest rate shall (subject to Condition 11.6) be (i) determined as at the last preceding Interest Determination Date (though substituting, where a different relevant margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the relevant margin relating to the relevant Interest Period in place of the relevant margin relating to that last preceding Interest Period) or (ii) if there is no such preceding Interest Determination Date, the initial interest rate 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 Interest Commencement Date (but applying the relevant margin applicable to the first Interest Period).
- (b) The Class H Notes bear interest on its Principal Amount Outstanding from and including the Closing Date at a fixed rate of 9.50% per annum (the **Class H Notes Interest Rate** and together with the Floating Notes Interest Rate, the **Interest Rates**).
- (c) In the event that the Floating Notes Interest Rate for any Interest Period is determined in accordance with the provisions of Condition 4.3(a) to be less than zero, the Floating Notes Interest Rate for such Interest Period shall be deemed to be zero.
- (d) In these Conditions (except where otherwise defined), the expression:
- (i) **Business Day** means a day which is both a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in London;
 - (ii) **Compounded Daily SONIA** means the rate of return of a daily compound interest investment (with the daily Sterling overnight reference rate as reference rate for the calculation of interest) and will be calculated by the Agent Bank on the 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:

$$\left[\prod_{i=1}^{d_o} \left(1 + \frac{SONIA_{i-PLBD} \times n_i}{365} \right) - 1 \right] \times \frac{365}{d}$$

where:

d is the number of calendar days in the relevant Interest Period;

d_o is the number of London Banking Days in the relevant Interest Period;

i means, in relation to any Interest Period, a series of whole numbers from one to d_o , each representing the relevant London Banking Day in chronological order from (and including) the first London Banking Day in such Interest Period to (and including) the last London Banking Day in such Interest Period;

Interest Commencement Date means the Closing Date;

London Banking Day or **LBD** means any day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in London;

n_i , for any day i , means the number of calendar days from and including such day i up to but excluding the following London Banking Day;

Observation Period means the period from and including the date falling p London Banking Days prior to the first day of the relevant Interest Period (and the first Interest Period shall begin on and include the Interest Commencement Date) and ending on, but excluding, the date falling p London Banking Days prior to the Interest Payment Date for such Interest Period (or the date falling p London Banking Days prior to such earlier date, if any, on which the Notes become due and payable);

p means, for any Interest Period, 5 London Banking Days, being the number of London Banking Days included in the Observation Period;

Relevant Screen Page means the Reuters Screen SONIA Page (or any replacement thereto);

the **SONIA reference rate**, in respect of any London Banking Day, is a reference rate equal to the daily Sterling Overnight Index Average (**SONIA**) rate for such London Banking 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 Banking Day immediately following such London Banking Day);

if, in respect of any Business Day in the relevant Observation Period, the Agent Bank (or such other party responsible for the calculation of the Rate of Interest) determines that the SONIA Reference Rate is not available on the Screen Page or has not otherwise been published by the relevant authorised distributors, such SONIA Reference Rate shall be: (i) the Bank of England's Bank Rate (the **Bank Rate**) prevailing at close of business on the relevant Business Day; plus (ii) the mean of the spread of the SONIA Reference Rate to the Bank Rate over the previous five days on which a SONIA Reference 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;

notwithstanding the paragraph above, if the Bank of England publishes guidance as to (i) how the SONIA reference rate is to be determined or (ii) any rate that is to replace the SONIA reference rate, the Agent Bank shall, subject to receiving written instructions from the Issuer and to the extent that it is reasonably practicable to do so in the opinion of the Agent Bank, follow such guidance in order to determine the SONIA reference rate for the purpose of the relevant Series of Notes for so long as

the SONIA reference rate is not available or has not been published by the authorised distributors. To the extent that any amendments or modifications to these Conditions, the Trust Deed or the Agency Agreement are required in order for the Agent Bank to follow such guidance in order to determine the SONIA reference rate, the Agent Bank shall have no obligation to act until such amendments or modifications have been made in accordance with these Conditions, the Trust Deed or the Agency Agreement;

SONIA_{i-pLBD} means, in respect of any London Banking Day falling in the relevant Interest Period, the SONIA reference rate for the London Banking Day falling *p* London Banking Days prior to the relevant London Banking Day *I*; and

- (iii) **Interest Determination Date** means, in respect of the Floating Rate Notes, the fifth Business Day before the end of each Interest Period for which the rate will apply.

4.4 Determination of Interest Amounts

The Agent Bank will, on the Interest Determination Date in relation to each Interest Period, calculate the amount of interest (the **Interest Amount**) payable in respect of each of the Floating Note. The Interest Amount in respect of the Class A Notes (the **Class A Notes Interest Amount**) will be calculated by applying the Class A Notes Interest Rate for such Interest Period to the Principal Amount Outstanding of such Class A Notes at the commencement of such Interest Period, multiplying the product by the actual number of days in such Interest Period divided by 365 (the **Floating Rate Day Count Fraction**) and rounding the resulting figure to the nearest £0.01 (half a penny being rounded upwards). The Interest Amount in respect of the Class B Notes (the **Class B Notes Interest Amount**) will be calculated by applying the Class B Notes Interest Rate for such Interest Period to the Principal Amount Outstanding of such Class B Notes at the commencement of such Interest Period, multiplying the product by the actual number of days in such Interest Period divided by the Floating Rate Day Count Fraction and rounding the resulting figure to the nearest £0.01 (half a penny being rounded upwards). The Interest Amount in respect of the Class C Notes (the **Class C Notes Interest Amount**) will be calculated by applying the Class C Notes Interest Rate for such Interest Period to the Principal Amount Outstanding of such Class C Notes at the commencement of such Interest Period, multiplying the product by the actual number of days in such Interest Period divided by the Floating Rate Day Count Fraction and rounding the resulting figure to the nearest £0.01 (half a penny being rounded upwards). The Interest Amount in respect of the Class D Notes (the **Class D Notes Interest Amount**) will be calculated by applying the Class D Notes Interest Rate for such Interest Period to the Principal Amount Outstanding of such Class D Notes at the commencement of such Interest Period multiplying the product by the actual number of days in such Interest Period divided by the Floating Rate Day Count Fraction and rounding the resulting figure to the nearest £0.01 (half a penny being rounded upwards). The Interest Amount in respect of the Class E Notes (the **Class E Notes Interest Amount**) will be calculated by applying the Class E Notes Interest Rate for such Interest Period to the Principal Amount Outstanding of such Class E Notes at the commencement of such Interest Period, multiplying the product by the actual number of days in such Interest Period divided by the Floating Rate Day Count Fraction and rounding the resulting figure to the nearest £0.01 (half a penny being rounded upwards). The Interest Amount in respect of the Class F Notes (the **Class F Notes Interest Amount**) will be calculated by applying the Class F Notes Interest Rate for such Interest Period to the Principal Amount Outstanding of such Class F Notes at the commencement of such Interest Period, multiplying the product by the actual number of days in such Interest Period divided by the Floating Rate Day Count Fraction and rounding the resulting figure to the nearest £0.01 (half a penny being rounded upwards). The Interest Amount in respect of the Class G Notes (the **Class G Notes Interest Amount**) will be calculated by applying the Class G Notes Interest Rate for such Interest Period to the Principal Amount Outstanding of such Class G Notes at the commencement of such Interest Period, multiplying the product by the actual number of days in such Interest Period divided by the

Floating Rate Day Count Fraction and rounding the resulting figure to the nearest £0.01 (half a penny being rounded upwards).

The amount of interest payable in respect of the Class H Notes (the **Class H Notes Interest Amount**) on each Interest Payment Date shall be calculated not later than on the first day of each Interest Period by applying the Class H Notes Interest Rate to the Principal Amount Outstanding of the Class H Notes at the commencement of the relevant Interest Period and multiplying the product by the Fixed Rate Day Count Fraction and rounding the resulting figure to the nearest penny (half a penny being rounded upwards).

Fixed Rate Day Count Fraction means in respect of the calculation of any amount for any period of time (the **Accrual Period**):

- (a) where the Accrual Period is equal to or shorter than the Regular Period during which it falls, the number of days in the Accrual Period (from and including the first such day to but excluding the last) divided by the product of (1) the number of days in such Regular Period and (2) the number of Regular Periods normally ending in any year; and
- (b) where the Accrual Period is longer than one Regular Period, the sum of:
 - (i) the number of days in such Accrual Period (from and including the first such day to but excluding the last) falling in the Regular Period in which it begins divided by the product of (1) the number of days in such Regular Period and (2) the number of Regular Periods normally ending in any year; and
 - (ii) the number of days in such Accrual Period (from and including the first such day to but excluding the last) falling in the next Regular Period divided by the product of (1) the number of days in such Regular Period and (2) the number of Regular Periods normally ending in any year;

Regular Period means the period from and including a Regular Date in any year to but excluding the next Regular Date; and

Regular Date means the 18th day of each calendar month (whether before or after the Closing Date or before or after the scheduled Final Legal Maturity Date of the Notes).

4.5 **Publication of Rate of Interest and Interest Amounts**

The Agent Bank shall cause each of the Class A Notes Interest Rate, the Class B Notes Interest Rate, the Class C Notes Interest Rate, the Class D Notes Interest Rate, the Class E Notes Interest Rate, the Class F Notes Interest Rate, the Class G Notes Interest Rate and the Class H Notes Interest Rate, and the Class A Notes Interest Amount, the Class B Notes Interest Amount, the Class C Notes Interest Amount, the Class D Notes Interest Amount, the Class E Notes Interest Amount, the Class F Notes Interest Amount, the Class G Notes Interest Amount and the Class H Notes Interest Amount for each Interest Period and the relative Interest Payment Date to be notified to the Issuer, the Note Trustee, each of the Clearing Systems and to any stock exchange or other relevant authority on which any of the Notes are at the relevant time admitted to trading and/or listed and to be published in accordance with Condition 14 (Notice to Noteholders) as soon as possible after their determination and in no event later than the second Business Day thereafter. The Class A Notes Interest Amount, the Class B Notes Interest Amount, the Class C Notes Interest Amount, the Class D Notes Interest Amount, the Class E Notes Interest Amount, the Class F Notes Interest Amount, the Class G Notes Interest Amount and the Class H Notes Interest Amount and Interest Payment Date may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period.

4.6 Notifications, etc. to be Final

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 4, whether by the Agent Bank or the Note Trustee, will (in the absence of gross negligence, wilful default or fraud) be binding on the Issuer, the Note Trustee, the Agent Bank, the Paying Agents and all Noteholders and (in the absence of gross negligence, wilful default or fraud) no liability to the Issuer or to the Noteholders shall attach to the Agent Bank or, if applicable, the Note Trustee in connection with the exercise or non-exercise by any of them of their powers, duties and discretions under this Condition 4.

4.7 Agent Bank

The Issuer shall procure that, so long as any of the Notes remains outstanding, there is at all times an Agent Bank for the purposes of the Notes and the Issuer may terminate the appointment of the Agent Bank. In the event of the appointed office of any bank being unable or unwilling to continue to act as the Agent Bank or failing duly to determine the amount of interest for any Interest Period, the Issuer shall appoint the London office of another major bank engaged in the London interbank market to act in its place. The Agent Bank may not resign its duties or be removed without a successor having been appointed.

5. PAYMENTS

5.1 Payments in respect of Notes

Payments in respect of principal and interest in respect of any Global Note will be made outside the United States only against presentation of such Global Note to or to the order of the Principal Paying Agent or such other Paying Agent as shall have been notified to the Noteholders in accordance with Condition 14 (Notice to Noteholders) for such purpose, subject, in the case of any Temporary Global Note, to certification of non-US beneficial ownership as provided in such Temporary Global Note. Each payment of principal or interest made in respect of a Global Note will be recorded by the Clearing Systems in their records (which records are the records each relevant Clearing System holds for its customers and reflect such customers' interest in the Notes) and such records shall be *prima facie* evidence that the payment in question has been made. No person appearing from time to time in the records of either of the Clearing Systems as the holder of any of the Notes shall have any claim directly against the Issuer in respect of payments due on such Note whilst such Note is represented by a Global Note and the Issuer shall be discharged by payment of the relevant amount to the bearer of the relevant Global Note. The Issuer shall procure that each payment shall be entered *pro rata* in the records of the relevant Clearing System but any failure to make such entries shall not affect the discharge referred to above.

5.2 Method of Payment

Payments will be made in respect of the Notes by credit or transfer to an account in Sterling maintained by the payee with a bank in London.

5.3 Payments subject to Applicable Laws

Payments in respect of principal and interest on the Notes are subject in all cases to (i) any fiscal or other laws and regulations applicable in the place of payment and (ii) any withholding or deduction 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, any regulations or agreements thereunder, any official interpretations thereof, or any law implementing an intergovernmental approach thereto.

5.4 Payment only on a Presentation Date

A holder shall be entitled to present a Global Note for payment only on a Presentation Date and shall not, except as provided in Condition 4 (Interest), be entitled to any further interest or other payment if a Presentation Date is after the due date.

Presentation Date means a day which (subject to Condition 8 (Prescription)):

- (a) is or falls after the relevant due date;
- (b) is a Business Day in the place of the Specified Office of the Paying Agent at which the Global Note is presented for payment; and
- (c) in the case of payment by credit or transfer to a Sterling account in London as referred to above, is a Business Day in London.

In this Condition 5.4, Business Day means, in relation to any place, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in that place.

5.5 Paying Agents

The name of the Principal Paying Agent and its initial Specified Office are set out at the end of these Conditions. The Issuer reserves the right at any time to vary or terminate the appointment of any Paying Agent and to appoint additional or other Paying Agents provided that:

- (a) there will at all times be a person appointed to perform the obligations of the Principal Paying Agent; and
- (b) there will at all times be at least one Paying Agent (who may be the Principal Paying Agent) having its Specified Office in such place as may be required by the rules and regulations of the relevant stock exchange and competent authority which, for so long as the Notes are admitted to trading on the Official List of Euronext Dublin and to trading on its regulated market and the relevant listing rules require, shall be a place in the UK (such as London) or such other place as Euronext Dublin may approve.

Notice of any termination or appointment and of any changes in Specified Offices will be given to the Noteholders promptly by the Issuer in accordance with Condition 14 (Notice to Noteholders).

6. REDEMPTION

6.1 Redemption at maturity

Unless previously redeemed in full, the Issuer will redeem the Notes at their respective Principal Amount Outstanding on the Interest Payment Date falling on the Final Legal Maturity Date.

6.2 Mandatory redemption in full

- (a) Mandatory redemption pursuant to the exercise of the Clean Up Call Option

If an Issuer Liquidation Event has occurred, the Seller may deliver an Issuer Liquidation Notice, and the Issuer shall redeem all, but not some only, of the Notes at their then respective Principal Amount Outstanding (together with interest accrued and unpaid thereon) and shall use the Aggregate Securitised Issuer Assets Liquidation Price to redeem the Notes on and from the Payment Date on which such Issuer Liquidation Event has occurred. Following delivery of an Issuer Liquidation

Notice, the Seller shall, on such Payment Date, repurchase the benefit of all Purchased Receivables then owned by (or held in trust by the Seller pursuant to the Transaction Documents for) the Issuer, provided that:

- (i) the Issuer has given not more than 60 nor less than 30 days' notice to the Noteholders in accordance with Condition 14 (Notice to Noteholders) and to the Note Trustee of its intention to redeem all, but not some only, of the Notes at their respective Principal Amount Outstanding together with accrued but unpaid interest up to but excluding the date of redemption (which shall be an Interest Payment Date); and
- (ii) prior to the publication of any notice of redemption pursuant to this Condition 6.2(a), the Issuer shall deliver to the Note Trustee a certificate signed by two directors of the Issuer stating that (a) an Issuer Liquidation Event is continuing; and (b) the Issuer will have the necessary funds to pay all principal and interest due in respect of the Notes on the relevant Interest Payment Date and to discharge all other amounts required to be paid by it on the relevant Interest Payment Date, and the Note Trustee shall be entitled to accept the certificate as sufficient evidence of the satisfaction of the conditions precedent set out above and it shall be conclusive and binding on the Noteholders.

The Notes shall be redeemed by the Issuer in accordance with the applicable Priority of Payments.

If the Aggregate Securitised Issuer Assets Liquidation Price together with any Issuer Available Cash (excluding any credit balance of the Liquidity Reserve Account) does not at least equal to the sum of the Notes Principal Amount Outstanding, the Notes Interest Amount and any arrears thereon and any other amounts due by the Issuer and ranking senior to the Most Senior Class of Notes in order to enable the Issuer to redeem in full all outstanding Notes in accordance with the applicable Priority of Payments, then the transfer of all Purchased Receivables and their Ancillary Rights shall not take place, the Notes shall not be redeemed and the Issuer shall not be liquidated.

(b) Mandatory redemption pursuant to the exercise of the Regulatory Call Option

If the Seller offers to repurchase all of the Purchased Receivables and Ancillary Rights following the occurrence of a Regulatory Change Event pursuant to the Regulatory Call Option and the Issuer accepts such offer, the Issuer shall redeem all (but not some only) of the Notes on the next following Interest Payment Date in accordance with the relevant Priority of Payments, provided that:

- (i) the Issuer has given not more than 60 nor less than 30 days' notice to the Noteholders in accordance with Condition 14 (Notice to Noteholders) and to the Note Trustee of its intention to redeem all, but not some only, of the Notes at their respective Principal Amount Outstanding together with accrued but unpaid interest up to but excluding the date of redemption (which shall be an Interest Payment Date); and
- (ii) prior to the publication of any notice of redemption pursuant to this Condition 6.2(b), the Issuer shall deliver to the Note Trustee a certificate signed by two directors of the Issuer stating that (a) a Regulatory Change Event is continuing; and (b) the Issuer will have the necessary funds to pay all principal and interest due in respect of the Notes on the relevant Interest Payment Date and to discharge all other amounts required to be paid by it on the relevant Interest Payment Date, and the Note Trustee shall be entitled to accept the certificate as sufficient evidence of the satisfaction of the conditions precedent set out above and it shall be conclusive and binding on the Noteholders.

(c) Mandatory redemption pursuant to the exercise of the Tax Call Option

If, by reason of a change in tax law (or the application or official interpretation thereof), which change becomes effective on or after the Closing Date, on the next Interest Payment Date, the Issuer or the Paying Agents would be required to deduct or withhold from any payment of principal or interest on any Class of Notes any amount for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by the UK or any political sub-division thereof or any authority thereof or therein having power to tax or any other tax authority outside the UK (a **Note Tax Event**), the Issuer may, if the same would avoid the effect of the Note Tax Event, appoint a Paying Agent in another jurisdiction or use its reasonable endeavours to arrange the substitution of a company incorporated and/or tax resident in another jurisdiction as principal debtor under the Notes.

A **Redemption Event** shall occur if the Issuer satisfies the Note Trustee immediately before giving the notice referred to below that the Note Tax Event is continuing and that the appointment of a Paying Agent or a substitution as referred to above would not avoid the effect of the Note Tax Event or that, having used its reasonable endeavours, the Issuer is unable to arrange such appointment or substitution.

If the Seller offers to repurchase all of the Purchased Receivables and Ancillary Rights following the occurrence of a Redemption Event pursuant to the Tax Call Option and the Issuer accepts such offer, the Issuer shall redeem all (but not some only) of the Notes on the next following Interest Payment Date in accordance with the relevant Priority of Payments, provided that:

- (i) the Issuer has given not more than 60 nor less than 30 days' notice (or such shorter period expiring on or before the latest date permitted by relevant law) to the Noteholders in accordance with Condition 14 (Notice to Noteholders) and to the Note Trustee of its intention to redeem all, but not some only, of the Notes at their respective Principal Amount Outstanding together with accrued but unpaid interest up to but excluding the date of redemption (which shall be an Interest Payment Date); and
- (ii) prior to the publication of any notice of redemption pursuant to this Condition 6.2(c), the Issuer shall deliver to the Note Trustee a certificate signed by two directors of the Issuer stating that (a) a Redemption Event is continuing; and (b) the Issuer will have the necessary funds to pay all principal and interest due in respect of the Notes on the relevant Interest Payment Date and to discharge all other amounts required to be paid by it on the relevant Interest Payment Date, and the Note Trustee shall be entitled to accept the certificate as sufficient evidence of the satisfaction of the conditions precedent set out above and it shall be conclusive and binding on the Noteholders.

6.3 Mandatory Redemption in part

Other than as set out in this Condition 6, the Principal Amount Outstanding of the Notes shall not be due until the Final Legal Maturity Date, however on each Interest Payment Date after the termination of the Revolving Period, prior to the service of a Note Acceleration Notice, Available Principal Distribution Amounts will be applied in redemption of the Notes, in accordance with the Principal Priority of Payments.

On and after the occurrence of an Event of Default and service of a Note Acceleration Notice, the Issuer shall redeem the Notes in accordance with the Accelerated Priority of Payments.

For the avoidance of doubt the Notes will be redeemed, subject to and in accordance with the relevant Priority of Payments.

6.4 Normal Redemption Period

During the Normal Redemption Period only:

- (a) prior to the occurrence of a Sequential Redemption Event, all Available Principal Distribution Amounts will be applied on a *pro rata* basis and all Classes of Notes will be redeemed on a *pro rata* basis in accordance with the Principal Priority of Payments and the Seller will calculate the applicable Notes Principal Amount for each Class of Notes; and
- (b) after the occurrence of a Sequential Redemption Event, then all Available Principal Distribution Amounts will be applied on each subsequent Interest Payment Date in accordance with the Principal Priority of Payments, the Seller will calculate the applicable Notes Principal Amount for each Class of Notes and payments of principal in respect of the Notes will be irrevocably made in sequential order at all times in accordance with the Principal Priority of Payments and therefore the Class B Notes will not be further redeemed for so long as the Class A Notes have not been redeemed in full, the Class C Notes will not be further redeemed for so long as the Class B Notes have not been redeemed in full, the Class D Notes will not be further redeemed for so long as the Class C Notes have not been redeemed in full, the Class E Notes will not be further redeemed for so long as the Class D Notes have not been redeemed in full, the Class F Notes will not be further redeemed for so long as the Class E Notes have not been redeemed in full, the Class G Notes will not be further redeemed for so long as the Class F Notes have not been redeemed in full and the Class H Notes will not be further redeemed for so long as the Class G Notes have not been redeemed in full.

For the avoidance of doubt, after the occurrence of a Sequential Redemption Event, no *pro rata* redemption of the Notes will be made by the Issuer.

6.5 Principal Amount Outstanding

The **Principal Amount Outstanding** of a Note on any date shall be its original principal amount less the aggregate amount of all principal payments in respect of such Note which have become payable since the Closing Date except if and to the extent that any such payment has been improperly withheld or refused.

6.6 Notice of redemption

Any such notice as is referred to in Condition 6.2 (Mandatory redemption in full) shall be irrevocable and, upon the expiry of such notice, the Issuer shall be bound to redeem the relevant Notes at the applicable amounts specified above.

6.7 No purchase by the Issuer

The Issuer will not be permitted to purchase any of the Notes.

6.8 Cancellation

All Notes redeemed in full will be cancelled upon redemption and may not be resold or re-issued.

7. TAXATION

All payments in respect of the Notes by or on behalf of the Issuer shall be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature (**Taxes**), unless the withholding or deduction of the Taxes is required by applicable law. In that event, the Issuer or, as the case may be, the relevant Paying Agent shall make such payment after the withholding or deduction has been made and shall account to the relevant

authorities for the amount required to be withheld or deducted. Neither the Issuer nor any other person shall be obliged to make any additional payments to Noteholders in respect of such withholding or deduction.

8. PRESCRIPTION

Claims in respect of principal and interest on the Notes will be prescribed after ten years (in the case of principal) and five years (in the case of interest) from the Relevant Date in respect of the relevant payment.

In this Condition 8, the **Relevant Date**, in respect of a payment, is the date on which such payment first becomes due or (if the full amount of the monies payable on that date has not been duly received by the Principal Paying Agent or the Note Trustee on or prior to such date) the date on which, the full amount of such monies having been received, notice to that effect is duly given to the relevant Noteholders in accordance with Condition 14 (Notice to Noteholders).

9. EVENTS OF DEFAULT

9.1 The Note Trustee in its absolute discretion may, and if so directed in writing by the holders of at least one-fifth in aggregate Principal Amount Outstanding of 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 while they remain outstanding and thereafter the Class G Notes while they remain outstanding and thereafter the Class H Notes while they remain outstanding (the **Most Senior Class of Notes**) or if so directed by an Extraordinary Resolution of the Most Senior Class of Notes (subject, in each case, to being indemnified and/or prefunded and/or secured to its satisfaction against all Liabilities to which it may become liable or which it may incur by so doing and subject as further provided in Clause 9.1(b) of the Trust Deed), (but, in the case of the happening of any of the events described in Condition 9.1(d), only if the Note Trustee shall have certified in writing to the Issuer that such event is, in its opinion, materially prejudicial to the interests of the holders of the Most Senior Class of Notes) shall give notice (a **Note Acceleration Notice**) to the Issuer that all classes of the Notes are immediately due and repayable at their respective Principal Amounts Outstanding, together with accrued interest as provided in the Trust Deed, following the occurrence of any of the following events (each, an **Event of Default**):

- (a) an Insolvency Event occurs with respect to the Issuer; or
- (b) the Issuer defaults in the payment of any interest on the Class A Notes or the Most Senior Class of Notes (subject to deferral of interest in accordance with Condition 15.1 (Deferred Interest)) when the same becomes due and payable, and such default continues for a period of five Business Days (for the avoidance of doubt, while any of the Class A Notes are still outstanding, non-payment on the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes and the Class H Notes will not be an Event of Default, while any of the Class B Notes are still outstanding, non-payment on the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes and the Class H Notes will not be an Event of Default, while any of the Class C Notes are still outstanding, non-payment on the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes and the Class H Notes will not be an Event of Default, while any of the Class D Notes are still outstanding, non-payment on the Class E Notes, the Class F Notes, the Class G Notes and the Class H Notes will not be an Event of Default, while any of the Class E Notes are still outstanding, non-payment on the Class F Notes, the Class G Notes and the Class H Notes will not be an Event of Default, while any of the Class F Notes are still outstanding, non-payment on the Class G Notes and the Class H Notes will not be an

Event of Default, and while any of the Class G Notes are still outstanding, non-payment on the Class H Notes will not be an Event of Default); or

- (c) the Issuer defaults in the payment of principal on the Most Senior Class of Notes when due, and such default continues for a period of five Business Days (for the avoidance of doubt, non-payment on the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes and the Class H Notes, while any of the Class A Notes are still outstanding, will not be an Event of Default); or
- (d) the Issuer defaults in the payment of principal on any Note on the Final Legal Maturity Date;
- (e) the Issuer fails to perform or observe any of its other obligations under the Conditions or any Transaction Document to which it is a party and (except in any case where the Note Trustee or, in the case of the Deed of Charge or a Scottish Supplemental Charge, the Security Trustee considers the failure to be incapable of remedy, when no continuation or notice as is hereinafter mentioned will be required) the failure continues for a period of 30 days following the service by the Note Trustee or, as the case may be, the Security Trustee on the Issuer of notice requiring the same to be remedied.

9.2 General

Upon the service of a Note Acceleration Notice by the Note Trustee in accordance with Condition 9.1, all classes of the Notes then outstanding shall thereby immediately become due and repayable at their respective Principal Amounts Outstanding, together with accrued interest as provided in the Trust Deed. The security constituted by or pursuant to the Deed of Charge will become enforceable upon the occurrence of an Event of Default.

9.3 Restriction

Except in the case of an Event of Default referred to in Condition 9.1(b) or 9.1(c), the Note Trustee will not be entitled to direct the Security Trustee to dispose of any of the assets comprised in the Security constituted by the Deed of Charge unless a financial adviser selected by the Note Trustee has confirmed that, in its opinion, either (i) a sufficient amount would be realised from such disposal to allow discharge in full of all amounts owing to the Noteholders or (ii) a sufficient amount would not be so realised, but the resulting shortfall would be less than the shortfall that would result from not disposing of such assets.

10. ENFORCEMENT

Subject to Condition 9 (Events of Default), the Note Trustee may at any time at its discretion and without notice, and shall, if so directed in writing by the holders of at least one-fifth in aggregate Principal Amount Outstanding of the Most Senior Class of Notes or if so directed by an Extraordinary Resolution of the Most Senior Class of Notes (subject in each case to being indemnified and/or pre-funded and/or secured to its satisfaction against all Liability to which it may become liable or which it may incur by so doing and subject as further provided in Clause 9.1(b) of the Trust Deed), take such action under or in connection with any of the Transaction Documents as it may think fit (including, without limitation, directing the Security Trustee to take any action under or in connection with any of the Transaction Documents or, after the service of a Note Acceleration Notice, to take steps to enforce the Security constituted by the Deed of Charge), provided that:

- (a) (except where expressly provided otherwise) the Security Trustee shall not, and shall not be bound to, take any action under the Deed of Charge unless it shall have been so directed by (i) the Note Trustee or (ii) if there are no Notes outstanding, the Secured Creditor who ranks

most senior in the Accelerated Priority of Payments (other than the Note Trustee or the Security Trustee);

- (b) neither the Note Trustee nor the Security Trustee shall be bound to take any such action unless it shall have been indemnified and/or pre-funded and/or secured to its satisfaction; and
- (c) none of the Note Trustee, the Security Trustee or any of the Secured Creditors shall be entitled to take any steps or proceedings to procure the winding-up, administration or liquidation of the Issuer.

Notwithstanding the foregoing, the Deed of Charge will provide that the Security Trustee shall use its best endeavours to enforce the security constituted by the Deed of Charge by appointing an administrative receiver in respect of the Issuer if it has actual notice of (i) an application for the appointment of an insolvency administrator in respect of the Issuer or (ii) the giving of a notice of intention to appoint an insolvency administrator in respect of the Issuer, such appointment of an administrative receiver to take effect not later than the final day by which the appointment must be made in order to prevent an administration proceeding.

The Deed of Charge will further provide that (a) the Security Trustee will not be liable for any failure to appoint an administrative receiver in respect of the Issuer, save in the case of its own gross negligence, wilful default or fraud and (b) in the event that the Security Trustee appoints an administrative receiver in respect of the Issuer under the Deed of Charge in the circumstances set out in the paragraph above, then the Issuer shall waive any claims against the Security Trustee in respect of the appointment of the administrative receiver.

Subject to the terms of the Deed of Charge, no Noteholder shall be entitled to proceed directly against the Issuer or any other party to any of the Transaction Documents to enforce the performance of any of the provisions of the Transaction Documents and/or to take any other proceedings (including lodging an appeal in any proceedings) in respect of or concerning the Issuer.

Notwithstanding any other Condition or any provision of any Transaction Document, all obligations of the Issuer to the Noteholders are limited in recourse in accordance with this Condition 10 to the property, assets and undertakings of the Issuer the subject of any security created by or pursuant to the Deed of Charge (the **Charged Property**) if:

- (a) there is no Charged Property remaining which is capable of being realised or otherwise converted into cash;
- (b) all amounts available from the Charged Property have been applied to meet or to provide for the relevant obligations specified in, and in accordance with or pursuant to, the provisions of the Deed of Charge; and
- (c) there are insufficient amounts available from the Charged Property to pay in full, in accordance with and pursuant to the provisions of the Deed of Charge, amounts outstanding under the Notes (including payments of principal and interest),

then the Noteholders shall have no further claim against the Issuer in respect of any amounts owing to them which remain unpaid (including, for the avoidance of doubt, payments of principal and/or interest in respect of the Notes) and such unpaid amounts shall be deemed to be discharged in full and any relevant payment rights shall be deemed to cease.

11. GENERAL MEETINGS OF NOTEHOLDERS, MODIFICATION AND WAIVER

- 11.1 The Trust Deed contains provisions for convening meetings of the Noteholders of each Class of Notes and, in certain cases, more than one Class to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of these Conditions or the provisions of any of the Transaction Documents.
- 11.2 Subject as provided below, the quorum at any meeting of Noteholders of any Class of Notes for passing an Ordinary Resolution will be one or more persons holding or representing not less than one-fifth of the aggregate Principal Amount Outstanding of such Class or Classes of Notes, or, at any adjourned meeting, one or more persons being or representing a Noteholder of the relevant Class or Classes, whatever the aggregate Principal Amount Outstanding of the Notes of such Class or Classes held or represented by it or them.
- 11.3 Subject as provided below, the quorum at any meeting of Noteholders of any Class of Notes for passing an Extraordinary Resolution (other than in respect of a Basic Terms Modification) will be one or more persons holding or representing not less than 50% of the aggregate Principal Amount Outstanding of such Class or Classes of Notes, or, at any adjourned meeting, one or more persons holding or representing not less than one quarter of the aggregate Principal Amount Outstanding of the Notes of such Class or Classes.
- 11.4 The quorum at any meeting of Noteholders of any Class of Notes for passing an Extraordinary Resolution to sanction a modification of the date of maturity of any Notes or which would have the effect of postponing any day for payment of interest in respect of the Notes (except in accordance with Condition 11.6(h) or Clause 20.2(h) of the Trust Deed), reducing or cancelling the amount of principal or the rate of interest payable in respect of such Notes (except in accordance with Condition 11.6(h) or Clause 20.2(h) of the Trust Deed), altering the currency of payment of such Notes or altering the quorum or majority required in relation to this exception (each, a **Basic Terms Modification**) shall be one or more persons holding or representing not less than three-quarters or, at any adjourned meeting, not less than one-quarter of the aggregate Principal Amount Outstanding of the Notes of such Class or Classes.

Except in the case of an Extraordinary Resolution directing the Note Trustee to give a Note Acceleration Notice, as to which the provisions of Condition 9 (Events of Default) shall apply:

- (a) an Extraordinary Resolution passed at any meeting of the Class A Noteholders shall be binding on the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F Noteholders, the Class G Noteholders and the Class H Noteholders irrespective of the effect upon them, except that an Extraordinary Resolution to sanction a modification of these Conditions or any of the other Transaction Documents or a waiver or authorisation of any breach or proposed breach thereof or any of the matters referred to in subparagraphs 19(a), (b), (c), (i) and (j) of Schedule 3 (Provisions for General Meetings of Noteholders) to the Trust Deed will not take effect unless either: (i) the Note Trustee is of the opinion that it would not be materially prejudicial to the interests of the Class B Noteholders the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F Noteholders, the Class G Noteholders or the Class H Noteholders or (ii) it is sanctioned by an Extraordinary Resolution of the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F Noteholders, the Class G Noteholders and the Class H Noteholders;
- (b) Whilst the Class A Notes are outstanding no Extraordinary Resolution of the Class B Noteholders (other than a sanctioning Extraordinary Resolution referred to in Condition 11.4(a)) shall be effective for any purpose unless either the Note Trustee is of the opinion that: (i) it would not be materially prejudicial to the interests of the Class A Noteholders or (ii) it is sanctioned by an Extraordinary Resolution of the Class A Noteholders or none of Class A Notes remain outstanding. If the Class A Notes are no longer outstanding, then an

Extraordinary Resolution passed at any meeting of the Class B Noteholders shall be binding on the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F Noteholders, the Class G Noteholders and the Class H Noteholders irrespective of the effect upon them, except that an Extraordinary Resolution to sanction a modification of these Conditions or any of the other Transaction Documents or a waiver or authorisation of any breach or proposed breach thereof or any of the matters referred to in subparagraphs 19(a), (b), (c), (i) and (j) of Schedule 3 (Provisions for General Meetings of Noteholders) to the Trust Deed will not take effect unless either the Note Trustee is of the opinion that: (i) it would not be materially prejudicial to the interests of the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F Noteholders, the Class G Noteholders or the Class H Noteholders or (ii) it is sanctioned by an Extraordinary Resolution of the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F Noteholders, the Class G Noteholders and the Class H Noteholders;

- (c) Whilst the Class B Notes are outstanding no Extraordinary Resolution of the Class C Noteholders (other than a sanctioning Extraordinary Resolution referred to in Conditions 11.4(a) and (b)) shall be effective for any purpose unless either the Note Trustee is of the opinion that: (i) it would not be materially prejudicial to the interests of the Class A Noteholders or the Class B Noteholders or (ii) it is sanctioned by an Extraordinary Resolution of the Class A Noteholders and the Class B Noteholders or none of the Class A Notes and the Class B Notes remain outstanding. If the Class B Notes are no longer outstanding, then an Extraordinary Resolution passed at any meeting of the Class C Noteholders shall be binding on the Class D Noteholders, the Class E Noteholders, the Class F Noteholders, the Class G Noteholders and the Class H Noteholders irrespective of the effect upon them, except that an Extraordinary Resolution to sanction a modification of these Conditions or any of the other Transaction Documents or a waiver or authorisation of any breach or proposed breach thereof or any of the matters referred to in subparagraphs 19(a), (b), (c), (i) and (j) of Schedule 3 (Provisions for General Meetings of Noteholders) to the Trust Deed will not take effect unless either the Note Trustee is of the opinion that: (i) it would not be materially prejudicial to the interests of the Class D Noteholders, the Class E Noteholders, the Class F Noteholders, the Class G Noteholders or the Class H Noteholders or (ii) it is sanctioned by an Extraordinary Resolution of the Class D Noteholders, the Class E Noteholders, the Class F Noteholders, the Class G Noteholders and the Class H Noteholders;
- (d) Whilst the Class C Notes are outstanding no Extraordinary Resolution of the Class D Noteholders (other than a sanctioning Extraordinary Resolution referred to in subparagraph Conditions 11.4(a), (b) and (c)) shall be effective for any purpose unless either the Note Trustee is of the opinion that: (i) it would not be materially prejudicial to the interests of the Class A Noteholders, the Class B Noteholders or the Class C Noteholders or (ii) it is sanctioned by an Extraordinary Resolution of the Class A Noteholders, the Class B Noteholders and the Class C Noteholders or none of the Class A Notes, the Class B Notes and the Class C Notes remain outstanding. If the Class C Notes are no longer outstanding, then an Extraordinary Resolution passed at any meeting of the Class D Noteholders shall be binding on the Class E Noteholders, the Class F Noteholders, the Class G Noteholders and the Class H Noteholders irrespective of the effect upon them, except that an Extraordinary Resolution to sanction a modification of these Conditions or any of the other Transaction Documents or a waiver or authorisation of any breach or proposed breach thereof or any of the matters referred to in subparagraphs 19(a), (b), (c), (i) and (j) of Schedule 3 (Provisions for General Meetings of Noteholders) to the Trust Deed will not take effect unless either the Note Trustee is of the opinion that: (i) it would not be materially prejudicial to the interests of the Class E Noteholders, the Class F Noteholders, the Class G Noteholders or the Class H

Noteholders or (ii) it is sanctioned by an Extraordinary Resolution of the Class E Noteholders, the Class F Noteholders, the Class G Noteholders and the Class H Noteholders;

- (e) Whilst the Class D Notes are outstanding no Extraordinary Resolution of the Class E Noteholders (other than a sanctioning Extraordinary Resolution referred to in Conditions 11.4(a), (b), (c) and (d)) shall be effective for any purpose unless either the Note Trustee is of the opinion that: (i) it would not be materially prejudicial to the interests of the Class A Noteholders, the Class B Noteholders, the Class C Noteholders or the Class D Noteholders or (ii) it is sanctioned by an Extraordinary Resolution of the Class A Noteholders, the Class B Noteholders, the Class C Noteholders and the Class D Noteholders or none of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes remain outstanding. If the Class D Notes are no longer outstanding, then an Extraordinary Resolution passed at any meeting of the Class E Noteholders shall be binding on the Class F Noteholders, the Class G Noteholders and the Class H Noteholders irrespective of the effect upon them, except that an Extraordinary Resolution to sanction a modification of these Conditions or any of the other Transaction Documents or a waiver or authorisation of any breach or proposed breach thereof or any of the matters referred to in subparagraphs 19(a), (b), (c), (i) and (j) of Schedule 3 (Provisions for General Meetings of Noteholders) to the Trust Deed will not take effect unless either the Note Trustee is of the opinion that: (i) it would not be materially prejudicial to the interests of the Class F Noteholders, the Class G Noteholders or the Class H Noteholders or (ii) it is sanctioned by an Extraordinary Resolution of the Class F Noteholders, the Class G Noteholders and the Class H Noteholders;
- (f) Whilst the Class E Notes are outstanding no Extraordinary Resolution of the Class F Noteholders (other than a sanctioning Extraordinary Resolution referred to in Conditions 11.4(a), (b), (c), (d) and (e)) shall be effective for any purpose unless either the Note Trustee is of the opinion that: (i) it would not be materially prejudicial to the interests of the Class A Noteholders, the Class B Noteholders, the Class C Noteholders, the Class D Noteholders or the Class E Noteholders or (ii) it is sanctioned by an Extraordinary Resolution of the Class A Noteholders, the Class B Noteholders, the Class C Noteholders, the Class D Noteholders and the Class E Noteholders or none of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes remain outstanding. If the Class E Notes are no longer outstanding, then an Extraordinary Resolution passed at any meeting of the Class F Noteholders shall be binding on the Class G Noteholders and the Class H Noteholders irrespective of the effect upon them, except that an Extraordinary Resolution to sanction a modification of these Conditions or any of the other Transaction Documents or a waiver or authorisation of any breach or proposed breach thereof or any of the matters referred to in subparagraphs 19(a), (b), (c), (i) and (j) of Schedule 3 (Provisions for General Meetings of Noteholders) to the Trust Deed will not take effect unless either the Note Trustee is of the opinion that: (i) it would not be materially prejudicial to the interests of the Class G Noteholders or the Class H Noteholders or (ii) it is sanctioned by an Extraordinary Resolution of the Class G Noteholders and the Class H Noteholders;
- (g) Whilst the Class F Notes are outstanding no Extraordinary Resolution of the Class G Noteholders (other than a sanctioning Extraordinary Resolution referred to in Conditions 11.4(a), (b), (c), (d), (e) and (f)) shall be effective for any purpose unless either the Note Trustee is of the opinion that: (i) it would not be materially prejudicial to the interests of the Class A Noteholders, the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders or the Class F Noteholders or (ii) it is sanctioned by an Extraordinary Resolution of the Class A Noteholders, the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders and the Class F Noteholders or none of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes remain outstanding. If the Class F Notes are no longer

outstanding, then an Extraordinary Resolution passed at any meeting of the Class G Noteholders shall be binding on the Class H Noteholders irrespective of the effect upon them, except that an Extraordinary Resolution to sanction a modification of these Conditions or any of the other Transaction Documents or a waiver or authorisation of any breach or proposed breach thereof or any of the matters referred to in subparagraphs 19(a), (b), (c), (i) and (j) of Schedule 3 (Provisions for General Meetings of Noteholders) to the Trust Deed will not take effect unless either the Note Trustee is of the opinion that: (i) it would not be materially prejudicial to the interests of the Class H Noteholders or (ii) it is sanctioned by an Extraordinary Resolution of the Class H Noteholders;

- (h) no Extraordinary Resolution of the Class H Noteholders (other than a sanctioning Extraordinary Resolution referred to in Conditions 11.4(a), (b), (c), (d), (e), (f) or (g)) shall be effective for any purpose unless either: (i) the Note Trustee is of the opinion that it would not be materially prejudicial to the interests of the Class A Noteholders, the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F Noteholders or the Class G Noteholders or (ii) it is sanctioned by an Extraordinary Resolution of the Class A Noteholders, the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F Noteholders and the Class G Noteholders or (iii) none of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes or the Class G Notes remain outstanding.

The Trust Deed contains similar provisions in relation to directions in writing from the holders of the Most Senior Class of Notes outstanding upon which the Note Trustee is bound to act.

- 11.5 The Note Trustee may agree, or may direct the Security Trustee to agree, without the consent of the Noteholders or the other Secured Creditors:
 - (a) to any modification, or to any waiver or authorisation of any breach or proposed breach, of these Conditions or of any of the Transaction Documents which, in the opinion of the Note Trustee, is not materially prejudicial to the interests of the Noteholders; or
 - (b) to any modification which, in the opinion of the Note Trustee, is of a formal, minor or technical nature, to correct a manifest error or an error which is, in the opinion of the Note Trustee, proven, or is necessary to comply with any mandatory provisions of law.
- 11.6 Notwithstanding the provisions of Condition 11.5, the Note Trustee shall be obliged to concur (and shall direct the Security Trustee to concur) with the Issuer, without any consent or sanction of the Noteholders or the other Secured Creditors, but subject to the receipt of written consent from any of the Secured Creditors party to the Transaction Document being modified, in making any modification (other than in respect of a Basic Terms Modification) to these Conditions and/or any Transaction Document that the Issuer considers necessary or as proposed by the Swap Counterparty or the Account Bank pursuant to Condition 11.6(a)(ii):
 - (a) for the purpose of complying with, or implementing or reflecting, any change in the criteria of one or more of the Rating Agencies which may be applicable from time to time, provided that:
 - (i) the Issuer certifies in writing to the Note Trustee and the Security Trustee that such modification is necessary to comply with such criteria or, as the case may be, is solely to implement and reflect such criteria; and
 - (ii) in the case of any modification to a Transaction Document or these Conditions proposed by the Swap Counterparty or the Account Bank in order (x) to remain

eligible to perform its role in such capacity in conformity with such criteria and/or (y) to avoid taking action which it would otherwise be required to take to enable it to continue performing such role (including, without limitation, posting collateral or advancing funds):

- (A) the Swap Counterparty or the Account Bank, as the case may be, certifies in writing to the Issuer, the Calculation Agent, the Note Trustee and the Security Trustee that such modification is necessary for the purposes described in paragraph (ii)(x) and/or (y) above;
 - (B) Either:
 - I. the Swap Counterparty or the Account Bank, as the case may be, obtains from each of the Rating Agencies a Rating Agency Confirmation and, if relevant, delivers a copy of each such confirmation to the Issuer, the Calculation Agent, the Note Trustee and the Security Trustee; or
 - II. the Swap Counterparty or the Account Bank, as the case may be, certifies in writing to the Note Trustee and the Security Trustee that the Rating Agencies have been informed of the proposed modification and none of the Rating Agencies has indicated that such modification would result in a downgrade, qualification or withdrawal of the then current ratings assigned to the Rated Notes by such Rating Agency; and
 - (C) the Swap Counterparty or the Account Bank, as the case may be, pays all costs and expenses (including legal fees) incurred by the Issuer, the Calculation Agent, the Note Trustee and the Security Trustee in connection with such modification;
- (b) in order to enable the Issuer and/or the Swap Counterparty to comply with any obligation which applies to it under EMIR, provided that the Issuer or the Swap Counterparty, as appropriate, certifies to the Security Trustee, the Note Trustee and the Swap Counterparty or Issuer, as applicable, in writing that such modification is required solely for the purpose of enabling it to satisfy such obligation and has been drafted solely to such effect;
 - (c) for the purpose of complying with any changes in the requirements of the Securitisation Regulation after the Closing Date (including Articles 19, 20, 21 and 22 thereof), including as a result of the adoption of (i) regulatory technical standards in relation to the Securitisation Regulation, (ii) the CRR Amendment Regulation or (iii) any other legislation, regulations or official guidance relating to securitisation transactions, provided that the Issuer certifies to the Note Trustee and the Security Trustee in writing that such modification is required solely for such purpose and has been drafted solely to such effect;
 - (d) for the purpose of enabling the Notes to be (or to remain) listed on Euronext Dublin, provided that the Issuer certifies to the Note Trustee and the Security Trustee in writing that such modification is required solely for such purpose and has been drafted solely to such effect;
 - (e) for the purposes of enabling the Issuer or any of the other Transaction Parties to comply with FATCA (or any voluntary agreement entered into with a taxing authority in relation thereto), provided that the Issuer or the relevant Transaction Party, as applicable, certifies to the Note

Trustee and the Security Trustee in writing that such modification is required solely for such purpose and has been drafted solely to such effect;

- (f) for the purpose of complying with any changes in the requirements of the CRA 3 Regulation after the Closing Date, including as a result of the adoption of regulatory technical standards in relation to the CRA 3 Regulation or regulations or official guidance in relation thereto, provided that the Issuer certifies to the Note Trustee and the Security Trustee in writing that such modification is required solely for such purpose and has been drafted solely to such effect;
- (g) for the purposes of amending the Swap Agreement (in accordance with the provisions thereof) for the purposes of changing the base floating interest rate used to determine payments under such Swap Agreement from SONIA to a replacement base floating interest rate and making such other amendments as are necessary or advisable in the reasonable judgment of the Issuer to facilitate such change, provided that the Issuer certifies to the Note Trustee and the Security Trustee in writing that such modification is required solely for such purpose and has been drafted solely to such effect,

(the certificate to be provided by the Issuer, the Swap Counterparty or the relevant Transaction Party, as the case may be, pursuant to Conditions 11.6(a) to (g) being a **Modification Certificate**); or

- (h) for the purpose of changing the base rate in respect of the Rated Notes from SONIA to an alternative base rate (any such rate, an **Alternative Base Rate**) and make such other amendments as are necessary or advisable in the reasonable judgment of the Issuer to facilitate such change (a Base Rate Modification), provided that the Servicer, on behalf of the Issuer, certifies to the Note Trustee in writing (such certificate, a **Base Rate Modification Certificate**) that:

- (i) such Base Rate Modification is being undertaken due to:
 - (A) a material disruption to SONIA, an adverse change in the methodology of calculating SONIA or SONIA ceasing to exist or be published;
 - (B) the insolvency or cessation of business of the SONIA administrator (in circumstances where no successor SONIA administrator has been appointed);
 - (C) a public statement by the SONIA administrator that it will cease publishing SONIA permanently or indefinitely (in circumstances where no successor SONIA administrator has been appointed that will continue publication of SONIA);
 - (D) a public statement by the supervisor of the SONIA administrator that SONIA has been or will be permanently or indefinitely discontinued or will be changed in an adverse manner;
 - (E) a public statement by the supervisor of the SONIA administrator that means SONIA may no longer be used or that its use is subject to restrictions or adverse consequences; or
 - (F) the reasonable expectation of the Servicer that any of the events specified in sub-paragraphs (A), (B), (C), (D) or (E) above will occur or exist within six months of the proposed effective date of such Base Rate Modification; and

- (ii) such Alternative Base Rate is:
 - (A) a base rate published, endorsed, approved or recognised by the Bank of England, any regulator in the UK 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);
 - (B) the Broad Treasuries Repo Financing Rate (or any rate which is derived from, based upon or otherwise similar to either of the foregoing);
 - (C) a base rate utilised in a material number of publicly-listed new issues of Sterling-denominated asset backed floating rate notes prior to the effective date of such Base Rate Modification;
 - (D) a base rate utilised in a publicly-listed new issue of Sterling-denominated asset backed floating rate notes where the originator of the relevant assets is an affiliate of Vauxhall Finance plc; or
 - (E) in the absence of (A) to (D) above, such other base rate as the Servicer reasonably determines.

The Note Trustee is only obliged to concur with the Issuer in making any modification referred to in Conditions 11.6(a) to (h) above (other than in respect of a Basic Terms Modification) to the Conditions and/or any Transaction Document provided that:

- (A) other than in the case of a modification pursuant to Condition 11.6(b), at least 30 days' prior written notice of any such proposed modification has been given to the Note Trustee and the Security Trustee;
- (B) the Modification Certificate or Base Rate Modification Certificate in relation to such modification shall be provided to the Note Trustee and the Security Trustee both at the time the Note Trustee and the Security Trustee are notified of the proposed modification and on the date that such modification takes effect;
- (C) the written consent of each Secured Creditor which is party to the relevant Transaction Document has been obtained; and
- (D) the Note Trustee is satisfied that it has been or will be reimbursed all costs, fees and expenses (including reasonable and properly incurred legal fees) incurred by it in connection with such modification,

and provided further that, other than in the case of a modification pursuant to Condition 11.6(b) above:

- (A) other than in the case of a modification pursuant to Condition 11.6(a)(ii), either:
 - I. the Issuer obtains from each of the Rating Agencies a Rating Agency Confirmation; or
 - II. the Issuer certifies in the Modification Certificate or the Base Rate Modification Certificate that it has informed the Rating Agencies of the proposed modification and none of the Rating Agencies has indicated that such modification would result in a downgrade, qualification or withdrawal of the then current ratings assigned to the Rated Notes by such Rating Agency; and

- (B) The Issuer certifies in writing to the Note Trustee (which certification may be in the Modification Certificate or the Base Rate Modification Certificate) that in relation to such modification (I) the Issuer has provided at least 30 days' notice to the Noteholders of each Class of Notes of the proposed modification in accordance with Condition 14 (Notice to Noteholders) and by publication on Bloomberg on the "Company News" screen relating to the Notes, in each case specifying the date and time by which Noteholders must respond, and has made available at such time the modification documents for inspection at the registered office of the Note Trustee for the time being during normal business hours, and (II) Noteholders representing at least 10% of the aggregate Principal Amount Outstanding of the Most Senior Class of Notes then outstanding have not contacted 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 that such Noteholders do not consent to the modification.

If Noteholders representing at least 10% of the aggregate Principal Amount Outstanding of the Most Senior Class of Notes then outstanding have notified the Issuer in accordance with the notice provided above and 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 Noteholders of the Most Senior Class of Notes then outstanding is passed in favour of such modification in accordance with Schedule 3 (*Provisions for General Meetings of Noteholders*) to the Trust Deed.

Objections made in writing other than through the applicable clearing system must be accompanied by evidence to the Issuer's satisfaction (having regard to prevailing market practices) of the relevant Noteholder's holding of the Notes.

11.7 Other than where specifically provided in Condition 11.6:

- (a) when implementing any modification pursuant to Condition 11.6 (save to the extent the Note Trustee considers 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 or any other person and shall act and rely solely and without further investigation on any certificate or evidence provided to it by the Issuer or the relevant Transaction Party, as the case may be, pursuant to Condition 11.6 and shall not be liable to the Noteholders, any other Secured Creditor 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 protection, of the Note Trustee in the Transaction Documents and/or these Conditions.

11.8 The Note Trustee may also, without the consent of the Noteholders or the other Secured Creditors, if it is of the opinion that such determination will not be materially prejudicial to the interests of the Noteholders or the other Secured Creditors, determine that an Event of Default or Potential Event of Default shall not, or shall not subject to specified conditions, be treated as such.

11.9 Any such modification, waiver, authorisation or determination pursuant to Conditions 11.5 and 11.6 shall be binding on the Noteholders and the other Secured Creditors and, unless the Note Trustee agrees otherwise, any such modification shall be notified by the Issuer as soon as practicable thereafter to:

- (a) so long as any of the Rated Notes remain outstanding, each Rating Agency; and
 - (b) the Noteholders in accordance with Condition 14 (Notice to Noteholders).
- 11.10 Notwithstanding Conditions 11.5 to 11.9, the Issuer may modify the terms of the Collections Account Declaration of Trust without the consent of the Note Trustee provided that such modification is made in accordance with the terms of the Collections Account Declaration of Trust and does not adversely affect the rights or obligations of the Issuer thereunder (for the avoidance of doubt, and without limitation, a modification to the Collections Account Declaration of Trust may adversely affect the rights or obligations of the Issuer if it has the effect of reducing any amount held on trust for the Issuer or which the Issuer is entitled to receive under the Collections Account Declaration of Trust). Condition 11.9 shall not apply to a modification made to the Collections Account Declaration of Trust in accordance with the terms of this Condition 11.10.
- 11.11 In connection with any such substitution of principal debtor referred to in Condition 6.2 (Mandatory redemption in full), the Note Trustee may also agree, without the consent of the Noteholders or the other Secured Creditors, to a change in the laws governing these Conditions and/or any of the Transaction Documents, provided that such change would not, in the opinion of the Note Trustee, be materially prejudicial to the interests of the Noteholders.
- 11.12 Notwithstanding the provisions of Condition 11.5, the Issuer and the Note Trustee shall not (and the Note Trustee shall not direct the Security Trustee to), without the prior written consent of the Swap Counterparty in accordance with Condition 11.13 (such consent not to be unreasonably withheld or delayed), agree to any amendment to, modification of, or supplement to any of the Transaction Documents, insofar as such amendment, modification or supplement affects: (a) the timing or amount of any payments or deliveries due to be made by or to the Swap Counterparty under the Conditions or any Transaction Document; (b) any Priority of Payments in a manner that adversely affects the Swap Counterparty (in the determination of such Swap Counterparty, acting in a commercially reasonable manner); or (c) this Condition 11.12 or Clause 20.6 of the Trust Deed.
- 11.13 The Issuer shall notify the Swap Counterparty and the Note Trustee in writing of any proposed amendment, modification or supplement to any provisions of the Transaction Documents or the Conditions that may affect any of the items listed in Condition 11.12 at least 21 days (exclusive of the day on which the notice is given and of the day that the amendment, modification or supplement is intended to be effected) prior to such amendment, modification or supplement being effected, notwithstanding any other provision of the Transaction Documents or the Conditions. The Swap Counterparty may notify the Note Trustee and the Issuer in writing if, in the Swap Counterparty's reasonable opinion, such amendment, modification or supplement would materially adversely affect any of the items listed in the previous paragraph. If the Issuer and the Trustee receive notification (the **Notification**) from the Swap Counterparty that the Swap Counterparty has determined that the amendment, modification and/or supplement would not affect any of the items listed in Condition 11.12 or that the Swap Counterparty otherwise consents to such amendment, modification and/or supplement, such amendment, modification and/or supplement may take effect at any time from and including the date of receipt of the Notification. If the Issuer and the Note Trustee do not receive any such determination or a Notification by the expiry of such notice period, the Swap Counterparty shall be deemed to have consented to such amendment modification or supplement. If the Swap Counterparty has not received notice in accordance with this Condition 11.13, the proposed amendment, modification or supplement shall not be effective.
- 11.14 The Note Trustee shall be entitled to take into account, for the purpose of exercising or performing any right, power, trust, authority, duty or discretion under or in relation to these Conditions or any of the Transaction Documents, among other things, to the extent that it considers, in its sole and absolute discretion, it is necessary and/or appropriate and/or relevant, any communication or confirmation by any Rating Agency (including any Rating Agency Confirmations and whether or not

such communication or confirmation is addressed to, or provides that it may be relied upon by, the Note Trustee and irrespective of the method by which such confirmation is conveyed) (a) that the then current rating by it of the Notes would not be downgraded, withdrawn or qualified by such exercise or performance and/or (b) if the original rating of the Notes has been downgraded previously, that such exercise or performance will not prevent the restoration of such original rating of such class of Notes.

- 11.15 Where, in connection with the exercise or performance by each of them of any right, power, trust, authority, duty or discretion under or in relation to these Conditions or any of the Transaction Documents (including, without limitation, in relation to any modification, waiver, authorisation, determination or substitution as referred to above), the Note Trustee is required to have regard to the interests of the Noteholders of any Class of Notes, it shall have regard to the general interests of the Noteholders of such Class of Notes as a class but shall not have regard to any interests arising from circumstances particular to individual Noteholders (whatever their number) and, in particular but without limitation, shall not have regard to the consequences of any such exercise or performance for individual Noteholders (whatever their number) resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory or any political sub-division thereof and the Note Trustee shall not be entitled to require, nor shall any Noteholder be entitled to claim, from the Issuer, the Note Trustee or the Security Trustee or any other person any indemnification or payment in respect of any tax consequences of any such exercise upon individual Noteholders.

12. INDEMNIFICATION AND EXONERATION OF THE NOTE TRUSTEE AND THE SECURITY TRUSTEE

The Trust Deed and the Deed of Charge contain provisions governing the responsibility (and relief from responsibility) of the Note Trustee and the Security Trustee respectively and providing for their indemnification in certain circumstances, including provisions relieving them from taking action or, in the case of the Security Trustee, enforcing the security constituted by and pursuant to the Deed of Charge unless indemnified and/or pre-funded and/or secured to their satisfaction.

The Trust Deed and the Deed of Charge also contain provisions pursuant to which the Note Trustee and the Security Trustee are entitled, *inter alia* (a) to enter into business transactions with the Issuer and/or any other party to any of the Transaction Documents and to act as trustee for the holders of any other securities issued or guaranteed by, or relating to, the Issuer and/or any other party to any of the Transaction Documents, (b) to exercise and enforce its rights, comply with its obligations and perform its duties under or in relation to any such transactions or, as the case may be, any such trusteeship without regard to the interests of, or consequences for, the Noteholders, and (c) to retain and not be liable to account for any profit made or any other amount or benefit received thereby or in connection therewith.

13. REPLACEMENT OF GLOBAL NOTES

If any Global Note is mutilated, defaced, lost, stolen or destroyed, it may be replaced at the Specified Office of the Principal Paying Agent. Replacement of any mutilated, defaced, lost, stolen or destroyed Global Note will only be made on payment of such costs as may be incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer may reasonably require. A mutilated or defaced Global Note must be surrendered before a new one will be issued.

14. NOTICE TO NOTEHOLDERS

Any notice shall be deemed to have been duly given to the Noteholders if sent to the Clearing Systems for communication by them to the holders of the relevant Notes and shall be deemed to be given on the date on which it was so sent. So long as the Notes are admitted to trading and listed on

the official list of Euronext Dublin, any notice to be given to the Noteholders of such Notes shall also be published in accordance with the relevant guidelines of Euronext Dublin by a notification in writing to the Company Announcement Office of Euronext Dublin.

15. SUBORDINATION BY DEFERRAL OF INTEREST

15.1 Deferred Interest

To the extent that, subject to and in accordance with the relevant Priority of Payments, the funds available to the Issuer to pay interest on any Class of Notes (other than the Class A Notes and (other than any Deferred Interest or Additional Interest arising on or prior to the Interest Payment Date on which such Class of Notes became the Most Senior Class of Notes) the Most Senior Class of Notes then outstanding) on an Interest Payment Date (after deducting the amounts paid senior to such interest under the Interest Priority of Payments) are insufficient to pay the full amount of such interest, payment of the shortfall attributable to such Class (or sub-class) of Notes (the **Deferred Interest**) will not then fall due but will instead be deferred until the first Interest Payment Date for such Notes thereafter on which sufficient funds are available (after deducting the amounts paid senior to such interest under the Interest Priority of Payments and subject to and in accordance with the relevant Priority of Payments) to fund the payment of such deferred interest to the extent of such available funds.

Such Deferred Interest will accrue interest (**Additional Interest**) at the rate of interest applicable from time to time to the applicable Class (or sub-class) of Notes and payment of any Additional Interest will also be deferred until the first Interest Payment Date for such Notes thereafter on which funds are available to the Issuer to pay such Additional Interest to the extent of such available funds.

Amounts of Deferred Interest and Additional Interest shall not be deferred beyond the Final Legal Maturity Date of the applicable Class (or sub-class) of Notes, when such amounts will become due and payable.

Payments of interest due on an Interest Payment Date in respect of the Most Senior Class of Notes then outstanding (other than any Deferred Interest or Additional Interest arising on or prior to the Interest Payment Date on which such Class of Notes became the Most Senior Class of Notes) will not be deferred. In the event of the delivery of a Note Acceleration Notice, the amount of interest in respect of such Notes that was due but not paid on such Interest Payment Date will itself bear interest at the applicable rate until both the unpaid interest and the interest on that interest are paid as provided in the Trust Deed.

15.2 Principal on the Notes

All payments of principal on the Notes shall be made in accordance with the relevant Priority of Payments.

15.3 General

Any amounts of interest in respect of the Notes (except the Class A Notes) otherwise payable under these Conditions which are not paid by virtue of this Condition 15, together with accrued interest thereon, shall in any event become due and payable on the Final Legal Maturity Date or on such earlier date as any Notes (except the Class A Notes) become due and repayable in full under Condition 6 (Redemption) or if applicable, Condition 9 (Events of Default).

15.4 Notification

As soon as practicable after becoming aware that any part of a payment of interest on any Notes (except the Class A Notes) will be deferred or that a payment previously deferred will be made in accordance with this Condition 15, the Issuer will give notice thereof to the relevant Noteholders of any Class of Notes (except the Class A Notes), as applicable in accordance with Condition 14 (Notice to Noteholders).

15.5 Application

This Condition 15 shall cease to apply in respect of the Class H Notes, upon the redemption in full of all the Notes (except the Class H Notes).

16. GOVERNING LAW

Each of the Trust Deed, the Global Notes and these Conditions (and, in each case, any non-contractual obligations arising out of or in connection with the relevant document) is governed by, and shall be construed in accordance with, English law.

17. RIGHTS OF THIRD PARTIES

No rights are conferred on any person under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of the Notes or these Conditions, but this does not affect any right or remedy of any person which exists or is available apart from that Act.

SUMMARY OF PROVISIONS RELATING TO THE NOTES (WHILE IN GLOBAL FORM)

General

The Notes, as at the Closing Date, will initially be represented by a Temporary Global Note. All capitalised terms not defined in this paragraph shall be as defined in the Conditions of the Notes.

The Temporary Global Notes will be deposited on or about the Closing Date on behalf of the subscribers for the Notes with the Clearing Systems as Common Safekeeper. Upon deposit of the Temporary Global Notes, the Clearing Systems will credit each subscriber of the Notes with the principal amount of the Notes equal to the aggregate principal amount thereof for which the subscriber will have subscribed and paid. Interests in the Temporary Global Notes are exchangeable on and after the date which is 40 days after the Closing Date, upon certification of non-U.S. beneficial ownership by the relevant Noteholder, for interests recorded in the records of the Clearing Systems in a Permanent Global Note.

Payments on Global Notes

Payments in respect of principal and interest in respect of any Global Note will be made only against presentation of such Global Note to or to the order of the Principal Paying Agent or such other Paying Agent as shall have been notified to the Noteholders in accordance with Condition 14 (Notice to Noteholders) for such purpose, subject, in the case of the Temporary Global Notes, to certification of non-US beneficial ownership as provided in such Temporary Global Notes. Each payment of principal or interest made in respect of a Global Note will be recorded by the Clearing Systems in their records (which records are the records each relevant Clearing System holds for its customers which reflect such customers' interest in the Notes) and such records shall be *prima facie* evidence that the payment in question has been made. No person appearing from time to time in the records of either of the Clearing Systems as the holder of a Note shall have any claim directly against the Issuer in respect of payments due on such Note whilst such Note is represented by a Global Note and the Issuer shall be discharged by payment of the relevant amount to the bearer of the relevant Global Note. The Issuer shall procure that each payment shall be entered *pro rata* in the records of the relevant Clearing Systems but any failure to make such entries shall not affect the discharge referred to above.

Payments will be made, in respect of the Notes by credit or transfer to an account in sterling maintained by the payee with a bank in London.

Payments in respect of principal and interest on the Notes are subject in all cases to any fiscal or other laws and regulations applicable in the place of payment.

A holder shall be entitled to present a Global Note for payment only on a Presentation Date and shall not, except as provided in Condition 4 (Interest), be entitled to any further interest or other payment if a Presentation Date is after the due date.

Information Regarding Euroclear and Clearstream

Euroclear and Clearstream have advised the Issuer as follows:

Euroclear and Clearstream each hold securities for their account holders and facilitate the clearance and settlement of securities transactions by electronic book-entry transfer between their respective account holders, thereby eliminating the need for physical movements of certificates and any risk from lack of simultaneous transfers of securities.

Euroclear and Clearstream each provide various services, including safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Euroclear and

Clearstream each also deal with domestic securities markets in several countries through established depositary and custodial relationships. The respective systems of Euroclear and of Clearstream have established an electronic bridge between their two systems across which their respective account holders may settle trades with each other.

Account holders in both Euroclear and Clearstream are worldwide financial institutions including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. Indirect access to both Euroclear and Clearstream is available to other institutions that clear through or maintain a custodial relationship with an account holder of either system.

An account holder's overall contractual relations with either Euroclear or Clearstream are governed by the respective rules and operating procedures of Euroclear or Clearstream and any applicable laws. Both Euroclear and Clearstream act under such rules and operating procedures only on behalf of their respective account holders, and have no record of or relationship with persons holding through their respective account holders.

The Issuer understands that under existing industry practices, if any of the Issuer, the Note Trustee or the Security Trustee requests any action of the Noteholders or if a Noteholder desires to give instructions or to take any action that a Noteholder is entitled to give or take under the Trust Deed or the Deed of Charge, Euroclear or Clearstream, as the case may be, would authorise the participants to give instructions or take such action, and such participants would authorise indirect participants to give or take such action or would otherwise act upon the instructions of such indirect participants.

Redemption

In the event that any Global Note (or portion thereof) is redeemed, the Principal Paying Agent will deliver all amounts received by it in respect of the redemption of such Global Note to or to the order of the common safekeeper and, upon final payment, will surrender such Global Note (or portion thereof) to or to the order of the Principal Paying Agent for cancellation. The redemption price payable in connection with the redemption will be equal to the amount received by the Principal Paying Agent in connection with the redemption of the Global Note (or portion thereof) relating thereto. Any redemptions of a Global Note in part will be made by Euroclear or Clearstream, as the case may be, on a *pro rata* basis (or on such basis as Euroclear or Clearstream, as the case may be, deems fair and appropriate). Upon any redemption in part, the Principal Paying Agent will mark down the schedule to such Global Note by the principal amount so redeemed.

Cancellation

Cancellation of any Note represented by a Global Note and required by the Conditions to be cancelled following its redemption will be effected by endorsement by or on behalf of the Principal Paying Agent of the reduction in the principal amount of the relevant Global Note on the relevant schedule thereto.

Transfers and Transfer Restrictions

All transfers of Book-Entry Interests will be recorded in accordance with the book-entry systems maintained by Euroclear or Clearstream, as applicable, pursuant to customary procedures established by each respective system and its participants. See "*General*" above.

Issuance of Definitive Notes

If, while any of the Notes are represented by a Permanent Global Note, (a) either of the Clearing Systems is closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so and no other clearing system acceptable to the Note Trustee is then in existence or (b) as a result of any amendment to, or change in, the laws or regulations of the UK (or of any political sub-division thereof) or of any authority

therein or thereof having power to tax or in the interpretation or administration of such laws or regulations which becomes effective on or after the Closing Date, the Issuer or any Paying Agent is or will on the next Interest Payment Date (as defined below) be required to make any deduction or withholding from any payment in respect of such Notes which would not be required were such Notes in definitive form, then the Issuer will issue Definitive Notes in exchange for such Permanent Global Note (free of charge to the persons entitled to them) within 30 days of the occurrence of the relevant event. The Conditions and the Transaction Documents will be amended in such manner as the Note Trustee and the Security Trustee require to take account of the issue of Definitive Notes.

Any Notes issued in definitive form will be issued in definitive bearer form in the denominations set out in the Conditions and will be subject to the provisions set forth under "*Transfers and Transfer Restrictions*" above.

Notices and Reports

The Issuer will send to Euroclear and Clearstream a copy of any notices and reports received relating to the Issuer, the Global Notes or the Book-Entry Interests. Any notice shall be deemed to have been duly given to the relevant Noteholders if sent to the Clearing Systems for communication by them to the holders of the Notes and shall be deemed to be given on the date on which it was so sent and with respect to the Rated, so long as the Notes are admitted to trading and listed on the official list of Euronext Dublin, any notice shall also be published in accordance with the relevant guidelines of Euronext Dublin by a notification in writing to the Company Announcements Office of Euronext Dublin.

ANNEX A - GLOSSARY OF TERMS

These and other terms used in this document are subject to, and in some cases are summaries of, the definitions of such terms set out in the Transaction Documents, as they may be amended from time to time.

Accelerated Priority of Payments means the priority of payments for the application of all amounts due and payable following the service of a Note Acceleration Notice as set out in the Deed of Charge;

Account Bank means, as at the Closing Date, HSBC Bank plc;

Account Bank Agreement means the account bank agreement dated on or about the Closing Date among the Issuer, the Cash Manager, the Account Bank, the Servicer and the Security Trustee;

Account Bank Ratings means all of the following ratings:

- (a) a short-term issuer credit rating of at least A-1 by S&P Global (if a short-term rating is assigned by S&P Global);
- (b) a long-term issuer credit rating of at least A by S&P Global (or if the Account Bank does not benefit from a short-term issuer credit rating by S&P Global, a long-term issuer credit rating of at least A+ by S&P Global); and
- (c) a COR of at least A(high) by DBRS, or if a COR from DBRS is not available, a long-term, senior, unsecured debt rating of A by DBRS (either by way of a public rating or, in its absence, by way of a private rating supplied by DBRS), provided that if the Account Bank is not rated by DBRS, a DBRS Equivalent Rating at least equal to A by DBRS, or, failing which, in each case, such other ratings that are consistent with the then published criteria of the relevant Rating Agency as being the minimum ratings that are required to support the then rating of the Rated Notes,

or such other ratings that are consistent with the then published criteria of the relevant Rating Agency as being the minimum ratings that are required to support the then rating of the Rated Notes;

Actuarial Method means the accounting method by which a payment due under or in respect of a Loan Contract is allocated between principal and income which shall be consistently applied by the Originator at each use and be consistent with the Actuarial Method applied at each Closing Date;

Additional Interest has the meaning given to it in Condition 15.1 (Deferred Interest);

Administrator Incentive Recovery Fee means the fee (inclusive of VAT) payable to the Insolvency Official of the Seller following an Insolvency Event of the Seller in relation to the sale of the relevant Financed Vehicles in an amount equal to (i) the reasonable costs and expenses of such insolvency official (including any Irrecoverable VAT in respect thereof) incurred in relation to the sale of such Financed Vehicles plus (ii) a percentage of the corresponding vehicle realisation proceeds to be (x) 1% of the relevant vehicle realisation proceeds or (y) at any time thereafter, as may be agreed by the Servicer with the Insolvency Official of the Seller pursuant to the Servicing Agreement (up to a maximum amount of 1% of the relevant Financed Vehicle realisation proceeds);

Affiliate means, in relation to any corporate entity, a holding company or subsidiary of such corporate entity or a subsidiary of the holding company of such corporate entity; and the terms **holding company** and **subsidiary** shall have the meaning given to them by the Companies Act 2006;

Agency Agreement means the agency agreement dated on or about the Closing Date among, *inter alios*, the Issuer, the Paying Agents, the Agent Bank, the Note Trustee and the Security Trustee;

Agent Bank means the person appointed as agent bank from time to time under the Agency Agreement who, as at the Closing Date, is HSBC Bank plc;

Agents means the Paying Agents and the Agent Bank or, where the context requires, any of them;

Aggregate Notes Principal Amount means as at any date the aggregate Principal Amount Outstanding of all Notes on such date;

Aggregate Securitised Issuer Assets Liquidation Price means an amount equal to the sum of:

- (a) the Outstanding Balance of the Purchased Receivables (that are not Defaulted Amounts nor Delinquent Receivables) at the end of the immediately preceding Calculation Period; and
- (b) for Defaulted Amounts and Delinquent Receivables, the current value of Defaulted Amounts and Purchased Receivables at the end of the immediately preceding Calculation Period as determined in accordance with standard market practice (taking into account expected recoveries to be obtained from the Borrowers);

Amount Financed means with respect to a Purchased Receivable, the aggregate amount advanced in respect of such Receivable toward the purchase price of the Financed Vehicle, less, in respect of such Purchased Receivable, payments received from the relevant Borrower prior to the Cut-off Date (or in respect of Further Purchased Property, the relevant Further Purchase Cut-off Date or in respect of the Substitute Receivables, the relevant Substitution Cut-off Date) allocable to Principal Element;

Ancillary Products means guaranteed asset protection insurance and/or a cosmetic warranty that certain Borrowers when entering into a Loan Contract agreed to take out and which may be financed by the Loan Contract;

Ancillary Rights means in relation to each Purchased Receivable:

- (a) the right to demand, sue for, recover, receive and give receipts for all amounts due (whether or not from the relevant Borrower) under, relating to or in connection with the Loan Contract from which such Receivable derives;
- (b) the benefit of all covenants and undertakings from the relevant Borrower and from any guarantor under, relating to or in connection with the Loan Contract from which such Receivable derives;
- (c) the benefit of all causes of action against the relevant Borrower and any guarantor under, relating to or in connection with the Loan Contract from which such Receivable derives;
- (d) the right to receive the Financed Vehicle Sales Proceeds and the proceeds of any Bad Debt Sales;
- (e) the benefit of any other rights, title, interests, powers or benefits of the Seller in relation to the Loan Contract from which such Receivable derives, other than title to the Financed Vehicle (including any claims in respect of an Ancillary Product and against a Dealer in respect of a Financed Vehicle or related Financed Vehicle),

and for the purpose of this definition references to **guarantees** shall be deemed to include all other indemnities, security, collateral or other documents, agreements or arrangements whatsoever whereby any person (including, but without limitation, any Borrower) agrees to make any payment to the Seller in respect of that Borrower's obligations under the relevant Loan Contract or to provide any security therefor and **guarantors** shall be construed accordingly;

Annual Percentage Rate means, with respect to a Receivable, the annual rate of finance charges stated in such Receivable;

Applicable Law means any law or regulation including, but not limited to: (i) any statute or regulation; (ii) any rule or practice of any Authority by which the Issuer is bound or with which it is accustomed to comply; (iii) any agreement between any Authorities; and (iv) any customary agreement between any Authority and any party;

Appointee means any attorney, manager, receiver, administrative receiver, agent, delegate, nominee, custodian, trustee or other person appointed by the Note Trustee under the Trust Deed or by the Security Trustee under the Deed of Charge;

Auditors means the auditors from time to time of the Seller being, as at the Closing Date, Deloitte LLP;

Authorised Investments means Sterling demand or time deposits, certificates of deposit and short-term debt obligations (including commercial paper), provided that in all cases such investments will only be made such that there is no withholding or deduction for or on account of taxes applicable thereto and such investments (i) have a maturity date on or before the immediately following Interest Payment Date, (ii) may be broken or demanded by the Issuer (with no reduction in the value of such investment and at no cost to the Issuer) on or before the next following Interest Payment Date, (iii) do not include any contractual provisions that would permit a redemption of such authorised investments in an amount less than the amount paid for such investments by the Issuer and (iv) are rated at least R-1(high) by DBRS and A-1+ by S&P Global;

Authorised Verification Agent means the authorised verification agent engaged to carry out the STS Verification and to provide additional assessments with regard to the status of the Notes for the purposes of Article 243 of the Capital Requirements Regulation and Articles 13 of the LCR Regulation;

Authority means any competent regulatory, prosecuting, tax or governmental authority in any jurisdiction;

Available Interest Distribution Amount for each Interest Payment Date will be calculated by the Calculation Agent and communicated to the Cash Manager on or before the immediately preceding Calculation Date and will be an amount equal to the sum of:

- (a) all Revenue Receipts received by the Issuer during the immediately preceding Calculation Period;
- (b) interest received during the immediately preceding Calculation Period on the Issuer Accounts (other than any CSA Account) and any income received during the immediately preceding Calculation Period relating to any Authorised Investments purchased from amounts standing to the credit of the Issuer Accounts (other than any CSA Account);
- (c) amounts to be received by the Issuer under the Swap Agreement (other than any early termination amount or Replacement Swap Premium and any Swap Collateral, Swap Tax Credits, Excess Swap Collateral, or any other amount standing to the credit of any CSA Account);
- (d) notwithstanding paragraph (c) above, (i) any early termination amount received from the Swap Counterparty in excess of the amount required and applied by the Issuer to purchase one or more replacement Swap Agreements, and (ii) any Replacement Swap Premium received from a replacement Swap Counterparty in excess of the amount required and applied to pay the outgoing Swap Counterparty;
- (e) any Surplus Available Principal Distribution Amount;
- (f) where the Seller repurchases the Final Receivables in accordance with the terms of the Receivables Sale and Purchase Agreement in respect of an exercise by the Seller of the Clean Up Call Option, the

Regulatory Call Option or the Tax Call Option, such amount of the Final Repurchase Price received by the Issuer on such Interest Payment Date representing amounts other than the Outstanding Principal Balance of the Final Receivables as at such Interest Payment Date and other than the Final Determined Amount as at such Interest Payment Date;

- (g) any Net Recovery Amounts received in respect of the previous Calculation Period; and
- (h) any Revenue Receipts (other than those Revenue Receipts referred to in item (a) above) that have not been applied on the immediately preceding Interest Payment Date,

but, for the avoidance of doubt, excluding any Issuer Profit Amount retained by the Issuer on any prior Interest Payment Date and any amounts which have been applied as Permitted Withdrawals by the Issuer during the immediately preceding Calculation Period;

Available Principal Distribution Amount means an amount equal to the sum of:

- (a) all Principal Receipts received by the Issuer during the immediately preceding Calculation Period;
- (b) the amounts, if any, to be credited to the Principal Deficiency Ledger pursuant to items (9), (11), (13), (15), (17), (19), (21) and (23) of the Interest Priority of Payments on the relevant Interest Payment Date;
- (c) where the Seller repurchases the Final Receivables in accordance with the terms of the Receivables Sale and Purchase Agreement in respect of an exercise by the Seller of the Clean Up Call Option, the Regulatory Call Option or the Tax Call Option, such amount of the Final Repurchase Price received by the Issuer on such Interest Payment Date representing the Outstanding Principal Balance of the Final Receivables as at such Interest Payment Date including the Final Determined Amount as at such Interest Payment Date;
- (d) an amount equal to any Gross Recovery Amounts minus Net Recovery Amounts in respect of the immediately preceding Calculation Period;
- (e) any Principal Receipts (other than those Principal Receipts referred to in item (a) above) that have not been applied on the immediately preceding Interest Payment Date; and
- (f) any amount standing to the credit of the Reinvestment Principal Account;

Back-Up Servicer Facilitator means Intertrust Management Limited appointed pursuant to the terms of the Servicing Agreement;

Bad Debt Collection Agent means a third party (other than, for the avoidance of doubt, Vauxhall Finance or any Affiliate of Vauxhall Finance) that is in the business of carrying out collection and recovery activities in respect of delinquent receivables;

Bad Debt Sale means the sale by the Servicer (on behalf of the Issuer) of a Defaulted Amount after the repossession and sale of the related Financed Vehicle, but prior to the Defaulted Amount being written off, to a Bad Debt Collection Agent, in accordance with the Credit and Collection Procedures;

Basic Terms Modification means each of the following:

- (a) a modification of the date of maturity of any Notes or any other term which would have the effect of postponing any day for payment of interest in respect of the Notes (except in accordance with Condition 11.6(h) (General Meetings of Noteholders, Modification and Waiver) or Clause 20.2(h) of the Trust Deed);

- (b) reducing or cancelling the amount of principal or the rate of interest payable in respect of such Notes (except in accordance with Condition 11.6(h) (General Meetings of Noteholders, Modification and Waiver) or Clause 20.2(h) of the Trust Deed);
- (c) altering the currency of payment of such Notes; or
- (d) altering the quorum or majority required in relation to passing a Basic Terms Modification;

Block Voting Instruction means an English language document issued by a Paying Agent in which:

- (a) it is certified that on the date thereof Notes (not being Notes in respect of which a Voting Certificate has been issued and is outstanding in respect of the meeting specified in such Block Voting Instruction) are blocked in an account with a Clearing System and that no such Notes will cease to be so blocked until the first to occur of:
 - (i) the conclusion of the meeting specified in such Block Voting Instruction; and
 - (ii) the Notes ceasing with the agreement of the Paying Agent to be so blocked and the giving of notice by the Paying Agent to the Issuer in accordance with the Trust Deed of the necessary amendment to the Block Voting Instruction;
- (b) it is certified that each holder of such Notes has instructed such Paying Agent that the vote(s) attributable to the Notes so blocked should be cast in a particular way in relation to the resolution(s) to be put to such meeting and that all such instructions are, during the period commencing 48 Hours prior to the time for which such meeting is convened and ending at the conclusion or adjournment thereof, neither revocable nor capable of amendment;
- (c) the aggregate principal amount of the Notes so blocked is listed distinguishing with regard to each such resolution between those in respect of which instructions have been given that the votes attributable thereto should be cast in favour of the resolution and those in respect of which instructions have been so given that the votes attributable thereto should be cast against the resolution; and
- (d) one or more persons named in such Block Voting Instruction (each hereinafter called a proxy) is or are authorised and instructed by such Paying Agent to cast the votes attributable to the Notes so listed in accordance with the instructions referred to in paragraph (c) above as set out in such Block Voting Instruction;

Book-Entry Interests means the beneficial interests in the Global Notes;

Borrower means a customer of the Seller who has executed, at least, one Related Loan Contract with the Seller;

Brexit means the UK's exit from the EU;

Business Day means a day which is both a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in London;

Calculation Agency Agreement means the calculation agency agreement dated on or about the Closing Date among the Issuer, the Servicer, the Seller, the Cash Manager and the Calculation Agent;

Calculation Agent means, as at the Closing Date, Vauxhall Finance plc, acting through its offices at Heol-y-Gamlas, Parc Nantgarw, Treforest, Cardiff CF15 7QU UK and appointed pursuant to the Calculation Agency Agreement;

Calculation Agent Termination Event in respect of the Calculation Agent means any of:

- (a) an Insolvency Event in respect of the Calculation Agent;
- (b) the Calculation Agent entering into any voluntary arrangement, scheme or composition with creditors;
- (c) the Calculation Agent fails to perform or observe any of its material duties, obligations, covenants or services under the Calculation Agency Agreement or the Cash Management Agreement and such default is continuing unremedied or is not waived for a period of 10 Business Days after the earlier of (A) the Calculation Agent becoming aware of such default or (B) receipt by the Calculation Agent of written notice from the Issuer or the Security Trustee requiring the same to be remedied;

Calculation Date means, the 12th day of each calendar month, except if such day is not a Business Day, in which case it shall be the next succeeding Business Day unless such day falls in the next month, in which case it shall be the preceding Business Day;

Calculation Period means the period from (and including) the first day of each calendar month to (but excluding) the first day of the following month;

Calculation Report means the report delivered by the Calculation Agent to the Issuer, the Servicer and the Cash Manager pursuant to the Calculation Agency Agreement;

Cash Management Agreement means the Cash Management Agreement dated on or about the Closing Date among the Issuer, the Cash Manager, the Calculation Agent, the Account Bank and the Security Trustee;

Cash Manager means the person appointed as cash manager from time to time under the Cash Management Agreement, which on the Closing Date is HSBC Bank plc;

Cash Manager Termination Event means any of:

- (a) the making of an order or the passing of a resolution for the administration, winding up, dissolution or other similar or analogous procedure in respect of such entity;
- (b) such entity entering into any voluntary arrangement, scheme or arrangement, composition or arrangement with creditors;
- (c) the appointment of any receiver, receiver and manager, manager, administrative receiver, insolvency administrator or liquidator or any similar or analogous official in respect of the whole or substantially the whole of the property of such entity;
- (d) the Cash Manager ceases or threatens to cease to carry on its business or a substantial part of its business or stops payment or threatens to stop payment of its debts or is deemed unable to pay its debts or becomes unable to pay its debts as they fall due;
- (e) the Cash Manager fails, for a continuous unremedied period of five Business Days, to make a deposit or a payment when required to be made by the Cash Manager under the Cash Management Agreement (subject to there being sufficient funds in the relevant Issuer Bank Account for such purpose and the Cash Manager having received all material information that is to be provided by any

other party which is required for the Cash Manager to be able to perform its payment duties hereunder); or

- (f) the Cash Manager fails to perform or observe any of its material duties, obligations, covenants or services under the Cash Management Agreement and such default continues unremedied for a period of 60 days after the earlier of (I) the Cash Manager becoming aware of such default or (II) receipt by the entity of notice from the Issuer, the Calculation Agent or the Security Trustee requiring the same to be remedied;

CCA means the Consumer Credit Act 1974, as amended;

CCA Compensation Amount means the amount, calculated by the Servicer in accordance with the Servicing Agreement to compensate the Issuer for any loss caused as a result of a breach of the Receivables Warranties arising as a result of any Purchased Receivables or Related Loan Contract (or part thereof) being determined illegal, invalid, non-binding or unenforceable under the CCA or the FSMA or subject to a right to cancel or a right to withdraw under the CCA;

CCA Compensation Payment means the payment made by the Seller to the Issuer to compensate the Issuer for any loss caused as a result of any Purchased Receivable or the Related Loan Contract (or part thereof) being determined illegal, invalid, non-binding or unenforceable under the CCA or the FSMA or subject to a right to cancel or a right to withdraw under the CCA as an amount equal to the CCA Compensation Amount;

CCA Licence means a licence under the CCA for licensable activity;

Central Bank means the Central Bank of Ireland;

Charged Documents means the Transaction Documents to which the Issuer is a party and all other contracts, documents, agreements and deeds to which it is, or may become, a party (other than the Deed of Charge, the Trust Deed, each Scottish Declaration of Trust, each Scottish Supplemental Charge and the Scottish Financed Vehicle Sales Proceeds Floating Charge);

Charged Property means all assets and property of the Issuer which is subject to the security created by the Issuer in favour of the Security Trustee for it and the other Secured Creditors pursuant to the Deed of Charge;

Class A Noteholders means the persons who are for the time being the holders of the Class A Notes;

Class A Notes means the £361,250,000 Class A Asset Backed Floating Rate Notes due May 2028;

Class A Notes Interest Amount means the amount of interest payable in respect of the Class A Notes;

Class A Notes Principal Amount means the Principal Amount Outstanding in respect of all Class A Notes on any date;

Class A Principal Deficiency Sub-ledger means a sub-ledger on the Principal Deficiency Ledger in respect of the Class A Notes;

Class B Noteholders means the persons who are for the time being the holders of the Class B Notes;

Class B Notes means the £35,000,000 Class B Asset Backed Floating Rate Notes due May 2028;

Class B Notes Interest Amount means the amount of interest payable in respect of the Class B Notes;

Class B Notes Principal Amount means the Principal Amount Outstanding in respect of all Class B Notes on any date;

Class B PDL Condition means that, on any Interest Payment Date, either (i) the Class B Notes are the Most Senior Class of Notes or (ii) the debit balance on the Class B Principal Deficiency Sub-ledger is less than 25% of the Principal Amount Outstanding of the Class B Notes on such Interest Payment Date;

Class B Principal Deficiency Sub-ledger means a sub-ledger on the Principal Deficiency Ledger in respect of the Class B Notes;

Class C Noteholders means the persons who are for the time being the holders of the Class C Notes;

Class C Notes means the £25,000,000 Class C Asset Backed Floating Rate Notes due May 2028;

Class C Notes Interest Amount means the amount of interest payable in respect of the Class C Notes;

Class C Notes Principal Amount means the Principal Amount Outstanding in respect of all Class C Notes on any date;

Class C PDL Condition means that, on any Interest Payment Date, either (i) the Class C Notes are the Most Senior Class of Notes or (ii) the debit balance on the Class C Principal Deficiency Sub-ledger is less than 25% of the Principal Amount Outstanding of the Class C Notes on such Interest Payment Date;

Class C Principal Deficiency Sub-ledger means a sub-ledger on the Principal Deficiency Ledger in respect of the Class C Notes;

Class D Noteholders means the persons who are for the time being the holders of the Class D Notes;

Class D Notes means the £20,000,000 Class D Asset Backed Floating Rate Notes due May 2028;

Class D Notes Interest Amount means the amount of interest payable in respect of the Class D Notes;

Class D Notes Principal Amount means the Principal Amount Outstanding in respect of all Class D Notes on any date;

Class D PDL Condition means that, on any Interest Payment Date, either (i) the Class D Notes are the Most Senior Class of Notes or (ii) the debit balance on the Class D Principal Deficiency Sub-ledger is less than 25% of the Principal Amount Outstanding of the Class D Notes on such Interest Payment Date;

Class D Principal Deficiency Sub-ledger means a sub-ledger on the Principal Deficiency Ledger in respect of the Class D Notes;

Class E Noteholders means the persons who are for the time being the holders of the Class E Notes;

Class E Notes means the £16,250,000 Class E Asset Backed Floating Rate Notes due May 2028;

Class E Notes Interest Amount means the amount of interest payable in respect of the Class E Notes;

Class E Notes Principal Amount means the Principal Amount Outstanding in respect of all Class E Notes on any date;

Class E PDL Condition means that, on any Interest Payment Date, either (i) the Class E Notes are the Most Senior Class of Notes or (ii) the debit balance on the Class E Principal Deficiency Sub-ledger is less than 25% of the Principal Amount Outstanding of the Class E Notes on such Interest Payment Date;

Class E Principal Deficiency Sub-ledger means a sub-ledger on the Principal Deficiency Ledger in respect of the Class E Notes;

Class F Noteholders means the persons who are for the time being the holders of the Class F Notes;

Class F Notes means the £8,750,000 Class F Asset Backed Floating Rate Notes due May 2028;

Class F Notes Interest Amount means the amount of interest payable in respect of the Class F Notes;

Class F Notes Principal Amount means the Principal Amount Outstanding in respect of all Class F Notes on any date;

Class F PDL Condition means that, on any Interest Payment Date, either (i) the Class F Notes are the Most Senior Class of Notes or (ii) the debit balance on the Class F Principal Deficiency Sub-ledger is less than 25% of the Principal Amount Outstanding of the Class F Notes on such Interest Payment Date;

Class F Principal Deficiency Sub-ledger means a sub-ledger on the Principal Deficiency Ledger in respect of the Class F Notes;

Class G Noteholders means the persons who are for the time being the holders of the Class G Notes;

Class G Notes means the £8,750,000 Class G Asset Backed Floating Rate Notes due May 2028;

Class G Notes Interest Amount means the amount of interest payable in respect of the Class G Notes;

Class G Notes Principal Amount means the Principal Amount Outstanding in respect of all Class G Notes on any date;

Class G PDL Condition means that, on any Interest Payment Date, either (i) the Class G Notes are the Most Senior Class of Notes or (ii) the debit balance on the Class G Principal Deficiency Sub-ledger is less than 25% of the Principal Amount Outstanding of the Class G Notes on such Interest Payment Date;

Class G Principal Deficiency Sub-ledger means a sub-ledger on the Principal Deficiency Ledger in respect of the Class G Notes;

Class H Noteholders means the persons who are for the time being the holders of the Class H Notes;

Class H Notes means the £25,000,000 Class H Asset Backed Fixed Rate Notes due May 2028;

Class H Notes Interest Amount means the amount of interest payable in respect of the Class H Notes;

Class H Notes Principal Amount means the Principal Amount Outstanding in respect of all Class H Notes on any date;

Class H PDL Condition means that, on any Interest Payment Date, either (i) the Class H Notes are the Most Senior Class of Notes or (ii) there is no debit balance on the Class H Principal Deficiency Sub-ledger on such Interest Payment Date;

Class H Principal Deficiency Sub-ledger means a sub-ledger on the Principal Deficiency Ledger in respect of the Class H Notes;

Class of Notes means the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes or the Class H Notes or any combination of them;

Clean Up Call Option means the option exercisable by the Seller pursuant to Condition 6.2(a);

Clearing System means Euroclear and Clearstream;

Clearstream means Clearstream Banking, *société anonyme*;

Closing Date means 23 March 2020 or such later date as may be agreed between the Issuer, the Seller and the Joint Lead Managers;

Collections means, in respect of each Purchased Receivable, all amounts of cash received by the Servicer in respect of Purchased Receivables deriving from such Related Loan Contract or Ancillary Rights from the Borrower or a third party on and from the Cut-off Date and, for the avoidance of doubt, any amounts representing the Financed Vehicle Sales Proceeds and the proceeds of any Bad Debt Sales;

Collections Account Bank means, as at the Closing Date, Lloyds Bank plc, acting through its office at 25 Gresham Street, London EC2V 7HN;

Collections Account Declaration of Trust means the collections account declaration of trust dated 21 September 2010, as supplemented by supplemental deeds dated 18 December 2012, 16 July 2013, 18 October 2013, 18 March 2014, 20 October 2014, 20 April 2015, 18 April 2016, 19 December 2016, 18 April 2017, 19 February 2018 and 13 February 2019 and as further supplemented by the twelfth supplemental deed to the amended and restated collections account declaration of trust dated on or about the Closing Date between, among others, the Originator and the Security Trustee, whereby the Originator declares a trust over certain accounts;

Collections Accounts means the accounts held in the name of the Servicer into which amounts received in respect of the Purchased Receivables will be paid (each a **Collections Account**);

Common Safekeeper means the common safekeeper, as elected by the Principal Paying Agent pursuant to clause 2.6 of the Agency Agreement;

Concentration Limits means each of the following requirements:

- (a) on the relevant Calculation Date, the weighted average Annual Percentage Rate of all Purchased Receivables (including any Further Purchased Property identified in any Notice of Sale to be purchased on the next following Interest Payment Date and any Substitute Receivables identified in any Notice of Sale to be transferred on the next following Interest Payment Date) is at least equal to 6.0 per cent. per annum;
- (b) on the relevant Calculation Date, the weighted average remaining term of the Loan Contracts relating to all Purchased Receivables (including any Further Purchased Property identified in any Notice of Sale to be purchased on the next following Interest Payment Date and any Substitute Receivables identified in any Notice of Sale to be transferred on the next following Interest Payment Date) does not exceed 45 months;
- (c) on the relevant Calculation Date, the percentage of the aggregate Outstanding Principal Balance of Purchased Receivables relating to Loan Contracts that constitute Conditional Sale Agreements (including any Further Purchased Property identified in any Notice of Sale to be purchased on the next following Interest Payment Date and any Substitute Receivables identified in any Notice of Sale to be transferred on the next following Interest Payment Date) where the related Financed Vehicles are used cars does not exceed 22 per cent.;
- (d) on the relevant Calculation Date, the balloon payment element of all Purchased Receivables (including any Further Purchased Property identified in any Notice of Sale to be purchased on the next following Interest Payment Date and any Substitute Receivables identified in any Notice of Sale to be transferred on the next following Interest Payment Date) that constitute PCP Agreements does not exceed 40 per cent. of the aggregate Outstanding Principal Balance of all Purchased Receivables;

- (e) on the relevant Calculation Date, the aggregate Outstanding Principal Balance of Purchased Receivables relating to a Loan Contract pertaining to a Financed Vehicle not manufactured by the Vauxhall brand does not exceed 10 per cent. of the aggregate Outstanding Principal Balance of all Purchased Receivables;
- (f) on the relevant Calculation Date, the aggregate Outstanding Principal Balance of Purchased Receivables relating to a Borrower does not exceed 2 per cent. of the aggregate Outstanding Principal Balance of all Purchased Receivables in accordance with Article 243 of the CRR;
- (g) on the relevant Calculation Date, the aggregate Outstanding Principal Balance of Purchased Receivables relating to a Loan Contract in respect of a Financed Vehicle that runs on diesel fuel does not exceed 15 per cent. of the aggregate Outstanding Principal Balance of all Purchased Receivables;
- (h) on the relevant Calculation Date, the aggregate Outstanding Principal Balance of Purchased Receivables relating to Loan Contracts that constitute PCP Agreements in respect of new Financed Vehicles does not exceed 65 per cent. of the aggregate Outstanding Principal Balance of all Purchased Receivables; and
- (i) on the relevant Calculation Date, the aggregate Outstanding Principal Balance of Purchased Receivables relating to Loan Contracts that constitute PCP Agreements in respect of used Financed Vehicles does not exceed 8 per cent. of the aggregate Outstanding Principal Balance of all Purchased Receivables.

Conditional Sale Agreement means fixed interest rate, usually fully amortising level payment sale contracts entered into by the Seller and Borrowers, which are secured by retention of title over a Financed Vehicle;

Conditions means the terms and conditions of the Notes set out in the Trust Deed and as may be modified in accordance with the Trust Deed and any reference to a particular numbered Condition shall be construed accordingly and references in the Conditions to paragraphs shall be construed as paragraphs of such Conditions;

Corporate Services Agreement means the agreement dated on or about the Closing Date among, *inter alios*, the Issuer, Holdings, the Share Trustee and the Corporate Services Provider;

Corporate Services Provider means, as at the Closing Date, Intertrust Management Limited whose registered office is at 1 Bartholomew Lane, London EC2N 2AX, UK, in its capacity as such under the Corporate Services Agreement;

CPR means constant per annum rates of prepayment;

CRA 3 Regulation means Regulation (EC) No 1060/2009 as amended;

Credit and Collection Procedures means the origination, credit and collection procedures employed by the Servicer from time to time in relation to the provision of Services;

Critical Obligations Rating or **COR** means the rating assigned to a relevant entity by DBRS to address the risk of default of particular obligations and/or exposures of certain banks that have a higher probability of being excluded from bail-in and remaining in a continuing bank in the event of the resolution of a troubled bank than other senior unsecured obligations;

CRR Amendment Regulation means Regulation (EU) 2017/2401;

CSA Account means the account or accounts opened by the Issuer with the Account Bank, or another institution with the Account Bank Ratings, into which Swap Collateral will be posted by the Swap Counterparty pursuant to the Swap Agreement which, for the avoidance of doubt, shall include if applicable any custody account in respect of any securities posted as collateral under the Swap Agreement;

Cumulative Net Loss Ratio means, for any Interest Payment Date, a ratio which shall be calculated as (a) (i) the aggregate Outstanding Principal Balance of the Purchased Receivables which have become Defaulted Amounts, PCP Handback Receivables or Voluntarily Terminated Receivables in any Calculation Period immediately preceding an Interest Payment Date *minus* (ii) an amount equal to the aggregate Recoveries in any Calculation Period immediately preceding an Interest Payment Date divided by (b) the sum of (i) the aggregate Outstanding Principal Balance of the Purchased Receivables comprised in the Issuer Assets (whether purchased on the Closing Date or on a Further Purchase Date); and (ii) the aggregate Outstanding Principal Balance of any Purchased Receivables to be purchased by the Issuer on such Interest Payment Date;

Cut-off Date means 29 February 2020;

Day Count Fraction means:

- (a) the Floating Rate Day Count Fraction; and
- (b) the Fixed Rate Day Count Fraction;

DBRS means DBRS Ratings Limited or any credit rating agency affiliated with DBRS Ratings Limited and included on the list of registered and certified rating agencies published by ESMA on its website in accordance with the CRA Regulation;

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+
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
CCC	Caa2	CCC	
CCC (low)	Caa3	CCC-	
CC	Ca	CC	
		C	
		C	D

DBRS Equivalent Rating means with respect to the long-term senior debt ratings, (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 paragraph (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 paragraph (i) or paragraph (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).

Dealer means any person from whom the Seller purchases a Financed Vehicle to form the subject matter of a Loan Contract;

Deed of Charge means the Deed of Charge dated the Closing Date between the Issuer, the Security Trustee and certain of the Secured Creditors pursuant to which the Issuer grants the Security in favour of the Security Trustee for the benefit of the Secured Creditors;

Defaulted Amount means, at any time, any Purchased Receivable which is accounted for as defaulted by the Servicer in accordance with the Credit and Collection Procedures;

Defaulting Party has the meaning given to it in the 1992 ISDA Master Agreement;

Deferred Interest has the meaning given to it in Condition 15.1 (Deferred Interest);

Deferred Purchase Price means the consideration payable to the Seller in respect of the Receivables sold to the Issuer, which is due and payable under the terms of the Receivables Sale and Purchase Agreement in accordance with the relevant Priority of Payments in an amount equal to (prior to the service of a Note Acceleration Notice) the Available Interest Distribution Amount to be applied on each Interest Payment Date less all amounts due in respect of items (1) to (33) of the Interest Priority of Payments and (following service of a Note Acceleration Notice) all amounts available to the Issuer to be applied in accordance with the

Accelerated Priority of Payments less all amounts due in respect of items (1) to (12) and (15) of the Accelerated Priority of Payments, plus in each case the Permitted Withdrawals;

Definitive Notes means any Notes issued in definitive bearer form and serially numbered pursuant to Condition 1.3 (Form, Denomination and Title);

Delinquent Receivable means, at any time, any Purchased Receivable in the Issuer Assets which is not a Defaulted Amount (i) in respect of which all or part of any Monthly Payment is not paid on its Specified Interest Date and which remains unpaid in whole or in part for a period of 31 days or more from the Specified Interest Date to which such Monthly Payment relates (for the avoidance of doubt, all payments received in respect of any Purchased Receivable in the Issuer Assets shall be allocated first towards discharge of any arrears owing in respect of such Purchased Receivable, commencing with the earliest of such arrears) or (ii) which would be classified as a delinquent receivable in accordance with the applicable Credit and Collection Procedures;

Discount Rate means, in respect of any Purchased Receivable, the Annual Percentage Rate applicable to such Purchased Receivable as calculated by the Servicer in accordance with the Actuarial Method;

Distribution Day means the day on which the Cumulative Net Loss Ratio is calculated by the Calculation Agent;

EEA means the European Economic Area;

Eligibility Criteria means the eligibility criteria for the Purchased Receivables set out in the Receivables Sale and Purchase Agreement;

Eligible Receivable means a Receivable which satisfies the Eligibility Criteria and the Receivables Warranties;

EMIR means Regulation (EU) No 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories (as amended, modified and/or restated from time to time) and/or any supplementing regulations, provisions or regulatory or implementing technical standards (each as amended, modified and/or restated from time to time) being effected under or in connection with Regulation (EU) No 648/2012;

Encumbrance means any mortgage, sub-mortgage, security assignment or assignation, standard security, charge, sub-charge, pledge, lien, right of set-off or other encumbrance or security interest of any kind, however created or arising, including anything analogous to any of the foregoing under the laws of any jurisdiction but excludes (a) a right of counterclaim or (b) a right of set-off or analogous rights arising by contract or operation of law not constituting a mortgage, charge or other encumbrance under applicable law;

English Receivables means those Purchased Receivables contained in the Issuer Assets where the address of the Borrower as set out in the Loan Contract at the time of origination is in England and Wales;

ESMA means the European Security and Markets Authority;

EU means the European Union;

EU Insolvency Regulation means Regulation (EU) 2015/848 of the European Parliament and of the Council of 20 May 2015 on insolvency proceedings;

Euroclear means Euroclear Bank S.A./N.V.;

Euronext Dublin means the Irish Stock Exchange trading as Euronext Dublin;

Event of Default has the meaning given to it in Condition 9.1 (Events of Default);

Excess Recoveries Amount means an amount equal to any amounts received by the Issuer which is in excess of the aggregate of amounts due by a Borrower in respect of a Purchased Receivable (including related fees and costs associated with any Recoveries) either as a result of any indemnity amounts received from Dealers, insurers or other third parties or following a Purchased Receivable becoming a Defaulted Amount, a PCP Handback Receivable or a Voluntarily Terminated Receivable (including, but not limited to, any Financed Vehicle Sales Proceeds and the proceeds of any Bad Debt Sales);

Excess Swap Collateral means an amount of Swap Collateral with a value (determined in accordance with the provisions of the Swap Agreement) equal to the excess of the value of the Swap Collateral (or the applicable part thereof) over the Swap Counterparty's liability (prior to any netting in respect of the Swap Collateral) under the Swap Agreement as at the date of termination of the Swap Agreement or which it is otherwise entitled to have returned to it under the terms of the Swap Agreement;

Excluded Receivables Amount means all late payment fees, prepayment charges and other administrative fees and expenses or similar charges allowed by applicable law and which the Originator applies, in the ordinary course of its business, with respect to amounts owed in respect of any Purchased Receivables and any amount allocable to VAT in respect of the sale of a Financed Vehicle;

Excluded Rights means any and all rights connected to any Excluded Receivables Amount;

Extraordinary Resolution means (a) a resolution passed at a General Meeting duly convened and held in accordance with the Trust Deed by a majority consisting not less than three-fourths of the Eligible Persons voting thereat upon a show of hands or, if a poll is duly demanded, by a majority consisting not less than three-fourths of the votes cast on such poll or (b) a resolution in writing signed by or on behalf of the Noteholders of not less than three-fourths in aggregate Principal Amount Outstanding of the Notes which resolution may be contained in one document or in several documents in like form each signed by or on behalf of one or more of the Noteholders;

FATCA means:

- (a) sections 1471 to 1474 of the US Internal Revenue Code and the Treasury regulations and official guidance issued thereunder, as amended from time to time (**US FATCA**);
- (b) any inter-governmental agreement between the United States and any other jurisdiction entered into in connection with US FATCA (an **IGA**);
- (c) any treaty, law, regulation or official guidance enacted, issued or amended in any jurisdiction which facilitates the implementation of US FATCA or an IGA (**Implementing Law**); and
- (d) any agreement entered into with the US Internal Revenue Service, the US government or any governmental or Tax authority in any other jurisdiction in connection with US FATCA, an IGA or any Implementing Law;

FCA means the Financial Conduct Authority;

FFIs means foreign financial institutions for the purpose of FATCA;

Final Class D Interest Payment Date means the Interest Payment Date on which the Principal Amount Outstanding of the Class D Notes is zero;

Final Determined Amount means the current value of Defaulted Amounts and Delinquent Receivables at the end of the immediately preceding Calculation Period as determined in accordance with standard market

practice (taking into account expected recoveries to be obtained from the Borrower) by a third party (which, for the avoidance of doubt, includes Vauxhall Finance) appointed by the Issuer;

Final Legal Maturity Date means the Interest Payment Date falling in May 2028;

Final Receivables means on any Interest Payment Date, all Purchased Receivables then owned by (or held in trust by the Seller pursuant to the Transaction Documents for) the Issuer;

Final Redemption Date means the Final Legal Maturity Date or, if earlier, the date on which the Principal Amount Outstanding under the Notes has been repaid in full by the Issuer;

Final Repurchase Price means an amount equal to the sum of (A) the Outstanding Principal Balance of such Final Receivables (other than the Defaulted Amounts or Delinquent Receivables) at the end of the immediately preceding Calculation Period; (B) for Defaulted Amounts and Delinquent Receivables, the Final Determined Amount; and (C) all other amounts accrued due and payable under the Loan Contracts from which the Final Receivables derive on or prior to the end of the immediately preceding Calculation Period which have not been paid;

Financed Vehicle means in relation to any Loan Contract, the motor vehicle which is (or the motor vehicles which are) the subject of that Loan Contract;

Financed Vehicle Sales Proceeds means the proceeds directly arising from the sale or disposal of any Financed Vehicle returned to or recovered by or on behalf of the Seller;

Fitch means Fitch Ratings Ltd and any successor to its ratings business;

Fixed Rate Day Count Fraction has the meaning given to it in Condition 4.4 (Determination of Interest Amounts);

Floating Rate Day Count Fraction means, with respect to the Floating Rate Notes, the actual number of days in the relevant Interest Period divided by 365;

Floating Rate Notes means the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Class G Notes;

FSMA means the Financial Services and Markets Act 2000, as amended;

Further Purchase Cut-off Date means the Calculation Date immediately preceding a Further Purchase Date;

Further Purchase Date means an Interest Payment Date falling in the Revolving Period;

Further Purchased Property means the Receivables and related Ancillary Rights sold by the Seller to the Issuer on a Further Purchase Date in accordance with the terms of the Receivables Sale and Purchase Agreement (and in respect of any Scottish Receivables and their related Ancillary Rights, held in trust pursuant to the relevant Scottish Declaration of Trust);

GAAP means generally accepted accounting principles in the UK;

General Meeting means a meeting of the Noteholders or of any one or more Classes of Noteholders and, except where the context otherwise requires, includes a meeting resumed following an adjournment;

Global Notes has the meaning given to that term in Condition 1.1 (Form, Denomination and Title);

Gross Loss Amount means an amount equal to the Outstanding Principal Balance of the Purchased Receivables which have become Defaulted Amounts, PCP Handback Receivables or Voluntarily Terminated Receivables in a Calculation Period immediately preceding an Interest Payment Date;

Gross Recovery Amount means an amount equal to Recoveries realised in a Calculation Period immediately preceding an Interest Payment Date;

Hedging Arrangement means each fixed/floating interest rate swap transaction entered into by the Issuer with the Swap Counterparty in order to address certain risks arising as a result of a fixed rate of interest payable under the Purchased Receivables and the floating rate of interest payable by the Issuer under the Rated Notes;

HMRC means Her Majesty's Revenue & Customs;

Holdings means E-CARAT 11 Holdings Limited, a limited liability company incorporated under the laws of England and Wales (with registered number 12200911) and whose registered office is at 1 Bartholomew Lane, London EC2N 2AX, UK;

Income Element means, in relation to each Purchased Receivable, all amounts to be received from or on behalf of the Borrower in respect of such Purchased Receivable other than any amounts received in respect of any Principal Element of that Purchased Receivable and including, for the avoidance of doubt, all fees (other than any option fees) costs, any interest charged on interest and expenses received in respect of the Purchased Receivables;

Indebtedness means (without double-counting) any indebtedness of any person for or in respect of:

- (a) monies borrowed;
- (b) any amount raised by acceptance under any acceptance credit facility;
- (c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument;
- (d) the amount of any liability in respect of any conditional sale contract which would, in accordance with GAAP, be treated as a finance or capital lease;
- (e) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);
- (f) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing;
- (g) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the marked-to-market value shall be taken into account);
- (h) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; and
- (i) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (a) to (h) above;

Initial Principal Amount means the Principal Amount Outstanding of a Note at the Closing Date;

Initial Purchase Price means the amount, determined as at the Closing Date, as being an amount equal to the aggregate Outstanding Principal Balance due from Borrowers under the Related Loan Contract (which for the avoidance of doubt shall include any option fees and fees payable) during the period beginning on (but excluding) the Closing Date (or in respect of the Further Purchased Property, the relevant Further Purchase Date) and ending on (and including) the maturity date of such Related Loan Contract plus, to the extent not included in the Outstanding Principal Balance, any capitalised interest and arrears;

Initial Purchased Property means the Receivables and related Ancillary Rights sold by the Seller to the Issuer on the Closing Date in accordance with the terms of the Receivables Sale and Purchase Agreement (and in respect of any Scottish Receivables and their related Ancillary Rights, held in trust pursuant to an initial Scottish Declaration of Trust);

Insolvency Administrator means any person (being a licensed insolvency practitioner) who is appointed by the Security Trustee (whether out of court or otherwise) to act jointly, independently, or jointly and severally, as an insolvency administrator of the Issuer or of all or any part of the Charged Property;

Insolvency Event means in respect of a relevant entity (each a **Relevant Entity**):

- (a) an order is made or an effective resolution passed for the winding-up of the Relevant Entity, except a winding-up for the purposes of or pursuant to an amalgamation or reconstruction, and in respect of the Issuer only the terms of which have previously been approved by the Note Trustee in writing; or
- (b) the Relevant Entity, otherwise than for the purposes of such amalgamation or reconstruction as is referred to in paragraph (a) above, ceases or, through an authorised action of its board of directors, threatens to cease to carry on all or substantially all of its business or admits its inability to pay its debts as they fall due or is unable to pay its debts within the meaning of section 123(1) of the Insolvency Act 1986 (other than, except in the case of the Issuer, subsection 123(1)(a)) or 123(2) of the Insolvency Act 1986 or, where applicable, sections 222 to 224 of the Insolvency Act 1986; or
- (c) proceedings, corporate action or other steps shall be initiated against the Relevant Entity under any applicable liquidation, insolvency, bankruptcy, composition, reorganisation or other similar laws (including, but not limited to, presentation of a petition for an administration order, the filing of documents with the court for the appointment of an insolvency administrator, the service of a notice of intention to appoint an insolvency administrator or the taking of any steps to appoint an insolvency administrator) and (except in the case of presentation of a petition for an administration order, the filing of documents with the court for the appointment of an insolvency administrator, the service of a notice of intention to appoint an insolvency administrator or the taking of any steps to appoint an insolvency administrator) such proceedings are not being disputed in good faith with a reasonable prospect of success or an administration order shall be granted or the appointment of an insolvency administrator takes effect or an administrative receiver or other receiver, liquidator, trustee in sequestration or other similar official shall be appointed in relation to the Relevant Entity or in relation to the whole or any substantial part of the undertaking or assets of the Relevant Entity, or an encumbrancer (other than the Issuer, the Security Trustee or the Note Trustee) shall take possession of the whole or any substantial part of the undertaking or assets of the Relevant Entity, or a distress, execution or diligence or other process shall be levied or enforced upon or sued out against the whole or any substantial part of the undertaking or assets of the Relevant Entity and such possession or process (as the case may be) shall not be discharged or otherwise ceases to apply within thirty days of its commencement, or the Relevant Entity (or its directors or shareholders) initiates or consents to judicial proceedings relating to itself under applicable liquidation, insolvency, bankruptcy, composition, reorganisation or other similar laws or makes a conveyance or assignment or assignation for the benefit of its creditors generally or takes steps with a view to obtaining a moratorium in respect of any indebtedness;

- (d) where the Relevant Entity is the Seller, any corporate action, legal proceedings or other procedure or step is taken in relation to an encumbrancer or other security holder taking possession of (or otherwise enforcing any Security over) the whole or any part of the undertaking or assets of such company; or
- (e) any event occurs which, under English law or any applicable law, has an analogous effect to any of the events referred to in paragraph (a), (b) or (c) above;

Insolvency Official means, in respect of any company, a liquidator, provisional liquidator, insolvency administrator (whether appointed by the court or otherwise), bank insolvency administrator, bank liquidator, administrative receiver, receiver or manager, nominee, supervisor, trustee in bankruptcy, conservator, guardian or other similar official in respect of such company or in respect of all (or substantially all) of the company's assets or in respect of any arrangement or composition with creditors or any equivalent or analogous officer under the law of any jurisdiction;

Insolvency Proceedings means the winding-up, dissolution, company voluntary arrangement or administration of a company or corporation and shall be construed so as to include any equivalent or analogous proceedings under the law of the jurisdiction in which such company or corporation is incorporated or of any jurisdiction in which such company or corporation carries on business, including the seeking of liquidation, winding-up, reorganisation, dissolution, administration, arrangement, adjustment, protection or relief from creditors or the appointment of an Insolvency Official;

Insurance Distribution Directive means Directive (EU) 2016/97, as amended or superseded;

Interest Determination Date has the meaning given to it in Condition 4.3(d)(i) (Rate of Interest);

Interest Payment Date means the 18th day of each calendar month, except if such day is not a Business Day, in which case it shall be the next succeeding Business Day unless such day falls in the next month, in which case it shall be the preceding Business Day. The first Interest Payment Date shall fall on 18 May 2020 (subject to adjustment in accordance with the Business Day Convention);

Interest Period means each period from (and including) an Interest Payment Date and ending on (but excluding) the next Interest Payment Date provided that the first Interest Period shall be the period from (and including) the Closing Date and ending on (but excluding) the Interest Payment Date falling in May 2028;

Interest Priority of Payments means the priority of payments for the application of the Available Interest Distribution Amount prior to service of a Note Acceleration Notice as set out in the Cash Management Agreement;

Interest Rates has the meaning given to it in Condition 4.3(b) (Rate of Interest);

Irish Listing Agent means Walkers Listing Services Limited whose registered office is at 5th Floor, The Exchange, George's Dock, IFSC Dublin 1, Ireland ;

Irish Prospectus Regulations means the Prospectus (Directive 2003/71 EC) Regulations 2005 of the Republic of Ireland;

Irrecoverable VAT means any amount in respect of VAT incurred by a party to a Transaction Document (for the purposes of this definition, a **Relevant Party**) to the extent that the Relevant Party does not or will not receive and retain a credit or repayment of such VAT as input tax (as that expression is defined in Section 24(1) of the Value Added Tax Act 1994) for the prescribed accounting period (as that expression is used in Section 25(1) of the Value Added Tax Act 1994) to which such input tax relates;

Issuer means E-CARAT 11 plc (with registered number 12201217), whose registered office is at 1 Bartholomew Lane, London EC2N 2AX, UK, as issuer of the Notes;

Issuer Accounts means the bank accounts which the Issuer agrees to maintain, pursuant to the terms of the Account Bank Agreement, including the Transaction Account, any CSA Account, the Reinvestment Principal Account, the Issuer Retained Profit Account, the Liquidity Reserve Account and any other bank account of the Issuer or in respect of which the Issuer at any time has an interest or, where the context requires, any of them;

Issuer Assets means the Purchased Receivables and all other assets and rights relating to the Related Loan Contracts purported to be transferred or granted to the Issuer, pursuant to the Receivables Sale and Purchase Agreement;

Issuer Available Cash means the monies standing from time to time to the credit of the Issuer Accounts;

Issuer Liquidation Event means any of the following events: (a) the aggregate Outstanding Principal Balance of the Purchased Receivables which are unmatured is lower than 10% of the maximum aggregate Outstanding Principal Balance of the Purchased Receivables which are unmatured as of the Closing Date; or (b) the Notes issued by the Issuer are held solely by the Seller and the Seller requests the liquidation of the Issuer;

Issuer Liquidation Notice means a written notice which is given by the Seller to the Issuer and the Noteholders in accordance with Condition 14 (*Notice to the Noteholders*) upon the occurrence and continuation of a Issuer Liquidation Event;

Issuer Profit Amount means an amount equal to £100 as at each Interest Payment Date (£1,200 *per annum*);

Issuer Retained Profit Account means the account of the same name maintained by the Cash Manager in accordance with the Cash Management Agreement;

Joint Lead Managers means BNP Paribas, London Branch acting through its branch at 10 Harewood Avenue, London, NW1 6AA and Lloyds Bank Corporate Markets plc, with its registered office at 25 Gresham Street, London EC2V 7HN;

Last Receivable Maturity Date means 28 January 2025;

Ledger Accounts means the Revenue Deficiency Account, the Principal Deficiency Ledger (and sub-ledgers), the Liquidity Reserve Account and the Issuer Retained Profit Account;

Limited Recourse has the meaning given to it in Condition 10 (Enforcement);

Liquidating Receivable means a Purchased Receivable in the amount the Servicer:

- (a) has reasonably determined, in accordance with its customary servicing procedures, that eventual payment of amounts owing on such Receivable is unlikely (and that, therefore, the requirements for a write-off of such Receivables in accordance with the customary practices of the Seller are met), or
- (b) has repossessed and disposed of the Financed Vehicle

(it being understood that paragraph (a) above applies in respect of the Receivables that cannot be satisfied out of any proceeds from the disposal of a Financed Vehicle) and in each case to the extent such amount will constitute a loss in the books of the Issuer;

Liquidity Reserve Amount means, on any date, the amount standing to the credit of the Liquidity Reserve Account in the Transaction Account (before making the calculations required to be made on such Interest Payment Date);

Liquidity Reserve Account means the account of the same name maintained by the Cash Manager in accordance with the Cash Management Agreement;

Liquidity Reserve Proceeds means the portion of the loan advanced by the Subordinated Lender to the Issuer under the Subordinated Loan Agreement in an amount equal to the higher of £200,000 and 1% of the aggregate Principal Amount Outstanding of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes as at the Closing Date to establish the Liquidity Reserve Amount;

Liquidity Reserve Shortfall means a shortfall that will occur if the amount standing to the credit of the Liquidity Reserve Account on any Interest Payment Date, after crediting the Liquidity Reserve Account in accordance with item (7) of the Interest Priority of Payments, falls short of the Liquidity Reserve Target Amount on the Calculation Date immediately preceding such Interest Payment Date;

Liquidity Reserve Target Amount means, on any Interest Payment Date up to the Final Class D Interest Payment Date, an amount equal to the higher of: (i) 1% of the aggregate of the Principal Amount Outstanding of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes on such Interest Payment Date; and (ii) 0.5% of the aggregate of the Principal Amount Outstanding of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes on the Closing Date, and thereafter, zero;

Loan Contract means any PCP Agreement and any Conditional Sale Agreement (including any modifying agreements supplemental thereto relating to any replacement motor vehicle which becomes the subject matter of any such PCP Agreement or Conditional Sale Agreement (as the case may be) in substitution for the original motor vehicle), from which any Receivable derives;

Long-Term DBRS Rating means, at any time, with respect to any entity:

- (a) its Critical Obligations Rating; or
- (b) if no Critical Obligations Rating has been assigned by DBRS, the higher of (i) the solicited public issuer rating assigned by DBRS to such entity or (ii) the solicited public rating assigned by DBRS to such entity's long-term senior unsecured debt obligations; or
- (c) if no such solicited public rating has been assigned by DBRS, the corresponding DBRS Equivalent Rating;

Loss or **Liability** means in respect of any person, any loss, liability, damages, cost, expense, claim, action, suit or judgment which such person may incur or which may be made against such person, including (without limitation):

- (a) any consequential loss or loss of profit;
- (b) the fees and expenses of any professional adviser to such person;
- (c) the cost of funds of such person;
- (d) the costs of investigation and defence; and
- (e) any Irrecoverable VAT payable in respect of any such amount;

LTV means in relation to each Financed Vehicle financed by a Loan Contract, an amount equal to the Outstanding Principal Balance of the Receivable divided by the purchase price of such Financed Vehicle on the date the Receivable was first originated (but after deducting the amount of any fees or amounts advanced in respect of any insurances);

Master Agreement Definitions Schedule means the master agreement definitions schedule dated the Closing Date between, among others, the Issuer, the Joint Lead Managers, the Seller, the Servicer, the Back-Up Servicer Facilitator, the Subordinated Lender, Holdings, the Note Trustee, the Security Trustee, the Paying Agents, the Agent Bank, the Account Bank, the Cash Manager, the Calculation Agent, the Corporate Services Provider, the Swap Counterparty;

Member State means any of the member states of the European Union;

MiFID II means Directive 2014/65/EU, as amended;

Modified Following Business Day Convention or **Business Day Convention** means the business day convention under which, where a relevant date falls on a day which is not a Business Day, that date will be adjusted so that it falls on 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;

Monthly Investor Report means the monthly servicing and cash management report prepared by the Cash Manager in accordance with the Cash Management Agreement;

Monthly Payment means each monthly payment due from a Borrower under the Loan Contract to which such Borrower is a party;

Monthly Payment Date means the date on which each Monthly Payment is due;

Most Senior Class of Notes means, at any time:

- (a) the Class A Notes; or
- (b) if no Class A Notes are then outstanding, the Class B Notes (if at that time any of the Class B Notes are then outstanding); or
- (c) if no Class A Notes or no Class B Notes are then outstanding, the Class C Notes (if at that time any of the Class C Notes are then outstanding); or
- (d) if no Class A Notes, Class B Notes or Class C Notes are then outstanding, the Class D Notes (if at that time any of the Class D Notes are then outstanding); or
- (e) if no Class A Notes, Class B Notes, Class C Notes or Class D Notes are then outstanding, the Class E Notes (if at that time any of the Class E Notes are then outstanding); or
- (f) if no Class A Notes, Class B Notes, Class C Notes, Class D Notes or Class E Notes are then outstanding, the Class F Notes (if at that time any of the Class F Notes are then outstanding); or
- (g) if no Class A Notes, Class B Notes, Class C Notes, Class D Notes, Class E Notes or Class F Notes are then outstanding, the Class G Notes (if at that time any of the Class G Notes are then outstanding); or
- (h) if no Class A Notes, Class B Notes, Class C Notes, Class D Notes, Class E Notes, Class F Notes or Class G Notes are then outstanding, the Class H Notes (if at that time any of the Class H Notes are then outstanding);

Negative Carry Event means an event that occurs if, on any two consecutive Interest Payment Dates, the balance of the Reinvestment Principal Account exceeds 10% of the Outstanding Principal Balance of the Purchased Receivables comprised in the Issuer Assets as at the Calculation Date immediately preceding the relevant Interest Payment Date;

Net Loss Amount means the higher of (i) nil and (ii) the Gross Loss Amount minus the Gross Recovery Amount realised in the same Calculation Period;

Net Recovery Amount means the higher of (i) nil and (ii) the Gross Recovery Amount minus the Gross Loss Amount in the same Calculation Period;

Non-Compliant Receivable means each Purchased Receivable in respect of which either (i) any Receivables Warranty proves to have been incorrect on the date on which the relevant Receivables Warranty is given and remains incorrect, or has never existed, or (ii) in respect of the Receivables Warranties relating to Concentration Limits, those Purchased Receivables (as selected by the Seller acting reasonably) which if removed from the Portfolio would mean that the remaining Purchased Receivables that are not Non-Compliant Receivables would meet the Receivables Warranties relating to the Concentration Limits;

Non-Compliant Receivables Repurchase Price means in respect of a Non-Compliant Receivable, an amount, calculated by the Servicer, equal to the Outstanding Principal Balance of the applicable Non-Compliant Receivable as at the Closing Date (or if such Non-Compliant Receivable is Further Purchased Property, the relevant Further Purchase Date or a Substitute Receivable, the relevant Substitution Date), less any amounts received by the Issuer in respect of any Principal Element relating to such Purchased Receivable plus any accrued income in respect thereof immediately prior to the PCP Refinancing Variation being made (in respect of a Purchased Receivable that has been modified pursuant to a PCP Refinancing Variation) or as at the date of the repurchase (in respect of any other Non-Compliant Receivable);

Non-Permitted Variation means any change to a Loan Contract that relates to a Purchased Receivable which has the effect of:

- (a) reducing the Amount Financed;
- (b) reducing the Annual Percentage Rate;
- (c) reducing the total number of Monthly Payments; or
- (d) extending the term of the Purchased Receivable such that the last Monthly Payment Date falls after the Last Receivable Maturity Date,

but shall not, for the avoidance of doubt, include any action taken with respect to the Servicer's arrears management process in accordance with its Credit and Collection Procedures;

Normal Redemption Period means the period which:

- (a) shall commence on and from the Interest Payment Date on which the Revolving Period ends; and
- (b) shall end on the earlier of:
 - (i) the date on which the Principal Amount Outstanding of each Class of Notes is reduced to zero; or
 - (ii) the Final Legal Maturity Date; or
 - (iii) the Interest Payment Date following the service of a Note Acceleration Notice;

Northern Irish Receivables means those Receivables contained in the Issuer Assets where the address of the Borrower as set out in the Loan Contract at the time of origination is in Northern Ireland;

Note Acceleration Notice has the meaning given to it in Condition 9.1 (Events of Default);

Note Subscription Agreement means the note subscription agreement in respect of the Notes expected to be dated on or prior to the Closing Date between, among others, the Issuer, the Seller and the Joint Lead Managers in respect of the subscription of the Notes;

Note Tax Event has the meaning given to it in Condition 6.2(c) (Mandatory redemption pursuant to the exercise of the Tax Call Option);

Note Trustee means, as at the Closing Date, HSBC Corporate Trustee Company (UK) Limited;

Noteholders means (i) in relation to any Notes represented by a Global Note, each person who is for the time being shown in the records of Euroclear and/or Clearstream as the holder of a particular principal amount of such Notes (other than Euroclear and/or Clearstream) (in which regard any certificate or other document issued by Euroclear and/or Clearstream as to the principal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) (other than for the purpose of payments in respect thereof, the right to which shall be vested, as against the Issuer, any Paying Agent, the Note Trustee, the Security Trustee and all other persons, solely in the bearer of the relevant Global Note in accordance with and subject to its terms and for which purpose **Noteholder** means the bearer of the Global Note); and (ii) in relation to any Notes represented by Definitive Notes, the bearer of such Definitive Notes, in each case related expressions shall (where appropriate) be construed accordingly;

Notes means the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes and the Class H Notes or, where the context requires, any of them and includes the Global Notes and any Definitive Notes;

Notice of Sale means a notice regarding the sale of Further Purchased Property and their related Ancillary Rights in, or substantially in, the form of the document so named set out in the Receivables Sale and Purchase Agreement;

OFT means the Office of Fair Trading;

Ordinary Resolution means a resolution passed at a meeting duly convened and held in accordance with the Trust Deed by not less than 50 per cent. of the Eligible Persons voting thereat on a show of hands or, if a poll is duly demanded, by a simple majority of the votes cast on such poll;

Originator means Vauxhall Finance plc (registered number 00275607), whose registered office is at Heol-y-Gamlas, Parc Nantgarw, Cardiff CF15 7QU, UK, in its capacity as originator of the Receivables;

outstanding means in relation to the Notes all the Notes issued other than:

- (a) those Notes which have been redeemed in full pursuant to the Conditions;
- (b) those Notes in respect of which the date for redemption in accordance with the Conditions has occurred and the redemption moneys (including all interest payable thereon) have been duly paid to the Note Trustee or to the Principal Paying Agent in the manner provided in the Agency Agreement (and where appropriate notice to that effect has been given to the relevant Noteholders in accordance with the Conditions) and remain available for payment against presentation of the relevant Notes;
- (c) those Notes which have been purchased and cancelled in accordance with the Conditions;

- (d) those Notes which have become void under Condition 8 (Prescription);
- (e) those mutilated or defaced Notes which have been surrendered and cancelled and in respect of which replacements have been issued pursuant to Condition 13 (Replacement of Global Notes);
- (f) (for the purpose only of ascertaining the Principal Amount Outstanding of the Notes outstanding and without prejudice to the status for any other purpose of the relevant Notes) those Notes which are alleged to have been lost, stolen or destroyed and in respect of which replacements have been issued pursuant to Condition 13 (Replacement of Global Notes); and
- (g) any Global Note to the extent that it shall have been exchanged for another Global Note in respect of the Notes of the relevant Class or for the Notes of the relevant Class in definitive form pursuant to its provisions;

provided that for each of the following purposes, namely:

- (i) the right to attend and vote at any meeting of the Noteholders of any Class of Notes, an Extraordinary Resolution in writing or an Ordinary Resolution in writing and any direction or request by the holders of Notes of any Class of Notes;
- (ii) the determination of how many and which Notes are for the time being outstanding for the purposes of Conditions 9 (Events of Default) and 10 (Enforcement);
- (iii) any right, discretion, power or authority (whether contained in the Conditions, any other Transaction Document or vested by operation of law) which the Note Trustee is required, expressly or impliedly, to exercise in or by reference to the interests of the Noteholders or any Class of Notes thereof; and
- (iv) the determination by the Note Trustee whether any event, circumstance, matter or thing is, in its opinion, materially prejudicial to the interests of the Noteholders or any Class of Notes thereof,

those Notes (if any) which are for the time being held by or on behalf of or for the benefit of the Issuer, the Originator or any Subsidiary of either of them, in each case as beneficial owner, shall (unless and until ceasing to be so held) be deemed not to remain outstanding, unless they are together the sole beneficial holders of the Notes;

Outstanding Balance means, on any date and in relation to each Loan Contract, the aggregate of the Principal Elements and Income Elements outstanding under such Loan Contract as shown on the relevant computer system (on the assumption that the Servicer has complied with its obligations under the Servicing Agreement);

Outstanding Principal Balance means, on any date and with respect to each Purchased Receivable, the Principal Element outstanding under the Related Loan Contract (on the assumption that the Servicer has complied with its obligations under the Servicing Agreement);

Paying Agents means the Principal Paying Agent together with any successor or additional paying agents appointed from time to time in connection with the Notes under the Agency Agreement, and **Paying Agent** means any one of them;

PCP Agreement means any agreement entered into by the Seller providing for the purchase of a Financed Vehicle under the terms of which (i) the Borrower has a contractual right to make a final balloon payment in order to acquire the legal title of the Financed Vehicle, or (ii) the related Borrower has a contractual right (as opposed to a right under applicable law) to return the Financed Vehicle financed under such agreement in lieu of making such final balloon payment;

PCP Handback Receivable means any Purchased Receivable in relation to which the Borrower returns the Financed Vehicle to the Seller in lieu of making a final balloon payment and acquiring legal title to the Financed Vehicle in accordance with the related PCP Agreement;

PCP Refinancing Variation means the entry by the Seller into a modifying agreement with a Borrower on the refinancing of a balloon payment in relation to a Loan Contract that is a PCP Agreement, but shall not, for the avoidance of doubt, include any action taken in accordance with its Credit and Collection Procedures;

PCP Residual Value means, with respect to any PCP Agreement, the Receivable representing the final balloon payment under such PCP Agreement (which is based on residual value ascribed by the Seller to the Financed Vehicle financed pursuant to such PCP Agreement in accordance with the Credit and Collection Procedures);

Perfection Event means each of the following events:

- (a) it becoming necessary by law to perfect the Issuer's legal title to the Purchased Receivables, (or procure the perfection of the Issuer's legal title to the Purchased Receivables) in accordance with the terms of the Receivables Sale and Purchase Agreement; or
- (b) unless otherwise agreed in writing by the Security Trustee, a Servicer Default occurs; or
- (c) the Seller calling for perfection or transfer of legal title by serving notice in writing to that effect on the Issuer and the Security Trustee; or
- (d) the occurrence of an Insolvency Event in respect of the Seller; or
- (e) the Seller is in breach of its obligations under the Receivables Sale and Purchase Agreement, but only if: (i) such breach, where capable of remedy, is not remedied to the reasonable satisfaction of the Security Trustee (acting in accordance with the Deed of Charge) within 90 calendar days; and (ii) S&P Global shall have provided confirmation that the then current ratings of the Notes will be withdrawn, downgraded or qualified as a result of such breach, provided further that the provisions of this paragraph shall (1) not apply if the Seller has delivered a certificate to the Security Trustee that such provisions do not form part of the triggers requiring perfection necessary in order for a securitisation to be designated or continue to be designated as a 'simple, transparent and standardised' securitisation (within the meaning of the Securitisation Regulation); and (2) be subject to such amendment as the Seller may require so long as the Seller delivers a certificate to the Security Trustee that the amendment of such event does not impact the designation as a 'simple, transparent and standardised' securitisation (within the meaning of the Securitisation Regulation);

Permanent Global Note means the permanent global notes obtained by exchanging interests in a Temporary Global Notes on and after the date which is 40 days after the Closing Date, upon certification of non-U.S. beneficial ownership by the relevant Noteholder;

Permitted Variations means any Variation which is made in accordance with the terms of the relevant Loan Contract and the applicable Credit and Collection Procedures and which is not a Non-Permitted Variation or a PCP Refinancing Variation;

Permitted Withdrawal means an amount equal to the aggregate of the following withdrawals made by the Cash Manager (as directed by the Seller) on any Business Day:

- (a) Excess Recoveries Amount;
- (b) Pre-Closing Interest Amounts; and

(c) Excluded Receivables Amount,

provided that, any such withdrawals shall (i) in any Calculation Period only be made up to a maximum amount equal to the Revenue Receipts received in such Calculation Period, (ii) be deemed to be made prior to administration of the applicable Priority of Payments and (iii) for the avoidance of doubt, shall not be included as the Available Interest Distribution Amount;

Potential Cash Manager Termination Event means any event which with the giving of notice or expiry of any grace period or certification or any combination thereof, as specified in such Cash Manager Termination Event would constitute a Cash Manager Termination Event;

Potential Event of Default means any event which will become (with the passage of time, the giving of notice, the making of any determination or any combination thereof) an Event of Default;

Potential Servicer Default means any event which with the giving of notice or expiry of any grace period or certification, as specified in such Servicer Default would constitute a Servicer Default;

Pre-Closing Interest Amounts means any amounts received by the Issuer in respect of the Initial Receivables in the Issuer Assets after the Closing Date in respect of arrears accrued prior to the Cut-off Date, other than any arrears which have been capitalised as at the Cut-off Date;

PRIIPs Regulation means Regulation (EU) No 1286/2014;

Principal Amount Outstanding has the meaning given to it in Condition 6.5;

Principal Deficiency Ledger means the ledger of such name maintained by the Cash Manager in accordance with the Cash Management Agreement comprising eight sub-ledgers, the Class A Principal Deficiency Sub-ledger, the Class B Principal Deficiency Sub-ledger, the Class C Principal Deficiency Sub-ledger, the Class D Principal Deficiency Sub-ledger, the Class E Principal Deficiency Sub-ledger, the Class F Principal Deficiency Sub-ledger, the Class G Principal Deficiency Sub-ledger and the Class H Principal Deficiency Sub-ledger;

Principal Element means, on any date and in respect of any Receivable, the present value as of such date of all scheduled Monthly Payments (including any PCP Residual Value) on such Receivable which have not been paid on or prior to such date, discounted from the last day of the calendar month in which each such payment is to become due to such date at the Discount Rate (as calculated by the Originator in accordance with the Actuarial Method);

Principal Paying Agent means, as at the Closing Date, HSBC Bank plc;

Principal Priority of Payments means the priority of payments for the application of the Available Principal Distribution Amount prior to service of a Note Acceleration Notice as set out in the Cash Management Agreement;

Principal Receipts means all amounts comprised of:

- (a) any amounts received in respect of any Principal Element of Purchased Receivables (other than Purchased Receivables that have become Defaulted Amounts, PCP Handback Receivables or Voluntarily Terminated Receivables and in respect of the repurchase price paid in respect of the repurchase or substitution of Non-Compliant Receivables in accordance with the Receivables Sale and Purchase Agreement); and
- (b) any other amounts received by the Issuer in respect of the Purchased Receivables which relate to the Principal Element of such Purchased Receivables (including, but not limited to, any amount received

by the Issuer in respect of any Principal Element in respect of the Non-Compliant Receivables Repurchase Price, the Final Repurchase Price, the CCA Compensation Payment, the Substitute Receivables Compensation Payment, and the Receivables Indemnity Amount);

Priority of Payments means the Interest Priority of Payments, the Principal Priority of Payments and the Accelerated Priority of Payments, or any of them;

Prospectus means this Prospectus dated the date hereof relating to the issue and offering of the Notes;

Prospectus Regulation means Regulation (EU) 2017/1129;

Provisional Portfolio means the portfolio of Receivables as at the Cut-off Date;

Purchase Price means the Initial Purchase Price and the Deferred Purchase Price;

Purchased Receivable means each Receivable purchased by the Issuer pursuant to the Receivables Sale and Purchase Agreement (and in respect of any Scottish Receivables, held in trust pursuant to the relevant Scottish Declaration of Trust) which has neither been paid in full by or on behalf of the Borrower nor repurchased by the Seller pursuant to the Receivables Sale and Purchase Agreement nor sold pursuant to a Bad Debt Sale; for the avoidance of doubt, where the context requires Purchased Receivables shall include any Further Purchased Property and Substitute Receivables;

RAO means The Financial Services and Markets Act 2000 (Regulated Activities) Order 2001, as amended;

Rated Notes means the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, Class F Notes and the Class G Notes;

Rating Agencies means S&P Global and DBRS or, where the context requires, any of them or any of their successors. If at any time S&P Global or DBRS is being replaced as a Rating Agency, references to its rating categories in the Transaction Documents shall be deemed instead to be references to the equivalent rating categories of the entity which replaces it as a Rating Agency;

Rating Agency Confirmation means, a confirmation in writing by the relevant Rating Agencies that the then current ratings of the Rated Notes will not be downgraded, qualified or withdrawn as a result of the relevant event or matter provided that if: (a) a confirmation or affirmation of rating or other response by a Rating Agency is a condition to any action or step under any Transaction Document; and (b) a written request for such confirmation affirmation or response is delivered to that Rating Agency by any of the Issuer, the Cash Manager, the Calculation Agent, the Servicer, the Swap Counterparty (in respect of a Rating Agency Confirmation requested pursuant to the provisions of the Swap Agreement only), the Note Trustee and/or the Security Trustee, as applicable (each a **Requesting Party**) and one or more of the Rating Agencies (each a **Non-Responsive Rating Agency**) indicates that it does not consider such confirmation, affirmation or response necessary in the circumstances, the Requesting Party (and for the purposes of Condition 11.8 (General Meetings of Noteholders, Modification and Waiver) and Clause 20.2 of the Trust Deed, the Note Trustee and the Security Trustee) shall be entitled to disregard the requirement for a confirmation or affirmation of rating or other response by each Non-Responsive Rating Agency which provides such indication and proceed on the basis of the confirmations or affirmations of rating or other responses received by each other Rating Agency or, if all the Rating Agencies indicate that they do not consider such confirmation, affirmation or response necessary in the circumstances, on the basis that such confirmation or affirmation of rating or other response by a Rating Agency is not required in the particular circumstances of the request. If a Rating Agency does not respond to a written request for a confirmation or affirmation of rating such non response shall not be interpreted to mean that such Rating Agency has given any deemed confirmation or affirmation of rating or other response in respect of such action or step or any deemed indication that it does not consider such confirmation, affirmation or response necessary in the circumstances, provided that in the event of a non- response from all Rating Agencies, the Requesting Party

(and for the purposes of Condition 11.8 (General Meetings of Noteholders, Modification and Waiver) and Clause 20.2 of the Trust Deed, the Note Trustee and the Security Trustee) will be entitled to proceed on the basis that such confirmation or affirmation of rating or other response by a Rating Agency is not required in the particular circumstances of the request. However, nothing herein shall in any way affect the right of a Rating Agency to downgrade or withdraw its then current ratings of the Rated Notes in a manner as it sees fit;

Receivable means any and all claims and rights of the Seller against the Borrower under or in connection with relevant Loan Contracts originated by the Seller (including, for the avoidance of doubt, all payments due from the Borrower under the relevant Loan Contract (including any VAT or related fees and expenses due and payable by the Borrower under the terms of the Loan Contract) and any Ancillary Rights);

Receivables Indemnity Amount means, where a Purchased Receivable has never existed, or has ceased to exist, such that it is not outstanding on the date on which it is otherwise due to be repurchased or substituted pursuant to the Receivables Sale and Purchase Agreement, an amount equal to (i) the Outstanding Principal Balance of such Purchased Receivable had the Purchased Receivable existed and complied with each of the Receivables Warranties as at the Closing Date (or if such Purchased Receivable is Further Purchased Property, the relevant Further Purchase Date) and (ii) any deemed interest accrued on the relevant Purchased Receivable at a rate equal to the weighted average interest rate of the Issuer Assets as determined by the Servicer at the end of the immediately preceding Calculation Period less any amounts received by the Issuer in respect of any Principal Element relating to such Purchased Receivable;

Receivables Sale and Purchase Agreement means the receivables sale and purchase agreement dated the Closing Date between the Seller, the Issuer and the Security Trustee;

Receivables Warranties means the representations and warranties made by the Seller in respect of the Purchased Receivables as set out in clause 6.2 of the Receivables Sale and Purchase Agreement;

Receiver means any person (being a licensed insolvency practitioner) who is appointed by the Security Trustee to be a receiver or an administrative receiver (as the case may be) of the Charged Property to act jointly, independently, or jointly and severally, as the Security Trustee shall determine;

Records means:

- (a) all agreements, files, microfiles, correspondence, notes of dealing and other documents, books, books of account, registers, records and other information; and
- (b) all computer tapes, discs, computer programs, data processing software and related property rights owned by or under the control and disposition of the Seller;

Recoveries means, on a Calculation Date, any amount received (including, for the avoidance of doubt, any Financed Vehicle Sales Proceeds and the proceeds of any Bad Debt Sales) in the immediately preceding Calculation Period in relation to a Defaulted Amount, a PCP Handback Receivable or a Voluntarily Terminated Receivable that is a Purchased Receivable;

Redemption Event shall occur if the Issuer satisfies the Note Trustee immediately before giving the notice referred to in Condition 6.2(c) (Mandatory redemption pursuant to the exercise of the Tax Call Option) that the Note Tax Event is continuing and that the appointment of a Paying Agent or a substitution as referred to above would not avoid the effect of the Note Tax Event or that, having used its reasonable endeavours, the Issuer is unable to arrange such appointment or substitution;

Reference Date means the date of this Prospectus.

Regulation S means Regulation S of the Securities Act;

Regulatory Change Event means, in the determination of the Seller, there is:

- (a) an enactment or implementation of, or supplement or amendment to, or change in, any applicable law, policy, rule, guideline or regulation of any relevant competent international, European or national body (including the European Central Bank, the Banque de France, the Bank of England, the Prudential Regulation Authority or any other relevant competent international, European or national regulatory or supervisory authority) or the application or official interpretation of, or view expressed by any such competent body with respect to, any such law, regulation, rule, policy or guideline; or
- (b) an official notification by or other official communication from an applicable regulatory or supervisory authority is received by the Seller with respect to the Securitisation,

which, in either case, occurs on or after the Closing Date and results in, or would result in, a material adverse change in the capital treatment of the Notes or the capital relief afforded by the Notes or materially increasing the cost or materially reducing the benefit of the Securitisation, in either case, for the Seller or its Affiliates, pursuant to applicable capital adequacy requirements or regulations (as compared with the capital treatment or relief reasonably anticipated by the Seller or its Affiliates on the Closing Date);

Regulatory Change Event Notice means a notice which is given by the Seller to the Issuer, the Agents and the Noteholders in accordance with Condition 14 (Notice to Noteholders) upon the occurrence and continuation of a Regulatory Change Event;

Reinvestment Principal Account means the account of the same name maintained by the Cash Manager on the Transaction Account in accordance with the Cash Management Agreement;

Related Loan Contract means, in relation to each Receivable, the Loan Contract from which such Receivable derives;

Related Third Party Creditors means any creditor of the Issuer (not being a Secured Creditor) in respect of costs, fees, expenses or other amounts (including taxes) incurred by the Issuer to such creditor or required by law to be paid to such creditor in each case;

Relevant Date has the meaning given in Condition 8 (Prescription);

Relevant Member State means each Member State of the European Economic Area which has implemented the Prospectus Regulation;

Replacement Cash Management Agreement means an agreement entered into by the Replacement Cash Manager with the Issuer and the Security Trustee substantially on the terms of the existing Cash Management Agreement;

Replacement Cash Manager means the replacement cash manager appointed pursuant to the terms of the Cash Management Agreement;

Replacement Swap Premium means an amount received by the Issuer from a replacement Swap Counterparty upon entry by the Issuer into an agreement with such replacement Swap Counterparty to replace the outgoing Swap Counterparty, which shall be applied by the Issuer in accordance with the Cash Management Agreement and the Deed of Charge;

Required Ratings means such ratings as are consistent with the then published criteria of the relevant Rating Agency as being the minimum ratings that are required to support the then rating of the Rated Notes;

Requirement of Law in respect of any person shall mean:

- (a) any law, treaty, rule, requirement or regulation;
- (b) a notice by an order of any court having jurisdiction;
- (c) a mandatory requirement of any regulatory authority having jurisdiction; or
- (d) a determination of an arbitrator or governmental authority;

Revenue Deficiency means the amount of any insufficiency in the amount of Available Interest Distribution Amounts (ignoring any Available Principal Distribution Amounts referred to in item (e) of the definition of Available Interest Distribution Amount) available to pay items (1) to (6), (8), (10), (12) and (14) of the Interest Priority of Payments and, to the extent the Class E are the Most Senior Class of Notes, item (16) of the Interest Priority of Payments and, to the extent the Class F are the Most Senior Class of Notes, item (18) of the Interest Priority of Payments and, to the extent the Class G are the Most Senior Class of Notes, item (20) of the Interest Priority of Payments;

Revenue Deficiency Account means the account of the same name maintained by the Cash Manager in accordance with the Cash Management Agreement;

Revenue Receipts means all amounts comprising of:

- (a) the Income Element of the Purchased Receivables (other than Purchased Receivables that have become Defaulted Amounts, PCP Handback Receivables or Voluntarily Terminated Receivables and in respect of the repurchase price paid in respect of the repurchase or substitution of Non-Compliant Receivables in accordance with the Receivables Sale and Purchase Agreement);
- (b) any amount received by the Issuer in respect of any CCA Compensation Payments, Substitute Receivables Compensation Payments, Receivables Indemnity Amounts, Final Repurchase Price and Non-Compliant Receivables Repurchase Price, in each case to the extent that the same represents a payment in respect of the Income Element of the Purchased Receivables; and
- (c) any other amounts received by the Issuer in respect of the Purchased Receivables which is not in respect of the Principal Element of such Purchased Receivables;

but less

any amounts which are Permitted Withdrawals;

Revolving Period means the period from (and including) the Closing Date and ending on (but excluding) the earlier of (i) the Revolving Period End Date; and (ii) the date on which a Revolving Period Termination Event occurs;

Revolving Period End Date means the Interest Payment Date falling in April 2021;

Revolving Period Termination Event means the occurrence of any of the following:

- (a) the Cumulative Net Loss Ratio is greater than zero, and on the relevant Interest Payment Date, exceeds:
 - (i) 0.15 per cent. between the Closing Date and the Interest Payment Date falling in September 2020 (included); or
 - (ii) 0.25 per cent. between the Interest Payment Date falling in October 2020 (included) and the Interest Payment Date falling in March 2021 (included);

- (b) an Event of Default;
- (c) an Insolvency Event with respect to the Seller has occurred or is continuing;
- (d) a Servicer Default has occurred or is continuing;
- (e) a Negative Carry Event;
- (f) an Event of Default or a Termination Event under the Swap Agreement (each as defined therein);
- (g) a Liquidity Reserve Shortfall;
- (h) on the immediately preceding Interest Payment Date, the debit balance of the Class H Principal Deficiency Sub-ledger (taking into account amounts which have been credited to the Class H Principal Deficiency Sub-ledger on such Interest Payment Date) is greater than 0.50% of the aggregate Outstanding Principal Balance of the Issuer Assets as on the immediately succeeding Interest Payment Date after application of the Available Interest Distribution Amount in accordance with the Interest Priority of Payments;

Risk Retention U.S. Persons means persons that are not "U.S. persons" as defined in the U.S. Risk Retention Rules;

S&P Global means S&P Global Ratings, a division of S&P Global Ratings Europe Limited and any successor to its ratings business;

S&P Global Guarantee Criteria means the guarantee criteria set out in its publication titled "*Legal Criteria: Guarantee Criteria – Structured Finance*";

S&P Global Standard Dealer Agreements means any one or more of the forms of the standard "Dealer Associate Agreement", the "Dealer Retail Agreement", the "Master Dealer Declaration" and the "Dealers Declaration and Invoice" used in connection with the originating Loan Contracts each to be appended to the Receivables Sale and Purchase Agreement (including any data tape or computer disk containing such agreements) and any revised or substitute form;

Scheduled Final Repayment Date means, in respect of any Loan Contract, the date on which the final Scheduled Payment is due from the Borrower, assuming no breach of agreement or other default by the Borrower;

Scottish Declaration of Trust means each declaration of trust in relation to Scottish Receivables and their Ancillary Rights made pursuant to the Receivables Sale and Purchase Agreement by means of which the sale or substitution of such Scottish Receivables and their related Ancillary Rights by the Seller to the Issuer and the transfer of the beneficial interest therein to the Issuer are given effect;

Scottish Financed Vehicle Sales Proceeds means Financed Vehicle Sales Proceeds in respect of Purchased Receivables in so far as they relate to Scottish Financed Vehicles;

Scottish Financed Vehicle Sales Proceeds Floating Charge means the Scots law governed floating charge granted by the Seller in favour of the Issuer in respect of the Scottish Financed Vehicle Sales Proceeds pursuant to clause 2.9(c) of the Receivables Sale and Purchase Agreement;

Scottish Financed Vehicles means Financed Vehicles situated in Scotland or otherwise subject to Scots law;

Scottish Receivables means those Receivables contained in the Issuer Assets governed by or otherwise subject to Scots law;

Scottish Supplemental Charge means each assignment in security granted by the Issuer in favour of the Security Trustee in respect of the interest in each Scottish Declaration of Trust and the Scottish Financed Vehicle Sales Proceeds Floating Charge;

Secured Creditors means the Seller, the Security Trustee, the Note Trustee, the Servicer, the Back-Up Servicer Facilitator, the Cash Manager, the Calculation Agent, the Account Bank, the Subordinated Lender, the Agents, the Swap Counterparty, the Corporate Services Provider, the Noteholders and any Receiver and any other party which becomes a Secured Creditor pursuant to the Deed of Charge;

Secured Liabilities means any and all monies, obligations and liabilities and all other amounts due, owing, payable or owed by the Issuer to the Secured Creditors under the Notes and/or the Transaction Documents, and references to Secured Liabilities includes references to any of them;

Securities Act means the United States Securities Act of 1933, as amended;

Securitisation means the securitisation transaction entered into on or about the Closing Date under the Transaction Documents in connection with the issue of the Notes by the Issuer;

Securitisation Regulation means Regulation (EU) 2017/2402, as amended, varied, superseded or substituted from time to time including the Securitisation Rules applicable from time to time;

Securitisation Rules mean: (i) applicable regulatory and/or implementing technical standards or delegated regulation made under the Securitisation Regulation (including any applicable transitional provisions); and/or (ii) any relevant guidance and policy statements relating to the application of the Securitisation Regulation published by the EBA, the ESMA, the EIOPA (or their successor), collectively, the European Supervisory Authorities or ESAs, including any applicable guidance and policy statements issued by the Joint Committee of ESAs and/or the European Commission; and/or (iii) any applicable laws, regulations, rules, guidance or other implementing measures of the FCA, PRA or other relevant UK regulator (or their successor) relating to the application of the Securitisation Regulation regime in the UK including, the applicable successor laws, regulations, rules and other relevant measures, in each case, case as amended, supplemented, superseded or modified from time to time;

Security means the security constituted by and pursuant to the Deed of Charge and each Scottish Supplemental Charge;

Security Powers of Attorney means the security powers of attorney dated the Closing Date granted by the Issuer in favour of the Security Trustee in, or substantially in, the form set out in the Deed of Charge;

Security Trustee means HSBC Corporate Trustee Company (UK) Limited;

Seller means Vauxhall Finance plc (registered number 00275607), a public company with limited liability in England and Wales, whose registered office is at Heol-y-Gamlas, Parc Nantgarw, Treforest, Cardiff CF15 7QU UK in its capacity as seller of the Purchased Receivables to the Issuer under the Receivables Sale and Purchase Agreement;

Senior Noteholder means the Class A Noteholders, the Class B Noteholders, the Class C Noteholders and the Class D Noteholders;

Senior Notes means the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes;

Sequential Redemption Event means the occurrence of any of the following events:

- (a) the Cumulative Net Loss Ratio exceeds:

- (i) 0.15 per cent. for any Interest Payment Date between the Closing Date and the Interest Payment Date falling in September 2020 (included);
 - (ii) 0.25 per cent. for any Interest Payment Date falling on or after the Interest Payment Date falling in October 2020, up to (and including) the Interest Payment Date falling in March 2021;
 - (iii) 0.45 per cent. for any Interest Payment Date falling on or after the Interest Payment Date falling in April 2021, up to (and including) the Interest Payment Date falling in September 2021;
 - (iv) 0.65 per cent. for any Interest Payment Date falling on or after the Interest Payment Date falling in October 2021, up to (and including) the Interest Payment Date falling in March 2022;
 - (v) 0.95 per cent. for any Interest Payment Date falling on or after the Interest Payment Date falling in April 2022, up to (and including) the Interest Payment Date falling in September 2022;
 - (vi) 1.25 per cent. for any Interest Payment Date falling on or after the Interest Payment Date falling in October 2022, up to (and including) the Interest Payment Date falling in March 2023; or
 - (vii) 1.45 per cent. for any Interest Payment Date falling on or after the Interest Payment Date falling in April 2023, and prior to the Final Legal Maturity Date; or
- (b) on any Interest Payment Date, the debit balance of the Class H Principal Deficiency Sub-ledger (taking into account amounts which have been credited to the Class H Principal Deficiency Sub-ledger on such Interest Payment Date) is greater than 0.50 per cent. of the aggregate Outstanding Principal Balance of the Issuer Assets as on the immediately succeeding Interest Payment Date after application of the Available Interest Distribution Amount in accordance with the Interest Priority of Payments; or
 - (c) an Issuer Liquidation Event has occurred but a Clean Up Call Option pursuant to Condition 6.2(a) has not been exercised;

Servicer means the person appointed under the Servicing Agreement to service the Purchased Receivables being, at the Closing Date, Vauxhall Finance plc;

Servicer Default means any of the following events:

- (a) the Servicer fails to pay any amount due under the Servicing Agreement on the due date or on demand, if so payable, or to direct any movement of collections as required under the Servicing Agreement and the other Transaction Documents, and such failure has continued unremedied for a period of five Business Days after written notice or discovery of such failure by an officer of the Servicer; or
- (b) the Servicer (i) fails to observe or perform in any material respect any of its covenants and obligations under or pursuant to the Servicing Agreement or any other Transaction Document to which it is a party and such failure results in a material adverse effect on the Issuer's ability to make payments in respect of the Notes and continues unremedied for a period of 60 days after the earlier of an officer of the Servicer becoming aware of such default and written notice of such failure being received by the Servicer or (ii) fails to maintain its authorisations and permissions required under the FSMA or any other regulatory licence or approval required under the terms of the Servicing

Agreement and such failure continues unremedied for a period of 60 days after the earlier of an officer of the Servicer becoming aware of such default and written notice of such failure being received by the Servicer; or

(c) the occurrence of an Insolvency Event in relation to the Servicer;

Servicer Standard of Care means the standard of care set out in the Servicing Agreement to which the Servicer will perform its obligations and the exercise of its discretions under the Servicing Agreement and its exercise of the rights of the Issuer in respect of contracts and arrangements giving rise to payment obligations in respect of the Purchased Receivables;

Servicing Agreement means the servicing agreement expected to be dated on or around the Closing Date relating to the Purchased Receivables between the Issuer and the Servicer;

Servicing Fee means a fee (inclusive of amounts in respect of VAT, if any) payable monthly in arrear on each Interest Payment Date calculated as 1% per annum of the aggregate of the Outstanding Principal Balances of all Related Loan Contracts purchased by the Issuer which are outstanding on the first day of the Calculation Period in which such Interest Payment Date falls;

SGA means the Sale of Goods Act 1979;

Share Trustee means, as at the Closing Date, Intertrust Corporate Services Limited, acting through its principal office at 1 Bartholomew Lane, London EC2N 2AX;

Specified Interest Date means, in relation to a Monthly Payment in respect of a Receivable, the fixed date specified in the relevant Loan Contract on which the Monthly Payment is due for payment;

Specified Office means, with respect to the Agents, the offices listed at the end of the Conditions or such other offices as may from time to time be duly notified pursuant to Condition 14 (Notice to Noteholders);

Standard Documentation or **Standard Documents** means the forms of the standard documents used by the Seller in originating Loan Contracts to be appended to the Receivables Sale and Purchase Agreement (including any data tape or computer disk containing such agreements) and any revised or substitute form;

Sterling or **£** means the lawful currency of the UK;

STS means 'simple, transparent and standardised' as referred to in the Securitisation Regulation;

Subordinated Lender means, as at the Closing Date, Vauxhall Finance plc;

Subordinated Loan means the loan provided to the Issuer by the Subordinated Lender pursuant to the Subordinated Loan Agreement;

Subordinated Loan Agreement means the loan agreement dated the Closing Date between the Issuer and the Subordinated Lender;

Subordinated Swap Amounts means any termination amount payable by the Issuer to the Swap Counterparty under the Swap Agreement as a result of either (i) an Event of Default (as defined in the Swap Agreement) where the Swap Counterparty is the Defaulting Party, or (ii) an Additional Termination Event (as defined in the Swap Agreement) (which occurs as a result of the failure of the Swap Counterparty to comply with the requirements of a rating downgrade provision set out under the Swap Agreement);

Substitute Receivable means any substitute Eligible Receivable assigned to the Issuer in the event of the repurchase of any Non-Compliant Receivable pursuant to the terms and subject to the conditions of the

Receivables Sale and Purchase Agreement (and in respect of any substitute Eligible Receivable which is a Scottish Receivable, held in trust pursuant to the relevant Scottish Declaration of Trust);

Substitute Receivables Compensation Amount means the amount, calculated by the Seller in accordance with the Receivables Sale and Purchase Agreement to compensate the Issuer for any loss caused as a result of a breach of the Receivables Warranties;

Substitute Receivables Compensation Payment means the payment made by the Seller to the Issuer to compensate the Issuer for any loss caused as a result of a breach of the Receivables Warranties;

Substitution Cut-off Date means the Calculation Date immediately preceding a Substitution Date;

Substitution Date means the date on which a Non-Compliant Receivable is substituted for a Substitute Receivable and such Substitute Receivable is transferred to the Issuer;

Surplus Available Principal Distribution Amount means Available Principal Distribution Amounts to be applied as Available Interest Distribution Amounts in accordance with item (13) of the Principal Priority of Payments;

Swap Collateral means, at any time, all cash and securities standing to the credit of the CSA Account(s) and provided by the Swap Counterparty to the Issuer in accordance with the terms of the Swap Agreement, which, for the avoidance of doubt, shall include any amount of interest or distributions credited to any relevant CSA Account;

Swap Collateral Custody Agreement means any agreement entered into by the Issuer pursuant to which the Issuer appoints a Security Trustee to hold any Swap Collateral posted under the Swap Agreement to the extent such Swap Collateral is in the form of securities credited to a CSA Account;

Swap Agreement means the International Swaps and Derivatives Association Inc 1992 Master Agreement, the schedule thereto, and any credit support annexes or other credit support documents related thereto and the transaction confirmation, each dated on or prior to the Closing Date, between the Issuer and the Swap Counterparty (or such replacement swap agreement as the Issuer may enter into in accordance with the Transaction Documents);

Swap Counterparty means, as at the Closing Date, BNP Paribas, incorporated in France (registered number B662042449) of 16, Boulevard des Italiens, 75009, Paris, France (or such other replacement parties as may be appointed by the Issuer in accordance with the Transaction Documents);

Swap Tax Credits means any credit, allowance, set-off or repayment received by the Issuer in respect of tax from the tax authorities of any jurisdiction relating to any deduction or withholding giving rise to an increased payment by the Swap Counterparty to the Issuer, the amounts of which shall be applied by the Issuer in accordance with the Cash Management Agreement;

Swap Termination Payment means any payment due to the Swap Counterparty upon the early termination of a Hedging Arrangement under the Swap Agreement;

Tax Authority means any government, state, municipality or any local, federal or other fiscal, revenue, customs or excise authority, body or official anywhere in the world including, in the UK, HMRC and any successor thereof, in each case having power to levy any tax;

Tax Call Option means the right of the Seller, pursuant to the terms of the Receivables Sale and Purchase Agreement, to offer to repurchase the benefit of all Purchased Receivables then owned by (or held in trust by the Seller pursuant to the Transaction Documents for) the Issuer on any Interest Payment Date on which a Redemption Event is continuing for the Final Repurchase Price;

Temporary Global Notes shall have the meaning given to such term in the Conditions;

Transaction Account means the Sterling account in the name of the Issuer with the Account Bank and designated as such;

Transaction Documents means the Trust Deed, the Notes (when issued), the Agency Agreement, the Servicing Agreement, the Cash Management Agreement, the Calculation Agency Agreement, the Account Bank Agreement, the Deed of Charge, the Security Powers of Attorney, the Master Agreement Definitions Schedule, the Receivables Sale and Purchase Agreement, the Collections Account Declaration of Trust, each Scottish Declaration of Trust, each Scottish Supplemental Charge, the Scottish Financed Vehicle Sales Proceeds Floating Charge, the Subordinated Loan Agreement, the Corporate Services Agreement, the Swap Agreement and any Swap Collateral Custody Agreement and any other document entered into by one or more Transaction Parties which is designated as a **Transaction Document** with the consent of the Security Trustee, the Issuer and the Seller;

Transaction Party means any party to a Transaction Document;

Trust Deed means the trust deed creating the Notes dated the Closing Date between the Issuer and the Note Trustee;

U.S. Risk Retention Rules means Regulation RR (17 C.F.R Part 246) implementing the risk retention requirements of Section 15G of the U.S. Securities Exchange Act of 1934, as amended;

UK means the United Kingdom;

UTCCR means the Unfair Terms in Consumer Contracts Regulations 1999 as amended;

UTR means the Consumer Protection from Unfair Trading Regulations 2008;

Variation means any amendment or variation to the terms of a Related Loan Contract after the Cut-off Date;

VAT means value added tax as provided for in the Value Added Tax Act 1994 and legislation (delegated or otherwise supplemental thereto) and any similar tax replacing or introduced in addition to the same;

Vauxhall Finance means Vauxhall Finance plc, a public company with limited liability incorporated in England and Wales (with registered number 00275607) whose registered office is at Heol-y-Gamlas, Parc Nantgarw, Treforest, Cardiff CF15 7QU, UK;

Vauxhall Finance Group means Vauxhall Finance and its Affiliates;

Vauxhall Finance UK Group means any Affiliate of the Originator which is resident for Tax purposes in the UK;

Voluntarily Terminated Receivable means any Purchased Receivable in relation to which a Borrower serves a notice to the Seller pursuant to section 99 of the CCA; and

Written Resolution means a resolution in writing signed by or on behalf of Noteholders of not less than 75% in aggregate Principal Amount Outstanding of the Notes which resolution may be 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.

ANNEX B - PRIORITY OF PAYMENTS SCHEDULE

Interest Priority of Payments and Principal Priority of Payments

During the Revolving Period and the Normal Redemption Period and prior to the service of a Note Acceleration Notice, the Cash Manager will on behalf of the Issuer apply the Available Interest Distribution Amount and the Available Principal Distribution Amount standing to the credit of the Transaction Account on each Interest Payment Date in accordance with the Interest Priority of Payments and the Principal Priority of Payments.

Interest Priority of Payments

On each Interest Payment Date during the Revolving Period and the Normal Redemption Period falling prior to the service of a Note Acceleration Notice by the Note Trustee on the Issuer, the Cash Manager (on behalf of the Issuer) shall apply or provide for application of the Available Interest Distribution Amount in accordance with the following **Interest Priority of Payments** (in each case only if and to the extent that payments or provisions of a higher priority have been made in full):

- (1st) *pro rata* and *pari passu* to pay amounts due to:
- (i) the Security Trustee and any Appointee appointed by the Security Trustee, together with interest and any amounts in respect of VAT (if any) on those amounts, and to make provision for any amounts due or to become due during the following Interest Period to the Security Trustee under the Deed of Charge; and
 - (ii) the Note Trustee and any Appointee appointed by the Note Trustee, together with interest and any amounts in respect of VAT (if any) on those amounts, and to make provision for any amounts due or to become due during the following Interest Period to the Note Trustee under the Trust Deed;
- (2nd) *pro rata* and *pari passu*, to pay amounts due to the Agent Bank and the Paying Agents together with interest and any amount in respect of VAT (if any) on those amounts, and any costs, charges, liabilities and expenses then due or to become due during the following Interest Period to the Agent Bank and the Paying Agents under the Agency Agreement;
- (3rd) prior to any enforcement action taken by the Security Trustee in respect of the Security, to pay amounts due to any third party creditors of the Issuer (other than those referred to later in this priority of payments), which amounts have been incurred without breach by the Issuer of the Transaction Documents to which it is a party and for which payment has not been provided for elsewhere and to provide for any of those amounts expected to become due and payable during the following Interest Period by the Issuer and, to the extent amounts credited to the Issuer Retained Profit Account are insufficient, to the extent of any insufficiency to pay or discharge any corporation tax liability of the Issuer;
- (4th) *pro rata* and *pari passu*, to pay amounts due to:
- (i) the Cash Manager, together with any amounts in respect of VAT (if any) on those amounts, and to provide for any amounts due or to become due to the Cash Manager in the immediately succeeding Interest Period, under the Cash Management Agreement;
 - (ii) the Calculation Agent, together with any amounts in respect of VAT (if any) on those amounts, and to provide for any amounts due or to become due to the Calculation Agent in the immediately succeeding Interest Period, under the Calculation Agency Agreement;

- (iii) the Servicer, together with any amounts in respect of VAT (if any) on those amounts, and to provide for any amounts due or to become due to the Servicer, in the immediately succeeding Interest Period, under the Servicing Agreement;
 - (iv) the Back-Up Servicer Facilitator, together with any amounts in respect of VAT (if any) on those amounts, and to provide for any amounts due or to become due to the Back-Up Servicer Facilitator in the immediately succeeding Interest Period, under the Servicing Agreement;
 - (v) the Corporate Services Provider, together with any amounts in respect of VAT (if any) on those amounts, and to provide for any amounts due, or to become due to the Corporate Services Provider in the immediately succeeding Interest Period, under the Corporate Services Agreement;
 - (vi) the Account Bank, together with any amounts in respect of VAT (if any) on those amounts, and to provide for any amounts due or to become due to the Account Bank in the immediately succeeding Interest Period, under the Account Bank Agreement;
 - (vii) prior to any enforcement action taken by the Security Trustee in respect of the Security, any auditors of, and other professional advisers to, the Issuer;
 - (viii) pay the Administrator Incentive Recovery Fee (if any);
 - (ix) to any party who is not a party to any Transaction Document to which the Issuer has delegated obligations in respect of EMIR (including any reporting or portfolio reconciliation obligations) or in respect of any agreements relating to EMIR according to the respective amounts due by the Issuer; and
 - (x) the Irish Listing Agent, together with any amount in respect of VAT (if any) on those amounts;
- (5th) to pay all amounts (if any) due and payable to the Swap Counterparty under the Swap Agreement (including termination payments but excluding any Subordinated Swap Amounts);
 - (6th) an amount equal to the Issuer Profit Amount to be retained by the Issuer;
 - (7th) an amount to be credited to the Liquidity Reserve Account so that it equals the Liquidity Reserve Target Amount;
 - (8th) to pay, *pro rata* and *pari passu*, interest due and payable on the Class A Notes;
 - (9th) an amount sufficient to eliminate any debit on the Class A Principal Deficiency Sub-ledger;
 - (10th) to the extent that the Class B PDL Condition is satisfied, to pay, *pro rata* and *pari passu*, interest due and payable on the Class B Notes;
 - (11th) an amount sufficient to eliminate any debit on the Class B Principal Deficiency Sub-ledger;
 - (12th) to the extent that the Class C PDL Condition is satisfied, to pay, *pro rata* and *pari passu*, interest due and payable on the Class C Notes;
 - (13th) an amount sufficient to eliminate any debit on the Class C Principal Deficiency Sub-ledger;
 - (14th) to the extent that the Class D PDL Condition is satisfied, to pay, *pro rata* and *pari passu*, interest due and payable on the Class D Notes;

- (15th) an amount sufficient to eliminate any debit on the Class D Principal Deficiency Sub-ledger;
- (16th) to the extent that the Class E PDL Condition is satisfied, to pay, *pro rata* and *pari passu*, interest due and payable on the Class E Notes;
- (17th) an amount sufficient to eliminate any debit on the Class E Principal Deficiency Sub-ledger;
- (18th) to the extent that the Class F PDL Condition is satisfied, to pay, *pro rata* and *pari passu*, interest due and payable on the Class F Notes;
- (19th) an amount sufficient to eliminate any debit on the Class F Principal Deficiency Sub-ledger;
- (20th) to the extent that the Class G PDL Condition is satisfied, to pay, *pro rata* and *pari passu*, interest due and payable on the Class G Notes;
- (21st) an amount sufficient to eliminate any debit on the Class G Principal Deficiency Sub-ledger;
- (22nd) to the extent that the Class H PDL Condition is satisfied, to pay, *pro rata* and *pari passu*, interest due and payable on the Class H Notes;
- (23rd) an amount sufficient to eliminate any debit on the Class H Principal Deficiency Sub-ledger;
- (24th) to the extent not already paid in accordance with the item (10) above, to pay, *pro rata* and *pari passu*, interest due and payable on the Class B Notes;
- (25th) to the extent not already paid in accordance with the item (12) above, to pay, *pro rata* and *pari passu*, interest due and payable on the Class C Notes;
- (26th) to the extent not already paid in accordance with the item (14) above, to pay, *pro rata* and *pari passu*, interest due and payable on the Class D Notes;
- (27th) to the extent not already paid in accordance with the item (16) above, to pay, *pro rata* and *pari passu*, interest due and payable on the Class E Notes;
- (28th) to the extent not already paid in accordance with the item (18) above, to pay, *pro rata* and *pari passu*, interest due and payable on the Class F Notes;
- (29th) to the extent not already paid in accordance with the item (20) above, to pay, *pro rata* and *pari passu*, interest due and payable on the Class G Notes;
- (30th) to the extent not already paid in accordance with the item (22) above, to pay, *pro rata* and *pari passu*, interest due and payable on the Class H Notes;
- (31st) to pay any Subordinated Swap Amounts due and payable to the Swap Counterparty;
- (32nd) towards payment of interest amounts due and payable to the Subordinated Lender under the Subordinated Loan Agreement;
- (33rd) to pay any other amounts due and payable by the Issuer to any party under a Transaction Document; and
- (34th) the surplus if any, towards payment of any Deferred Purchase Price due to the Seller pursuant to the terms of the Receivables Sale and Purchase Agreement.

On the Final Class D Interest Payment Date amounts standing to the credit of the Liquidity Reserve Amount shall be applied on such Interest Payment Date to repay the Liquidity Reserve Proceeds advanced under the Subordinated Loan in full.

If on or prior to any Interest Payment Date the Calculation Agent has not provided the Cash Manager with sufficient information to make the determinations required to apply the Available Interest Distribution Amount in accordance with the Interest Priority of Payments, the Cash Manager shall first apply the Available Interest Distribution Amount to pay items (1) to (6), (8), (10), (12) and (14) of the Interest Priority of Payments and, to the extent the Class E are the Most Senior Class of Notes, item (16) of the Interest Priority of Payments and, to the extent the Class F are the Most Senior Class of Notes, item (18) of the Interest Priority of Payments and, to the extent the Class G are the Most Senior Class of Notes, item (20) of the Interest Priority of Payments and thereafter all remaining amounts representing the Available Interest Distribution Amount shall be credited to the Transaction Account for application as the Available Interest Distribution Amount on the next following Interest Payment Date.

Class B PDL Condition means that, on any Interest Payment Date, either (i) the Class B Notes are the Most Senior Class of Notes or (ii) the debit balance on the Class B Principal Deficiency Sub-ledger is less than 25% of the Principal Amount Outstanding of the Class B Notes on such Interest Payment Date.

Class C PDL Condition means that, on any Interest Payment Date, either (i) the Class C Notes are the Most Senior Class of Notes or (ii) the debit balance on the Class C Principal Deficiency Sub-ledger is less than 25% of the Principal Amount Outstanding of the Class C Notes on such Interest Payment Date.

Class D PDL Condition means that, on any Interest Payment Date, either (i) the Class D Notes are the Most Senior Class of Notes or (ii) the debit balance on the Class D Principal Deficiency Sub-ledger is less than 25% of the Principal Amount Outstanding of the Class D Notes on such Interest Payment Date.

Class E PDL Condition means that, on any Interest Payment Date, either (i) the Class E Notes are the Most Senior Class of Notes or (ii) the debit balance on the Class E Principal Deficiency Sub-ledger is less than 25% of the Principal Amount Outstanding of the Class E Notes on such Interest Payment Date.

Class F PDL Condition means that, on any Interest Payment Date, either (i) the Class F Notes are the Most Senior Class of Notes or (ii) the debit balance on the Class F Principal Deficiency Sub-ledger is less than 25% of the Principal Amount Outstanding of the Class F Notes on such Interest Payment Date.

Class G PDL Condition means that, on any Interest Payment Date, either (i) the Class G Notes are the Most Senior Class of Notes or (ii) the debit balance on the Class G Principal Deficiency Sub-ledger is less than 25% of the Principal Amount Outstanding of the Class G Notes on such Interest Payment Date.

Class H PDL Condition means that, on any Interest Payment Date, either (i) the Class H Notes are the Most Senior Class of Notes or (ii) there is no debit balance on the Class H Principal Deficiency Sub-ledger on such Interest Payment Date.

Revenue Deficiency

On or before each Calculation Date, the Calculation Agent will calculate and communicate to the Cash Manager whether the Available Interest Distribution Amount (but ignoring any Available Principal Distribution Amounts referred to in item (e) of the definition of Available Interest Distribution Amount) will be sufficient to pay items (1) to (6), (8), (10), (12) and (14) of the Interest Priority of Payments and, to the extent the Class E are the Most Senior Class of Notes, item (16) of the Interest Priority of Payments and, to the extent the Class F are the Most Senior Class of Notes, item (18) of the Interest Priority of Payments and, to the extent the Class G are the Most Senior Class of Notes, item (20) of the Interest Priority of Payments. If the Cash Manager determines, from information provided to it by the Calculation Agent, that there is a deficiency in the amount of the Available Interest Distribution Amount (but ignoring any Available Principal

Distribution Amounts referred to in item (e) of the definition of Available Interest Distribution Amount) available to pay items (1) to (6), (8), (10), (12) and (14) of the Interest Priority of Payments and, to the extent the Class E are the Most Senior Class of Notes, item (16) of the Interest Priority of Payments and, to the extent the Class F are the Most Senior Class of Notes, item (18) of the Interest Priority of Payments and, to the extent the Class G are the Most Senior Class of Notes, item (20) of the Interest Priority of Payments (the amount of the deficit being the **Revenue Deficiency**), then the Issuer shall pay or provide for that Revenue Deficiency by, *first*, applying amounts which constitute Available Principal Distribution Amounts (if any) to cover the deficit (and the Cash Manager shall make a corresponding entry against the Revenue Deficiency Account), **provided that** no Available Principal Distribution Amount may be applied in order to cure a Revenue Deficiency in respect of the payment of interest on the Class B Notes unless the Class B PDL Condition is satisfied, the Class C Notes unless the Class C PDL Condition is satisfied, the Class D Notes unless the Class D PDL Condition is satisfied, the Class E Notes (to the extent that the Class E Notes are the Most Senior Class of Notes) unless the Class E PDL Condition is satisfied, the Class F Notes (to the extent that the Class F Notes are the Most Senior Class of Notes) unless the Class F PDL Condition is satisfied or the Class G Notes (to the extent that the Class G Notes are the Most Senior Class of Notes) unless the Class G PDL Condition is satisfied; and *second*, to the extent that a Revenue Deficiency subsists in respect of the Class A Notes, Class B Notes, Class C Notes or Class D Notes after the application of the Available Principal Distribution Amount, by applying the Liquidity Reserve Amount (and the Cash Manager shall make a corresponding entry against the Revenue Deficiency Account), **provided that** the Liquidity Reserve Amount may not be applied in order to cure a Revenue Deficiency in respect of the payment of interest on the Class B Notes unless the Class B PDL Condition is satisfied, the Class C Notes unless the Class C PDL Condition is satisfied or the Class D Notes unless the Class D PDL Condition is satisfied.

Available Principal Distribution Amounts will, if applicable, be applied as Available Interest Distribution Amounts subject to and in accordance with the Interest Priority of Payments.

Principal Priority of Payments

On each Interest Payment Date during the Revolving Period and the Normal Redemption Period prior to the service of a Note Acceleration Notice on the Issuer by the Note Trustee, the Cash Manager (on behalf of the Issuer) shall apply or provide for application of the Available Principal Distribution Amount in accordance with the following **Principal Priority of Payments** (in each case only if and to the extent that payments or provisions of a higher priority have been made in full):

- (1st) by way of credit to the Revenue Deficiency Account, an amount equal to the Revenue Deficiency;
- (2nd) then, during the Revolving Period, towards payment of the Initial Purchase Price in respect of any Further Purchased Property purchased by the Issuer on such Interest Payment Date;
- (3rd) then, during the Revolving Period, all remaining Available Principal Distribution Amounts to be credited to the Reinvestment Principal Account;
- (4th) then, prior to the occurrence of a Sequential Redemption Event during the Normal Redemption Period, to pay, *pro rata* and *pari passu*:
 - (i) principal in respect of the Class A Notes in an amount equal to the proportion of the remaining Available Principal Distribution Amount being the proportion which the Class A Notes Principal Amount bears to the Aggregate Notes Principal Amount;
 - (ii) principal in respect of the Class B Notes in an amount equal to the proportion of the remaining Available Principal Distribution Amount being the proportion which the Class B Notes Principal Amount bears to the Aggregate Notes Principal Amount;

- (iii) principal in respect of the Class C Notes in an amount equal to the proportion of the remaining Available Principal Distribution Amount being the proportion which the Class C Notes Principal Amount bears to the Aggregate Notes Principal Amount;
 - (iv) principal in respect of the Class D Notes in an amount equal to the proportion of the remaining Available Principal Distribution Amount being the proportion which the Class D Notes Principal Amount bears to the Aggregate Notes Principal Amount;
 - (v) principal in respect of the Class E Notes in an amount equal to the proportion of the remaining Available Principal Distribution Amount being the proportion which the Class E Notes Principal Amount bears to the Aggregate Notes Principal Amount;
 - (vi) principal in respect of the Class F Notes in an amount equal to the proportion of the remaining Available Principal Distribution Amount being the proportion which the Class F Notes Principal Amount bears to the Aggregate Notes Principal Amount;
 - (vii) principal in respect of the Class G Notes in an amount equal to the proportion of the remaining Available Principal Distribution Amount being the proportion which the Class G Notes Principal Amount bears to the Aggregate Notes Principal Amount; and
 - (viii) principal in respect of the Class H Notes in an amount equal to the proportion of the remaining Available Principal Distribution Amount being the proportion which the Class H Notes Principal Amount bears to the Aggregate Notes Principal Amount;
- (5th) then, on and following the occurrence of a Sequential Redemption Event during the Normal Redemption Period, to pay, *pro rata* and *pari passu*, in accordance with the respective amounts thereof, the Class A Notes Principal Amount;
 - (6th) then, on and following the occurrence of a Sequential Redemption Event during the Normal Redemption Period, to pay, *pro rata* and *pari passu*, in accordance with the respective amounts thereof, the Class B Notes Principal Amount;
 - (7th) then, on and following the occurrence of a Sequential Redemption Event during the Normal Redemption Period, to pay, *pro rata* and *pari passu*, in accordance with the respective amounts thereof, the Class C Notes Principal Amount;
 - (8th) then, on and following the occurrence of a Sequential Redemption Event during the Normal Redemption Period, to pay, *pro rata* and *pari passu*, in accordance with the respective amounts thereof, the Class D Notes Principal Amount;
 - (9th) then, on and following the occurrence of a Sequential Redemption Event during the Normal Redemption Period, to pay, *pro rata* and *pari passu*, in accordance with the respective amounts thereof, the Class E Notes Principal Amount;
 - (10th) then, on and following the occurrence of a Sequential Redemption Event during the Normal Redemption Period, to pay, *pro rata* and *pari passu*, in accordance with the respective amounts thereof, the Class F Notes Principal Amount;
 - (11th) then, on and following the occurrence of a Sequential Redemption Event during the Normal Redemption Period, to pay, *pro rata* and *pari passu*, in accordance with the respective amounts thereof, the Class G Notes Principal Amount;

- (12th) then, on and following the occurrence of a Sequential Redemption Event during the Normal Redemption Period, to pay, pro rata and pari passu, in accordance with the respective amounts thereof, the Class H Notes Principal Amount; and
- (13th) finally, to apply any remaining amounts as the Available Interest Distribution Amount (**Surplus Available Principal Distribution Amount**).

On the Final Class D Interest Payment Date the Liquidity Reserve Amount shall be applied on such Interest Payment Date to repay the Liquidity Reserve Proceeds advanced under the Subordinated Loan in full.

On each Further Purchase Date falling in the Revolving Period and the Normal Redemption Period, the Cash Manager (on behalf of the Issuer) shall apply the Available Principal Distribution Amount towards payment of the Initial Purchase Price in respect of the Further Purchased Property purchased by the Issuer on such Further Purchase Date pursuant to item (2) of the Principal Priority of Payments. Any excess Available Principal Distribution Amount will be credited to the Reinvestment Principal Account pursuant to item (3) of the Principal Priority of Payments. On each Interest Payment Date, any amounts standing to the credit of the Reinvestment Principal Account will be applied as Available Principal Distribution Amounts in accordance with the relevant Priority of Payments. No payments of principal on the Notes will be made until the termination of the Revolving Period.

If on or prior to any Interest Payment Date the Calculation Agent has not provided the Cash Manager with sufficient information to make the determinations required to apply the Available Principal Distribution Amounts in accordance with the Interest Priority of Payments, the Cash Manager shall first apply the Available Principal Distribution Amount to pay item (1) of the Principal Priority of Payments and thereafter all remaining amounts representing the Available Principal Distribution Amount shall be credited to the Transaction Account for application as the Available Principal Distribution Amount on the next following Interest Payment Date.

On each Interest Payment Date where a Sequential Redemption Event has not occurred, payments of principal in respect of the Notes shall be made on a *pro rata* basis on each Interest Payment Date in accordance with the Principal Priority of Payments. On each Interest Payment Date after the occurrence of a Sequential Redemption Event during the Normal Redemption Period, payments of principal in respect of the Notes shall be made in a sequential order at all times in accordance with the Principal Priority of Payments and therefore the Class B Notes will not be further redeemed for so long as the Class A Notes have not been redeemed in full, the Class C Notes will not be further redeemed for so long as the Class B Notes have not been redeemed in full, the Class D Notes will not be further redeemed for so long as the Class C Notes have not been redeemed in full, the Class E Notes will not be further redeemed for so long as the Class D Notes have not been redeemed in full, the Class F Notes will not be further redeemed for so long as the Class E Notes have not been redeemed in full, the Class G Notes will not be further redeemed for so long as the Class F Notes have not been redeemed in full and the Class H Notes will not be further redeemed for so long as the Class G Notes have not been redeemed in full,

Accelerated Priority of Payments

The Deed of Charge sets out the priority of distribution by the Security Trustee, following the service of a Note Acceleration Notice on the Issuer (known as the **Accelerated Priority of Payments**), of amounts received or recovered by the Security Trustee (or a receiver appointed on its behalf).

The Security Trustee will apply amounts (other than amounts representing (i) any Excess Swap Collateral which shall be returned directly to the Swap Counterparty (and for the avoidance of doubt, such payment shall be without regard to the relevant Priority of Payments), (ii) any Replacement Swap Premium (only to the extent it is applied directly to pay a Swap Termination Payment due and payable by the Issuer to the outgoing Swap Counterparty), (iii) any Swap Tax Credits, which shall be applied directly to the Swap Counterparty in accordance with the Cash Management Agreement, and (iv) in respect of the Swap

Counterparty, prior to the designation of an early termination date under the Swap Agreement and the resulting application of the Swap Collateral by way of netting or set-off, an amount equal to the value of all Swap Collateral provided by such Swap Counterparty to the Issuer pursuant to the Swap Agreement (and any interest or distributions in respect thereof)) received or recovered following enforcement of the Security as follows (in each case, only to the extent that payments of a higher order of priority have been made in full):

(1st) *pro rata* and *pari passu*, to pay amounts due to:

- (i) the Security Trustee and any receiver (including any administrative receiver) or other Appointee appointed by the Security Trustee, together with interest and any amount in respect of VAT (if any) on those amounts and any other amounts then due or to become due and payable to the Security Trustee and the receiver under the provisions of the Deed of Charge; and
- (ii) the Note Trustee and any Appointee appointed by the Note Trustee, together with interest and any amount in respect of VAT (if any) on those amounts and any other amounts then due or to become due and payable to the Note Trustee under the provisions of the Trust Deed;

(2nd) *pro rata* and *pari passu*, to pay amounts due to the Agent Bank and the Paying Agents, together with interest and any amount in respect of VAT (if any) on those amounts and any costs, charges, liabilities and expenses then due or to become due and payable to them under the provisions of the Agency Agreement;

(3rd) *pro rata* and *pari passu*, to pay amounts due to:

- (i) the Cash Manager, together with any amount in respect of VAT (if any) on those amounts under the Cash Management Agreement;
- (ii) the Calculation Agent, together with any amount in respect of VAT (if any) on those amounts under the Calculation Agency Agreement;
- (iii) the Servicer, together with any amount in respect of VAT (if any) on those amounts under the Servicing Agreement;
- (iv) the Back-Up Servicer Facilitator, together with any amount in respect of VAT (if any) on those amounts under the Servicing Agreement;
- (v) the Corporate Services Provider, together with any amount in respect of VAT (if any) on those amounts under the Corporate Services Agreement;
- (vi) the Account Bank, together with any amount in respect of VAT (if any) on those amounts under the Account Bank Agreement;
- (vii) to any party who is not a party to any Transaction Document to which the Issuer has delegated obligations in respect of EMIR (including any reporting or portfolio reconciliation obligations) or in respect of any agreements relating to EMIR according to the respective amounts due by the Issuer; and
- (viii) pay the Administrator Incentive Recovery Fee (if any);

(4th) to pay all amounts (if any) due and payable to the Swap Counterparty under the Swap Agreement (including termination payments but excluding any Subordinated Swap Amounts);

- (5th) to pay, *pro rata* and *pari passu* amounts in respect of interest and principal due and payable on the Class A Notes until the Class A Notes are redeemed in full;
- (6th) to pay, *pro rata* and *pari passu* amounts in respect of interest and principal due and payable on the Class B Notes until the Class B Notes are redeemed in full;
- (7th) to pay, *pro rata* and *pari passu* amounts in respect of interest and principal due and payable on the Class C Notes until the Class C Notes are redeemed in full;
- (8th) to pay, *pro rata* and *pari passu* amounts in respect of interest and principal due and payable on the Class D Notes until the Class D Notes are redeemed in full;
- (9th) to pay, *pro rata* and *pari passu* amounts in respect of interest and principal due and payable on the Class E Notes until the Class E Notes are redeemed in full;
- (10th) to pay, *pro rata* and *pari passu* amounts in respect of interest and principal due and payable on the Class F Notes until the Class F Notes are redeemed in full;
- (11th) to pay, *pro rata* and *pari passu* amounts in respect of interest and principal due and payable on the Class G Notes until the Class G Notes are redeemed in full;
- (12th) to pay, *pro rata* and *pari passu* amounts in respect of interest and principal due and payable on the Class H Notes until the Class H Notes are redeemed in full;
- (13th) to pay any Subordinated Swap Amounts due and payable to the Swap Counterparty;
- (14th) towards payment of interest due and payable to the Subordinated Lender under the Subordinated Loan Agreement;
- (15th) the surplus, if any, but after deducting any Issuer Profit Amount payable under item (16) below, toward payment of any Deferred Purchase Price due to the Seller pursuant to the terms of the Receivables Sale and Purchase Agreement; and
- (16th) to pay an amount equal to the Issuer Profit Amount to be retained by the Issuer.

Disclosure of modifications to the Priority of Payments

Any events which trigger changes in any of the Priority of Payments and any change in the any of the Priority of Payments which will materially adversely affect the repayment of the Notes shall be disclosed without undue delay to the extent required under Article 21(9) of the Securitisation Regulation.

OVERVIEW OF THE TRANSACTION DOCUMENTS

The description of the Transaction Documents set out below is a summary of certain features of those agreements and is qualified by reference to the detailed provisions of the terms and conditions of those agreements. Prospective Noteholders may inspect a copy of each of the Transaction Documents upon request at the Specified Office of the Principal Paying Agent.

Receivables Sale and Purchase Agreement

On the Closing Date, the Seller, the Issuer, the Servicer and the Security Trustee will enter into the Receivables Sale and Purchase Agreement.

Pursuant to the Receivables Sale and Purchase Agreement, the Issuer will purchase from the Seller the Initial Purchased Property and the Ancillary Rights relating to such Initial Purchased Property on the Closing Date. The Receivables which are intended to be purchased by the Issuer consist of all amounts due to the Seller from Borrowers in respect of Loan Contracts. The Issuer Assets sold to the Issuer on the Closing Date will comprise all or part of the Provisional Portfolio and will be randomly selected from the Provisional Portfolio which the Seller determines comply with the Eligibility Criteria on the Closing Date.

On any Interest Payment Date falling in the Revolving Period, the Seller may assign further Receivables (the **Further Purchased Property**, and together with the Initial Purchased Property, the **Purchased Receivables**) and the Ancillary Rights relating to such Further Purchased Property to the Issuer on such date (such date being the **Further Purchase Date**). The Further Purchased Property will be specified in a Notice of Sale furnished to the Issuer and will be paid for by the Issuer with amounts allocated for that purpose under the Principal Priority of Payments. The Further Purchased Property sold to the Issuer on a Further Purchase Date will be randomly selected from the Seller's portfolio of Receivables which the Seller determines comply with the Eligibility Criteria, adjusted (if necessary) by randomly excluding Receivables which would otherwise cause a breach of any Concentration Limit. The Seller is not permitted to sell new Receivables to the Issuer at any time after it ceases to have available sufficient receivables that are capable of meeting the predetermined credit quality requirements set out in the Receivables Sale and Purchase Agreement and complying in all material respects with the Eligibility Criteria.

The Loan Contracts, which are agreements mainly directed at retail customers, are available for new and used vehicles or light commercial vehicles. After an initial down payment, financing provided under a Loan Contract, carrying a fixed rate of return, is (other than in respect of PCP Agreements) typically amortised in equal monthly instalments over the repayment period, which varies between 12 and 60 months. The PCP Agreements carry a fixed rate of return, amortised over the repayment period of up to 49 months, so that the Borrower has the right to (i) make a final balloon payment to acquire the legal title of the Financed Vehicle or (ii) return the Financed Vehicle financed under such Loan Contract in lieu of making such final balloon payment. Whilst the Borrower is the registered keeper of the Financed Vehicle, the Seller remains the owner unless and until the Borrower pays all amounts due in respect of the relevant Loan Contract. The Loan Contracts also include loans made to Borrowers to finance Ancillary Products, where the Borrower elects to take such Ancillary Products and finance for them in addition to financing in relation to the Financed Vehicle itself.

The Purchased Receivables include all amounts due under the Loan Contracts together with the Ancillary Rights.

The Purchase Price for each Purchased Receivable will comprise: (i) the Initial Purchase Price; and (ii) the Deferred Purchase Price.

Initial Purchase Price means the amount, determined as at the Closing Date (or in respect of the Further Purchased Property, the relevant Further Purchase Date) as being an amount equal to the Outstanding

Principal Balance due from Borrowers under the Related Loan Contract (which for the avoidance of doubt shall include any option fees and fees payable) during the period beginning on (but excluding) the Closing Date (or in respect of the Further Purchased Property, the relevant Further Purchase Date) and ending on (and including) the maturity date of such Related Loan Contract plus, to the extent not included in the Outstanding Principal Balance, any capitalised interest and arrears. The Initial Purchase Price is payable by the Issuer on the Closing Date (or in respect of the Further Purchased Property, the relevant Further Purchase Date) in accordance with the terms of the Receivables Sale and Purchase Agreement.

Deferred Purchase Price means the consideration payable to the Seller in respect of the Receivables sold to the Issuer, which is due and payable under the terms of the Receivables Sale and Purchase Agreement in accordance with the relevant Priority of Payments in an amount equal to (prior to the service of a Note Acceleration Notice) the Available Interest Distribution Amount to be applied on each Interest Payment Date less all amounts due in respect of items (1) to (33) of the Interest Priority of Payments and (following service of a Note Acceleration Notice) all amounts available to the Issuer to be applied in accordance with the Accelerated Priority of Payments less all amounts due in respect of items (1) to (12) and (15) of the Accelerated Priority of Payments, plus in each case the Permitted Withdrawals.

The Cut-off Date was 29 February 2020.

Undertakings given by the Seller

The Receivables Sale and Purchase Agreement contain a number of undertakings by the Seller in respect of its activities relating to the Purchased Receivables and the related Financed Vehicles. These include undertakings to refrain from conducting activities with respect to the Purchased Receivables and the related Financed Vehicles which may adversely affect the Purchased Receivables and the related Financed Vehicles and, in particular, not to assign or transfer the whole or any part of the Purchased Receivables to any third party, not to create or allow to be created, to arise or to exist any Encumbrance or other right in favour of any third party in respect of the Purchased Receivables between the Cut-off Date (or in respect of the Further Purchased Property, the relevant Further Purchase Cut-off Date or in respect of Substitute Receivables, the relevant Substitution Cut-off Date) and the date of perfection of the relevant assignment and to transfer promptly to the Issuer all amounts received by the Seller from or in respect of the Purchased Receivables.

In addition, the Seller has undertaken promptly (in each case after the relevant Financed Vehicle is in its possession or control) to sell any Financed Vehicles surrendered, recovered or otherwise returned to the Seller in accordance with the terms of the relevant Loan Contract and the Credit and Collection Procedures (except where the Purchased Receivable related to such Financed Vehicle shall have previously been repurchased by the Seller in accordance with the terms of the Receivables Sale and Purchase Agreement) and account for the proceeds of such sale to the Issuer further to the sale and assignment of the Purchased Receivables to the Issuer pursuant to the Receivables Sale and Purchase Agreement.

None of the Issuer or the Security Trustee or the Note Trustee or the Joint Lead Managers has undertaken or will undertake any investigation to verify the details of the Purchased Receivables and each of them will rely solely on the representations and warranties given by the Seller to the Issuer pursuant to the Receivables Sale and Purchase Agreement.

Representations and warranties given by the Seller

Under the Receivables Sale and Purchase Agreement, in respect of the Initial Purchased Property on the Closing Date (or in respect of the Further Purchased Property, on the relevant Further Purchase Date or in respect of the Substitute Receivables, the relevant Substitution Date) and, in respect of paragraph 3 of the Eligibility Criteria only, on each date on which a Variation is agreed by the Servicer, the Seller will make (with reference to the facts and circumstances subsisting (unless stated to the contrary below) as at the Cut-off Date (or in respect of the Further Purchased Property, the relevant Further Purchase Cut-off Date or in respect of the Substitute Receivables, the relevant Substitution Cut-off Date) or, in respect of a Variation and

paragraph 3 of the Eligibility Criteria only, as at the date of such Variation), *inter alia*, the following representations and warranties to the Issuer regarding the relevant Purchased Receivables. For the avoidance of doubt, on each Further Purchase Date or Substitution Date, the following representations and warranties will be given only in respect of the Further Purchased Property or Substitute Receivables, as applicable, purchased by the Issuer on such Further Purchase Date:

- (a) **Compliance with Eligibility Criteria:** Each relevant Purchased Receivable and each Related Loan Contract complies in all respects with the Eligibility Criteria;
- (b) **Status:** Each relevant Related Loan Contract was entered into on the terms of one of the Standard Documentation without material alteration or addition to the form (other than the form being completed in accordance with the Seller's policies) and no such Related Loan Contract is a "modifying agreement" as defined in section 82(2) of the CCA (broadly, an agreement varying or supplementing an earlier Related Loan Contract) or a novated agreement;
- (c) **Valid and Binding:** Each relevant Related Loan Contract (i) is governed by English, Northern Irish or Scots law and discloses a Borrower address in England and Wales, Northern Ireland or Scotland only and (ii) is a legal, valid and binding obligation of the relevant Borrower and, subject to any laws from time to time in effect relating to bankruptcy, liquidation or any other laws or other procedures affecting generally the enforcement of creditors' rights, is in all material respects enforceable in accordance with its terms and is non-cancellable and not subject to a right to withdraw and is freely assignable by the Seller;
- (d) **No prior assignment, set-off or defence:** So far as the Seller is aware, no relevant Related Loan Contract is subject to any claim, equity, defence, right of retention or set-off by the Borrower except by virtue of section 56 or 75 of the CCA;
- (e) **Legal and beneficial ownership:** Immediately prior to the Closing Date (or in respect of the Further Purchased Property, the relevant Further Purchase Date or in respect of the Substitute Receivables, the relevant Substitution Date), the Seller is (subject to any prior Encumbrance which has been subsequently discharged) the sole legal and beneficial owner of each relevant Purchased Receivable and is selling each such Purchased Receivable free from any Encumbrance (including rights of attaching creditors and trust interests) save as provided for in the Transaction Documents or save for any Encumbrance arising by operation of law;
- (f) **No Default:** So far as the Seller is aware, there is no material default, breach or violation under any relevant Related Loan Contract which has not been remedied or of any event which, with the giving of notice and/or the making of any determination and/or the expiration of any applicable grace period, would constitute such default, breach or violation, provided that any default, breach or violation shall be material if it in any way affects the amount or the collectability of the Purchased Receivables arising under such Related Loan Contract and provided further that any breach relating to non-payment shall not be material unless it would be such as would cause the relevant Purchased Receivable not to comply with the Eligibility Criteria;
- (g) **Option to purchase and return of goods:** Save in respect of a PCP Agreement, no relevant Related Loan Contract provides for (i) an option to purchase fee greater than £500 or (ii) an option to return the Financed Vehicle instead of paying the final repayment due under such Related Loan Contract (excluding any options fees, the right of the Borrower to voluntarily terminate a Loan Contract pursuant to section 99 of the CCA and where a Borrower returns the related Financed Vehicle rather than paying the relevant final option to purchase fee);
- (h) **The Seller's Records:** The Seller (or the Seller's agents on the Seller's behalf) has maintained records relating to each relevant Purchased Receivable and Related Loan Contract which are accurate and complete in all material respects and which, to the best of the knowledge, information

and belief of the Seller, are sufficient to enable such Related Loan Contract to be enforced against the relevant Borrower and such records are held by or to the order of the Seller;

- (i) **Standard Forms:** Each relevant Related Loan Contract was based on a standard form document;
- (j) **Credit and Collection Procedures:** Each relevant Related Loan Contract (i) was originated by the Seller as principal in the ordinary course of its business in accordance with the Seller's Credit and Collection Procedures pursuant to underwriting standards that are no less stringent than those the Seller applied at the time of origination to exposures not included in the Issuer Assets and (ii) is serviced in accordance with the Credit and Collection Procedures;
- (k) **Insurance:** The terms of each relevant Related Loan Contract require the Borrower thereunder to insure the Financed Vehicle which is the subject thereof comprehensively against all normally insurable risks (subject to all normal excesses and deductibles);
- (l) **Consumer Credit:**
 - (i) Each relevant Related Loan Contract was originated by the Seller, as sole principal, and without any agent lender;
 - (ii) the Seller has at all material times held (in relation to the relevant Related Loan Contracts originated prior to 1 April 2014) a CCA Licence to carry on consumer credit business and (in relation to the relevant Related Loan Contracts originated on or after 1 April 2014) FCA permission or authorisation to carry on credit-related regulated activity and continues to hold and will maintain at all material times the said FCA permission or authorisation; and
 - (iii) so far as the Seller is aware (i) each Dealer and (ii) each other person who carried on in relation to a relevant Related Loan Contract any "credit brokerage", as defined in section 142(2) of the CCA (in relation to the relevant Related Loan Contracts originated prior to 1 April 2014) or article 36A of the RAO (in relation to the relevant Related Loan Contracts originated on or after 1 April 2014), has at all material times held a CCA Licence and/or FCA authorisation or permission to carry on credit brokerage;
- (m) **Ownership:** The Seller is the legal and beneficial owner of the Financed Vehicle to which each relevant Purchased Receivable relates and no other person has any right or claim thereto (other than the Borrower under the relevant Related Loan Contract);
- (n) **Unfair Relationship:** No relevant Related Loan Contract, whether alone or with any related agreement, gives rise to any "unfair relationship" between the creditor and the debtor for the purposes of sections 140A to 140D of the CCA;
- (o) **Fraud or Dispute:** So far as the Seller is aware, each Related Loan Contract under which a relevant Purchased Receivable arises has not been entered into fraudulently by the Borrower and/or Dealer in respect thereof;
- (p) **No Repossession:** No relevant Financed Vehicle has been repossessed by the Seller and the Seller has not given any notice, nor applied for any court order, under the CCA, in order to repossess a relevant Financed Vehicle as at the Cut-off Date (or in respect of the Further Purchased Property, the relevant Further Purchase Date or in respect of the Substitute Receivables, the relevant Substitution Date);
- (q) **No Onerous Acts:** None of the relevant Related Loan Contracts is such that it may give rise to (or is linked in any way to any collateral contract in respect of, or including, the insurance of the Financed Vehicles the subject of such Related Loan Contracts or in respect of the Borrower thereunder, or the

maintenance or servicing of such Financed Vehicle between the Seller and the relevant Borrower which may give rise to) any liability on the part of the Seller to pay money or perform any other onerous act (other than with respect to any claims a Borrower may have against the Seller as a result of section 56 of the CCA);

- (r) **No Products other than the Ancillary Products:** Except for the Ancillary Products, none of the relevant Related Loan Contracts were entered into simultaneously with, or linked to, products that Borrowers, when entering into such Loan Contract, agreed to take out and which were explicitly financed by the Loan Contract and which may give rise to any potential for set-off between the Borrower and the Seller;
- (s) **Selection Procedures:** No selection procedures adverse to the Issuer have been employed by the Seller in selecting the Issuer Assets;
- (t) **Standardised risk weight:** As at the Closing Date (in the case of Receivables in the Provisional Portfolio), or as at the relevant Further Purchase Date (in the case of Further Purchased Property or as the relevant Substitution Date (in the case of Substitute Receivables)), each Receivable has a standardised risk weight equal to or smaller than 75 per cent. on an exposure value-weighted average basis for the Provisional Portfolio or the Seller's portfolio of Receivables, as applicable, as such terms are described in Article 243 of the CRR;
- (u) **Credit-impaired obligor:** No Receivable is a Receivable which, so far as the Seller is aware, having made all reasonable enquiries, is a Receivable to a Borrower who is a "credit-impaired obligor" as described in Article 13(2)(j) of the LCR Regulation or paragraph 2(k) of Article 177 of the Solvency II Regulation (or, in each case, if different, the equivalent provisions in any such enacted version of such Commission Delegated Regulation); and
- (v) **Credit-impaired debtor:** No Receivable is a Receivable which, so far as the Seller is aware, having made all reasonable enquiries, is a Receivable to a Borrower who is a "credit-impaired debtor" as described in Article 20(11) of the Securitisation Regulation, and, in each case, in accordance with any official guidance issued in relation thereto.
- (w) **Non-individual Borrowers:** The relevant Borrowers who are not individuals are companies incorporated with limited liability in England and Wales, Scotland or Northern Ireland.

Breach of representations and warranties given by the Seller

If the Seller becomes aware that any of the Receivables Warranties was false or incorrect by reference to the facts and circumstances existing on the relevant Purchase Date that materially and adversely affects the interests of the Issuer in any Purchased Receivable, the Seller will promptly inform the other party of such breach of the Receivables Warranties. Such breach of the Seller's Receivables Warranties which may affect the compliance of the Loan Agreement relating to that Purchased Receivables with the Eligibility Criteria and/or of that Purchased Receivables with the Eligibility Criteria of the Purchased Receivables, shall be remedied by the Seller not later than the end of the Calculation Period immediately following the Calculation Period in which such breach was discovered by, at the option of the Seller:

- (a) to the extent possible, and as soon as practicable, taking any appropriate steps to remedy such breach of the Receivables Warranties and ensure that the relevant Loan Contract and/or the relevant Purchased Receivable complies with the Eligibility Criteria;
- (b) by indemnifying the Issuer provided that upon such indemnification the Seller has undertaken to pay to the Issuer:

- (i) with respect to any Purchased Receivables which are determined to be in breach of any Receivables Warranties made by reason of a Loan Contract (or part thereof) being determined illegal, invalid, non-binding or unenforceable under the CCA or the FSMA or subject to a right to cancel or a right to withdraw under the CCA), the CCA Compensation Payment by the end of the Calculation Period immediately following the Calculation Period in which such breach of Receivables Warranty was discovered, subject to receipt by the Seller of notice from the Servicer of the CCA Compensation Amount; the CCA Compensation Amount is an amount, calculated by the Servicer in accordance with the Servicing Agreement, required to compensate the Issuer for any loss arising as a result thereof (for further information on the calculation of such CCA Compensation Amount please see further "Servicing Agreement"); or
 - (ii) with respect to any Purchased Receivables which are not determined to be in breach of any Receivables Warranties made by reason of a Loan Contract being determined illegal, invalid, non-binding or unenforceable under the CCA or the FSMA or subject to a right to cancel or a right to withdraw under the CCA), (1) an amount equal to the aggregate of the Outstanding Principal Balance of such Non-Compliant Receivable at the date of such indemnification and (2) increased by any accrued interest outstanding and any other amounts outstanding of principal, interest, and expenses relating to such Non-Compliant Receivable at the indemnification date; or
- (c) during the Revolving Period only, by repurchasing the Non-Compliant Receivable (which shall include, in the case of any Non-Compliant Receivable which is a Scottish Receivable, the release of such Scottish Receivable from the relevant Scottish Declaration of Trust) and substituting such Non-Compliant Receivable by one or more Eligible Receivables randomly selected from the Seller's portfolio of Receivables which the Seller determines comply with the Eligibility Criteria, adjusted (if necessary) by randomly excluding Receivables which would otherwise cause a breach of any Concentration Limit (subject, as regards any Eligible Receivable which is a Scottish Receivable, to a further Scottish Declaration of Trust) (the **Substitute Receivable(s)**), provided that, if the Outstanding Principal Balance of the Substitute Receivable(s) is less than Outstanding Principal Balance of the Non-Compliant Receivable, the Seller shall pay to the Issuer an amount equal to the difference between:
- (i) the aggregate of (x) the Outstanding Principal Balance of the Non-Compliant Receivable and (y) any accrued interest outstanding and any other amounts outstanding of principal, interest, expenses and accessories relating to such Non-Compliant Receivable at the relevant Substitution Date; and
 - (ii) the Outstanding Principal Balance of the Substitute Receivable(s) (such amount, the **Substitute Receivables Compensation Amount**).

Such repurchase, substitution or indemnification by the Seller with respect to any Non-Compliant Receivable shall be carried out not later than the end of the Calculation Period immediately following the Calculation Period in which the party discovering such breach gave written notice thereof to the others. The amounts payable by the Seller to the Issuer pursuant to the substitution or indemnification by the Seller of a Non-Compliant Receivable shall be an amount equal to the Non-Compliant Receivables Repurchase Price.

In respect of the repurchase of a Non-Compliant Receivable, in determining whether or not there is a breach of the relevant representation or warranty leading to a repurchase, if to disapply the words "so far as the Seller is aware" would result in the breach of the relevant representation or warranty then the wording "so far as the Seller is aware" will in fact be disapplied and such Purchased Receivable to which the relevant representation or warranty applies shall be deemed a Non-Compliant Receivable.

In the case of a Purchased Receivable which did not exist as at the Closing Date (or in respect of the Further Purchased Property, the relevant Further Purchase Date), the Seller will not be obliged to repurchase or substitute the relevant Purchased Receivable but shall instead indemnify the Issuer and the Security Trustee against any loss and all liabilities suffered by reason of the representation or warranty being untrue or incorrect by reference to the facts subsisting on the Closing Date (or in respect of the Further Purchased Property, the relevant Further Purchase Date). Pursuant to the terms of the Servicing Agreement, the **Receivables Indemnity Amount** shall be calculated by the Servicer as the amount equal to (i) the Outstanding Principal Balance of the relevant Purchased Receivables had such Purchased Receivables existed and complied with each of the Receivables Warranties as at the Closing Date (or in respect of the Further Purchased Property, the relevant Further Purchase Date) and (ii) any deemed interest accrued on the relevant Purchased Receivable at a rate equal to the weighted average interest rate of the Issuer Assets as determined by the Servicer at the end of the immediately preceding Calculation Period less any amounts received by the Issuer in respect of any Principal Element with respect to such Purchased Receivable. For further information on the calculation of such Receivables Indemnity Amount please see further "*Servicing Agreement*" below.

The Seller may, but will not be required to, repurchase any Receivables sold to the Issuer which is not compliant with Regulation or Article 19, 20, 21 or 22 of the Securitisation Regulation or Article 243 of the Capital Requirements Regulation (or, if different, the equivalent provisions in any such enacted versions of such regulations) (a **Non-Compliant Securitisation Regulation Receivable**) for an amount equal to the Non-Compliant Receivable Repurchase Price.

Pursuant to the Receivables Sale and Purchase Agreement, Vauxhall Finance plc also represents and warrants that it has paid all fees required to be paid to the UK Information Commissioner under applicable data protection laws. However, this is not a representation or warranty the breach of which triggers an obligation on the Seller to repurchase or substitute the Purchased Receivables or indemnify the Issuer.

Clean up Call Option

Pursuant to the terms of the Receivables Sale and Purchase Agreement, if an Issuer Liquidation Event has occurred, then Seller may deliver an Issuer Liquidation Notice, and the Issuer shall redeem all, but not some only, of the Notes at their then respective Principal Amount Outstanding (together with interest accrued and unpaid thereon) and shall use the Aggregate Securitised Issuer Assets Liquidation Price to redeem the Notes on and from the Payment Date on which such Issuer Liquidation Event has occurred. Following delivery of an Issuer Liquidation Notice, the Seller shall, on such Payment Date, repurchase the benefit of all Purchased Receivables then owned by (or held in trust by the Seller pursuant to the Transaction Documents for) the Issuer.

The Notes shall be redeemed by the Issuer in accordance with the applicable Priority of Payments.

If the Aggregate Securitised Issuer Assets Liquidation Price together with any Issuer Available Cash (excluding any credit balance of the Liquidity Reserve Account) does not at least equal to the sum of the Notes Principal Amount Outstanding, the Notes Interest Amount and any arrears thereon and any other amounts due by the Issuer and ranking senior to the Most Senior Class of Notes in order to enable the Issuer to redeem in full all outstanding Notes in accordance with the applicable Priority of Payments, then the transfer of all Purchased Receivables and their Ancillary Rights shall not take place and the Issuer shall not be liquidated.

Regulatory Call Option

Pursuant to the terms of the Receivables Sale and Purchase Agreement, if a Regulatory Change Event has occurred, then the Seller may deliver a Regulatory Change Event Notice, and if the Seller offers to repurchase all of the Purchased Receivables and Ancillary Rights of the Issuer shall redeem all, but not some only, of the Notes at their then respective Principal Amount Outstanding (together with interest accrued and

unpaid thereon) and shall use the Aggregate Securitised Issuer Assets Liquidation Price to redeem the Notes on and from the Interest Payment Date on which such Regulatory Change Event has occurred. Following delivery of a Regulatory Change Event Notice, the Seller, on such Payment Date, repurchase the benefit of all Purchased Receivables then owned by (or held in trust by the Seller pursuant to the Transaction Documents for) the Issuer.

The Notes shall be redeemed by the Issuer in accordance with the applicable Priority of Payments.

If the Aggregate Securitised Issuer Assets Liquidation Price together with any Surplus Available Principal Distribution Amount (excluding the Liquidity Reserve Account) does not at least equal to the sum of the Notes Principal Amount Outstanding, the Notes Interest Amount and any arrears thereon and any other amounts due by the Issuer and ranking senior to the Most Senior Class of Notes in order to enable the Issuer to redeem in full all outstanding Notes in accordance with the applicable Priority of Payments, then the transfer of all Purchased Receivables and their Ancillary Rights shall not take place and the Issuer shall not be liquidated.

The declaration of a Regulatory Change Event will not be prevented by the fact that, prior to the Closing Date (a) the event constituting any such Regulatory Change Event was: (i) announced or contained in any proposal (whether in draft or final form) for a change in the laws, regulations, applicable regulatory rules, policies or guidelines (including any accord, standard, or recommendation of the Basel Committee on Banking Supervision), as officially interpreted, implemented or applied by the European Central Bank, the Banque de France, the Bank of England, the Prudential Regulation Authority or the European Union; or (ii) incorporated in any law or regulation approved and/or published but the effectiveness or application of which is deferred, in whole or in part, beyond the Closing Date; or (iii) expressed in any statement by any official of the competent authority in expert meetings or other discussions in connection with such Regulatory Change Event or (b) the competent authority has issued any notification, taken any decision or expressed any view with respect to any individual transaction, other than this transaction. Accordingly, such proposals, statements, notifications or views will not be taken into account when assessing the capital treatment of the Notes or the capital relief afforded by the Notes for the Seller or its Affiliates or an increase of the cost or reduction of benefits to the Seller or its Affiliates of the Securitisation immediately after the Closing Date.

Tax Call Option

Pursuant to the terms of the Receivables Sale and Purchase Agreement, on any Interest Payment Date on which a Redemption Event is continuing, the Seller shall be entitled (but will not be obliged), on such Interest Payment Date, to repurchase the benefit of all Purchased Receivables then owned by (or held in trust by the Seller pursuant to the Transaction Documents for) the Issuer for the Final Repurchase Price.

Perfection Event

On the occurrence of a Perfection Event, the Issuer (in order to perfect its title to the Purchased Receivables) will:

- (a) give notice in its own name (and/or require the Seller and/or the Servicer to give notice) to all or any of the Borrowers of the sale and assignment of all or any of the Purchased Receivables; and/or
- (b) direct (and/or require the Seller and/or the Servicer to direct) all or any of the Borrowers to pay amounts outstanding in respect of Purchased Receivables directly to the Issuer by transfer to the Transaction Account or any other account which is specified by the Issuer; and/or
- (c) give instructions (and/or require the Seller and/or the Servicer to give instructions) to make the transfers from the Collections Account to the Transaction Account; and/or

- (d) take such other action as it reasonably considers to be necessary, appropriate or desirable (including taking the benefit of title to the Financed Vehicles to the extent permitted by law and entering into further assignments of Purchased Receivables) in order to recover any amount outstanding in respect of Purchased Receivables or to improve, protect, preserve or enforce its rights against the Borrowers in respect of Purchased Receivables.

No active portfolio management

The Seller's rights and obligations to sell Receivables to the Issuer and/or repurchase Receivables from the Issuer pursuant to the Receivables Sale and Purchase Agreement do not constitute active portfolio management for purposes of Article 20(7) of the Securitisation Regulation.

Governing Law

The Receivables Sale and Purchase Agreement and any non-contractual obligations arising out of or in connection with it will be governed by English law, except for certain aspects relating to the Scottish Receivables which shall be construed in accordance with Scots law and certain aspects relating to the Northern Irish Receivables which shall be governed by the laws of Northern Ireland.

Servicing Agreement

On the Closing Date, the Issuer, the Servicer, the Seller, the Security Trustee and the Back-Up Servicer Facilitator will enter into the Servicing Agreement.

Pursuant to the Servicing Agreement, the Issuer has appointed Vauxhall Finance plc as Servicer for the purposes of servicing the Purchased Receivables (or, whilst the Purchased Receivables are held subject to each Scottish Declaration of Trust, the Servicer will agree to service such Purchased Receivables on behalf of the Seller in its capacity as trustee thereunder acting upon the instruction of the Issuer in its capacity as beneficiary thereunder). Under the terms of the Servicing Agreement, the Servicer has, among other things, undertaken to perform its duties in accordance with all applicable laws and regulations and pursuant to specific instructions that, on certain conditions, it may be given by the Issuer or, as applicable, the Security Trustee, from time to time. The Servicer is permitted under the terms of the Servicing Agreement, and at its own cost and expense, to appoint or dismiss third parties to perform some or all of its obligations under the Servicing Agreement, subject to Vauxhall Finance plc remaining liable for the actions of any such third party.

The Servicer has undertaken that it will devote to the performance of its obligations and the exercise of its discretions under the Servicing Agreement and its exercise of the rights of the Issuer in respect of contracts and arrangements giving rise to payment obligations in respect of the Purchased Receivables at least the same amount of time and attention and exercise the same level of skill, care and diligence as it would if it were administering receivables in respect of which it held the entire benefit (both legally and beneficially) and, in any event, will devote all due skill, care and diligence to the performance of its obligations and the exercise of its discretions and will devote all operational resources necessary (including, without limitation, office space, facilities, equipment and staff) to fulfil its obligations under the Servicing Agreement and the other Transaction Documents to which it is a party (together, the **Servicer Standard of Care**).

The Servicer will undertake, among other things, that:

- (i) it will, in discharging its obligations and performing its functions under the Servicing Agreement, act in accordance with the Credit and Collection Procedures;
- (ii) it will comply with any reasonable, proper and lawful directions, orders and instructions which the Issuer or, as applicable, the Security Trustee, may from time to time give to it in connection with the performance of its obligations under the Servicing Agreement (or, in respect of the Purchased

Receivables held on trust under each Scottish Declaration of Trust by the Seller for the Issuer) (to the extent that compliance with those directions does not conflict with any provision of the Credit and Collection Procedures, the Transaction Documents or any duties or obligations applicable to servicers generally under English law) provided that each of the parties to the Servicing Agreement acknowledge that prior to a Servicer Default, a Perfection Event or any enforcement action being taken in relation to the Charged Property, the Servicer shall act in accordance with its Credit and Collection Procedures and any such directions must be in conformity with such Credit and Collection Procedures;

- (iii) it shall, on behalf of the Issuer in accordance with the Collections Procedures, use all reasonable endeavours to: (a) collect all Collections (including any Receivables and any proceeds from the sale, as applicable, of any Financed Vehicles) and ensure payment of all sums due under or in connection with the Purchased Receivables and the Related Loan Contracts; (b) recover amounts due from the Borrower and relevant guarantor, as the case may be, in respect of Defaulted Amounts; (c) enforce all obligations of the Customers under the Loan Contracts relating to the Purchased Receivables and of the related guarantors, if any; and (d) enforce all Ancillary Rights arising in respect of the Purchased Receivables;
- (iv) it shall use reasonable endeavours to procure that, so far as it may be able, all Collections credited to the Collections Accounts in respect of the Purchased Receivables are transferred within two Business Days following receipt by the Seller, directly into the Transaction Account;
- (v) makes all calculations required to be made by it under the Servicing Agreement (including calculating the CCA Compensation Amount, the Substitute Receivables Compensation Amount and the Receivables Indemnity Amount);
- (vi) on or prior to each Calculation Date, provide information in respect of the Purchased Receivables and their performance to the Issuer and the Calculation Agent to enable the Calculation Agent to calculate amounts payable under the Priority of Payments and to perform its other calculation functions under the Calculation Agency Agreement;
- (vii) it will notify the Issuer, the Security Trustee and the Back-Up Servicer Facilitator of becoming aware of the occurrence of any Perfection Event or Servicer Default;
- (viii) subject to and in accordance with the provisions of the Servicing Agreement and the Credit and Collection Procedures, it will take all reasonable steps to recover all sums due to the Issuer in respect of the Purchased Receivables and any Ancillary Rights; and
- (ix) upon the occurrence of an Insolvency Event with respect to the Seller, it will, to the extent required, negotiate the variable component of the Administrator Incentive Recovery Fee with the Seller's Insolvency Official with a view to maximising Recoveries where the Insolvency Official disposes of, arranges for the disposal of or otherwise assists with the disposal of the relevant Financed Vehicles. For further information please refer to the Risk Factor entitled "*The Issuer Assets and Vauxhall Finance plc – No Right, Title or Interest in the Financed Vehicles*".

In accordance with the terms of the Servicing Agreement, the Issuer will pay to the Servicer for its services a servicing fee of 1% per annum of the Outstanding Principal Balance of the Purchased Receivables (the **Servicing Fee**). The Servicing Fee will be inclusive of any amount in respect of VAT.

Back-Up Servicer Facilitator

The Issuer will appoint the Back-Up Servicer Facilitator in accordance with the Servicing Agreement. If the Servicer's appointment is terminated, the Back-Up Servicer Facilitator shall use reasonable efforts to identify, on behalf of the Issuer, and assist the Issuer in the appointment of a suitable substitute servicer in

accordance with the Servicing Agreement. The Back-Up Servicer Facilitator shall be paid (i) an annual fee; and (ii) if the Back-Up Servicer Facilitator is required to take action to identify a substitute servicer, all out-of-pocket charges and all properly incurred costs and reasonable expenses of the Back-Up Servicer Facilitator incurred in connection with such action (the **Back-Up Servicer Facilitator Fee**). The Back-Up Servicer Facilitator Fee will be inclusive of any amount in respect of VAT.

Calculation of CCA Compensation Amount

In calculating the CCA Compensation Amount the Servicer has agreed to calculate the loss (if any) that has arisen to the Issuer solely as a result of any Purchased Receivable or the Related Loan Contract (or part thereof) being determined illegal, invalid, non-binding or unenforceable under the CCA or the FSMA or subject to a right to cancel or a right to withdraw under the CCA. Where any Purchased Receivable or the Related Loan Contract has been determined illegal, invalid, non-binding or unenforceable or subject to such right to cancel or a right to withdraw under the CCA, the loss to the Issuer shall be calculated as being the amount which the Issuer should have received under such Purchased Receivable had the Purchased Receivable or Loan Contract not been so determined and on the assumption that all amounts under the Purchased Receivable and Loan Contract (including any option fees) would have been paid on a timely basis in full by the Borrower (and disregarding any consideration as to the credit worthiness of the Borrower) and including any amounts that would have accrued to the Issuer from the date on which such Related Loan Contract, was determined illegal, invalid, non-binding or unenforceable under the CCA or the FSMA or subject to a right to cancel or a right to withdraw under the CCA.

Calculation of Substitute Receivables Compensation Amount

In calculating the Substitute Receivables Compensation Amount the Servicer has agreed to calculate the loss (if any) that has arisen to the Issuer solely as a result of any Purchased Receivable or the Related Loan Contract (or part thereof) being determined to be in breach of the Receivables Warranties. Where any Purchased Receivable or the Related Loan Contract has been determined to be in breach of the Receivables Warranties, the loss to the Issuer shall be calculated as being the amount which the Issuer should have received under such Purchased Receivable had the Purchased Receivable or Loan Contract not been so determined and on the assumption that all amounts under the Purchased Receivable and Loan Contract (including any option fees) would have been paid on a timely basis in full by the Borrower (and disregarding any consideration as to the credit worthiness of the Borrower) and including any amounts that would have accrued to the Issuer from the date on which such Related Loan Contract, was determined to be in breach of the Receivables Warranties.

Variations to Loan Contracts

Pursuant to the terms of the Servicing Agreement, Vauxhall Finance plc has agreed that no changes shall be made to the Loan Contracts that relate to the Purchased Receivables unless such changes are:

- (a) made in accordance with the terms of such Loan Contract and the Credit and Collection Procedures; and
- (b) not a Non-Permitted Variation or a PCP Refinancing Variation,

(such changes being **Permitted Variations**).

A **Non-Permitted Variation** is any change to a Loan Contract that relates to a Purchased Receivable which has the effect of:

- (a) reducing the Amount Financed;
- (b) reducing the Annual Percentage Rate;

- (c) reducing the total number of Monthly Payments; or
- (d) extending the term of the Purchased Receivable such that the last Monthly Payment Date falls after Last Receivable Maturity Date,

but shall not, for the avoidance of doubt, include any action taken with respect to the Servicer's arrears management process in accordance with its Credit and Collection Procedures.

A **PCP Refinancing Variation** means the entry by the Seller into a modifying agreement with a Borrower on the refinancing of a balloon payment in relation to a Loan Contract that is a PCP Agreement, but shall not, for the avoidance of doubt, include any action taken in accordance with its Credit and Collection Procedures.

If Vauxhall Finance plc agrees to any variation to a Loan Contract that relates to a Purchased Receivable which is a Non-Permitted Variation or a PCP Refinancing Variation, the Seller must repurchase or substitute such Purchased Receivable from the Issuer on or before the end of the Calculation Period immediately following the Calculation Period in which such Non-Permitted Variation or PCP Refinancing Variation occurs. Any such repurchase or substitution by the Seller as a result of a Variation to a Loan Contract that relates to a Purchased Receivable which is a Non-Permitted Variation or a PCP Refinancing Variation shall be made in accordance with and subject to the terms of the Receivables Sale and Purchase Agreement.

Changes to the Credit and Collection Procedures

Under the Servicing Agreement the Servicer will be permitted to make changes to the Credit and Collections Procedures and to adopt additional and/or alternative policies or procedures from time to time. The Servicer has agreed that any changes made to the Credit and Collection Procedures and any additional and/or alternative policies or procedures may be adopted by the Servicer in relation to the Credit and Collection Procedures. Any changes adopted may only be made in accordance with the Servicer Standard of Care. Any material change in the Credit and Collection Procedures of the Servicer shall be notified in writing to the Issuer, the Security Trustee, the Note Trustee and the Rating Agencies as soon as practicable after such change.

Daily Cash Flows

Pursuant to the Servicing Agreement, the Servicer will procure that all Collections in respect of the Purchased Receivables are credited to the Collections Accounts and are transferred within two Business Days following receipt by the Seller, directly into the Transaction Account.

Collections Account Declaration of Trust

In addition, the Seller has, pursuant to the terms of the Servicing Agreement, agreed to hold all amounts detailed in paragraphs (i) and (ii) below and standing to the credit of the Collections Accounts on trust for *inter alia* the Issuer and itself absolutely (the **Collections Account Declaration of Trust**). The Seller shall hold upon trust:

- (i) for the Issuer absolutely, all amounts from time to time standing to the credit of the Collections Accounts to the extent that such amounts represent payments into the Collections Accounts derived from or resulting from the Purchased Receivables comprised in the Issuer Assets (but excluding any interest arising in respect of amounts standing to the credit of the Collections Accounts) (the **Issuer Trust Amounts**); and
- (ii) for itself and for others absolutely, all amounts from time to time standing to the credit of the Collections Accounts to the extent such amounts represent amounts other than the Issuer Trust Amounts (the **Seller Trust Amounts**).

As part of the same trust arrangements, the Seller will hold amounts in the Collections Accounts on trust for other securitisations that the Seller has undertaken. The terms of the Collections Account Declaration of Trust provide that in some circumstances the mandate to make payments from the Collections Account will be vested in an issuing vehicle in another securitisation. The issuing vehicle in that securitisation has covenanted that it will operate such mandate so as to pay over to the Issuer monies entrusted in favour of the Issuer. The Issuer's beneficial interest in the Trust is not affected by these arrangements.

The Seller has agreed that the Issuer Trust Amounts will be distributed to the Issuer in accordance with the terms of the Collections Account Declaration of Trust and acknowledges and agrees that the Seller Trust Amounts shall be distributed to the other beneficiaries of the Collections Account Declaration of Trust.

The Seller will further acknowledge that it has no right at any time to pay, set-off or transfer any of the Issuer Trust Amounts in or towards satisfaction of the liabilities of the Seller and that it shall hold such money as trustee for the Issuer and shall only be entitled to deal with the Issuer Trust Amounts in accordance with the terms of the Servicing Agreement, the Collections Account Declaration of Trust and the other Transaction Documents.

Provision of Information

The Servicer must prepare and deliver to the Issuer and the Calculation Agent, on or before each Calculation Date, the information in respect of the Receivables in the Issuer Assets that is necessary for the Calculation Agent to perform its obligations under the Calculation Agency Agreement, in particular to prepare the Calculation Report so that the Servicer, with the assistance of the Cash Manager, using the Calculation Report may prepare the Monthly Investor Report.

Loan level data

Subject to applicable data protection laws, the Servicer will, for as long as the Class A Notes (or any other Class of Notes intended to be held in a manner which will allow for Bank of England eligibility, provided such Class of Notes will be in compliance with the Bank of England eligibility criteria in force from time to time) remain outstanding, to make loan-level data available in such a manner as required to comply with the Bank of England eligibility criteria as set out in the Detailed Information Transparency for Asset-Backed Securities for Auto-loan ABS of 17 December 2012, as amended.

Termination of appointment of Servicer

The Issuer may terminate the appointment of the Servicer under the Servicing Agreement upon the occurrence of a Servicer Default provided that: (i) a notice of termination is given by the Servicer or the Issuer to the Seller, the Security Trustee and the Back-Up Servicer Facilitator (with a copy to the Cash Manager, the Calculation Agent and the Rating Agencies); and (ii) the Issuer, subject to the agreement by the Security Trustee, provides written instructions to effect such termination.

The Servicer may also resign its appointment on not less than 12 months' written notice to the Issuer, the Seller, the Security Trustee and the Back-Up Servicer Facilitator (with a copy being sent to the Cash Manager, the Calculation Agent and the Rating Agencies) provided that such resignation shall not take effect until the Issuer and the Security Trustee consent in writing to such resignation.

The Servicer has undertaken to indemnify the Issuer and the Security Trustee against any Loss incurred by any such party as a result of any default by the Servicer or any third party agent of the Servicer in performing any obligation under the Servicing Agreement. For the avoidance of doubt, the Servicer shall not be liable for any Loss suffered or incurred by the Issuer or the Security Trustee save where such Loss is suffered or incurred as a result of any negligence, fraud or wilful default of the Servicer or as a result of a breach by the Servicer of the terms and provisions of the Servicing Agreement or the other Transaction Documents in relation to such functions.

Governing Law

The Servicing Agreement and any non-contractual obligations arising out of or in connection with it shall be governed by English law, except that any terms of the Servicing Agreement which are particular to Scots law shall be construed in accordance with the laws of Scotland and that any terms of the Servicing Agreement which are particular to Northern Irish law shall be governed by and construed in accordance with the laws of Northern Ireland.

Account Bank Agreement

Pursuant to the terms of the Account Bank Agreement to be entered into on the Closing Date between the Issuer, the Account Bank, the Cash Manager, the Calculation Agent, the Servicer and the Security Trustee, the Issuer will agree to maintain the Transaction Account (together with any additional bank accounts) and the CSA Account, the Reinvestment Principal Account, the Issuer Retained Profit Account and the Liquidity Reserve Account (the **Issuer Accounts**) in its name with the Account Bank.

Monies standing to the credit of the Transaction Account representing the Available Interest Distribution Amount and the Available Principal Distribution Amount will be applied by the Cash Manager on each Interest Payment Date, in accordance with the Interest Priority of Payments and the Principal Priority of Payments (as the case may be). The interest rate payable on balances standing to the credit of the Issuer Accounts is not subject to a minimum floor of zero per cent. A negative interest rate would result in a charge payable by the Issuer to the Account Bank. If the Account Bank ceases to have all of the following ratings (the **Account Bank Ratings**):

- (a) with respect to S&P Global,
 - (i) a short-term issuer credit rating of at least A-1 by S&P Global (if a short-term rating is assigned by S&P Global); and
 - (ii) a long-term issuer credit rating of at least A by S&P Global (or if the Account Bank does not benefit from a short-term issuer credit rating by S&P Global, a long-term issuer credit rating of at least A+ by S&P Global); or
- (b) with respect to DBRS,
 - (i) a COR of at least A(high) by DBRS; or
 - (ii) if a COR from DBRS is not available, a long-term, senior, unsecured debt rating of A by DBRS (either by way of a public rating or, in its absence, by way of a private rating supplied by DBRS), provided that if the Account Bank is not rated by DBRS, a DBRS Equivalent Rating at least equal to A by DBRS, or, failing which, in each case, such other ratings that are consistent with the then published criteria of the relevant Rating Agency as being the minimum ratings that are required to support the then rating of the Rated Notes or such other ratings that are consistent with the then published criteria of the relevant Rating Agency as being the minimum ratings that are required to support the then rating of the Rated Notes then one of the following will occur:
 - the Transaction Account shall be closed by, or on behalf of, the Issuer and all amounts standing to the credit thereof shall be transferred by, or on behalf, of the Issuer within 60 days (provided that, prior to the expiry of 33 calendar days following the first day on which such downgrade occurred the balances on the Transaction Accounts shall not be transferred from the Issuer Accounts nor the Issuer Accounts closed) to accounts held with a financial institution: (i) which has all the Account Bank Ratings; and (ii) which is a bank as defined in Section 991 of the Income Tax Act 2007 and which is situated in a Member State of the European Union, and authorised as a credit institution by

a competent authority in a Member State of the European Union, for the purposes of Directive 2006/48/EC on credit institutions, provided that where any financial institution as described in paragraph (ii) above is acting through a foreign branch which is situated in a Member State of the European Union, the foreign currency long-term rating of such hosting sovereign is at least BBB-; or

- within 60 days the Account Bank may obtain a guarantee in support of its obligations under the Account Bank Agreement from a financial institution which has all the Account Bank Ratings, provided that such guarantee complies with the S&P Global Guarantee Criteria; or
- within 60 days, the Account Bank will take such other actions as may be requested by the parties to the Account Bank Agreement (other than the Security Trustee) to ensure that the rating of the Rated Notes immediately prior to the Account Bank ceasing to have all of the Account Bank Ratings are not adversely affected by the Account Bank ceasing to have all of the Account Bank Ratings.

If the Account Bank fails to take such action within the required time, then the Calculation Agent or the Issuer shall (with the prior written consent of the Security Trustee) or the Security Trustee may terminate the Account Bank Agreement with respect to the Account Bank in respect of the relevant Issuer Bank Account and close the Issuer Accounts by giving not less than 30 days' prior written notice to the Account Bank (with a copy to, as applicable, the Cash Manager, the Issuer and the Security Trustee) subject to a replacement financial institution having been appointed which has all of the Account Bank Ratings.

The Account Bank Agreement and any non-contractual obligations arising out of or in connection with it shall be governed by English law.

Agency Agreement

On or prior to the Closing Date, the Issuer, the Note Trustee, the Principal Paying Agent, the Security Trustee, the Cash Manager, the Account Bank and the Agent Bank will enter into an agency agreement (the **Agency Agreement**) pursuant to which provision will be made for, among other things, payment of principal and interest in respect of the Notes.

The Agency Agreement and any non-contractual obligations arising out of or in connection with it will be governed by English Law.

Cash Management Agreement

The Issuer, the Cash Manager, the Calculation Agent, the Servicer and the Security Trustee will, on or before the Closing Date, enter into the Cash Management Agreement pursuant to which HSBC Bank plc will be appointed to act as the Cash Manager in respect of amounts standing from time to time to the credit of the Issuer Accounts and arrange for payments to be made on behalf of the Issuer from such accounts on the basis of instructions provided by the Calculation Agent in accordance with the Priority of Payment.

Cash Management Services

The Cash Manager is required to manage the operation of the Issuer Accounts, and in each case give instructions to the Account Bank to enable it to perform its obligations. The Calculation Agent will perform certain calculations required under the Transaction Documents necessary for the determination and payment of the various cash flows and will communicate this information to the Cash Manager who shall be responsible for applying such payments in accordance with the Priority of Payments and the Transaction Documents.

Pursuant to the Cash Management Agreement, the Cash Manager will provide, *inter alia*, the following cash management services to the Issuer:

- (a) determining, based on instructions given to it by the Calculation Agent, such amounts as are expressed to be calculations and determinations made by the Cash Manager in accordance with the Conditions of the Notes;
- (b) applying the Available Interest Distribution Amount and the Available Principal Distribution Amount in accordance with the applicable Priority of Payments set out in the Cash Management Agreement or, as applicable, the Deed of Charge; and
- (c) on each Further Purchase Date during the Revolving Period and the Normal Redemption Period, applying the Available Principal Distribution Amount towards the Initial Purchase Price of the relevant Further Purchased Property.

The Cash Manager will maintain the Issuer Accounts.

See further the section entitled "*Cash Management*".

Under the terms of the Cash Management Agreement, prior to the service of a Note Acceleration Notice, the following withdrawals and corresponding payments will be permitted to be made by the Cash Manager (as directed by the Seller) on any Business Day (each a **Permitted Withdrawal**):

- (a) Excess Recoveries Amount;
- (b) Pre-Closing Interest Amounts; and
- (c) Excluded Receivables Amount,

provided that, any such withdrawals shall (i) in any Calculation Period, only be made up to a maximum amount equal to the Revenue Receipts received in such Calculation Period, (ii) be made prior to administration of the applicable Priority of Payments and (iii) for the avoidance of doubt, not be included as the Available Interest Distribution Amount.

In return for the services provided, the Cash Manager will receive a fee (exclusive of VAT, if any) paid monthly in arrears in accordance with the applicable Priority of Payments.

Reporting under the Securitisation Regulation

The Cash Manager shall give to the Seller such information, reports and evidence in the Cash Manager's possession as the Seller requires to perform its obligations pursuant to Article 7 of the Securitisation Regulation.

For the avoidance of doubt, the Cash Manager has not been appointed as the designated entity under Article 7(2) of the Securitisation Regulation.

For further information in connection with the Seller's reporting obligations pursuant to Article 7 of the Securitisation Regulation see the section of the Prospectus entitled "*General Information*".

Termination of appointment of Cash Manager

The Issuer may terminate the appointment of the Cash Manager under the Cash Management Agreement upon the occurrence of a Cash Manager Termination Event. A Cash Manager Termination Event means the occurrence of any one of the following events:

- (a) the making of an order or the passing of a resolution for the administration, winding up, dissolution or other similar or analogous procedure in respect of such entity;
- (b) such entity entering into any voluntary arrangement, scheme or arrangement, composition or arrangement with creditors;
- (c) the appointment of any receiver, receiver and manager, manager, administrative receiver, insolvency administrator or liquidator or any similar or analogous official in respect of the whole or substantially the whole of the property of such entity;
- (d) the Cash Manager ceases or threatens to cease to carry on its business or a substantial part of its business or stops payment or threatens to stop payment of its debts or is deemed unable to pay its debts or becomes unable to pay its debts as they fall due;
- (e) the Cash Manager for a continuous unremedied period of five Business Days, fails to instruct that a deposit or a payment be made when required by the Cash Manager under the Cash Management Agreement (subject to there being sufficient funds in the relevant Issuer Bank Account for such purpose and the Cash Manager having received all material information that is to be provided by any other party which is required for the Cash Manager to be able to perform its payment duties hereunder); or
- (f) such entity fails to perform or observe any of its material duties, obligations, covenants or services under the Cash Management Agreement and such default continues unremedied for a period of 60 days after the earlier of (I) the entity becoming aware of such default or (II) receipt by the entity of notice from the Issuer, the Calculation Agent or the Security Trustee requiring the same to be remedied.

If the appointment of the Cash Manager is terminated, the Issuer shall as soon as reasonably possible and, in any event, within 60 days, appoint a new cash manager (the **Replacement Cash Manager**) provided that, so long as a Servicer Default has not occurred the Servicer has consented to the identity of such Replacement Cash Manager, such consent not to be unreasonably withheld. In accordance with the terms of the Cash Management Agreement, any Replacement Cash Manager, must:

- (a) in the reasonable opinion of the Issuer (or the resigning Cash Manager as applicable) have experience of cash management in relation to auto finance agreements in England and Wales, Northern Ireland and Scotland; and
- (b) enter into an agreement with the Issuer and the Security Trustee substantially on the terms of the existing Cash Management Agreement, and at fees which are, in the opinion of the Issuer and the Calculation Agent, consistent with those payable generally at the relevant time for the provision of consumer auto finance services (the **Replacement Cash Management Agreement**).

The Issuer shall (subject to the permission of the Servicer, not to be unreasonably withheld and provided that a Servicer Default has not occurred) give its consent to the termination of the appointment of the Cash Manager and the appointment of a Replacement Cash Manager, where the Replacement Cash Manager satisfies the criteria set out in paragraphs (a) and (b) above.

The Cash Manager may also resign its appointment on no less than 60 days' written notice to the Issuer, the Seller, the Servicer and the Security Trustee with a copy being sent to the Rating Agencies provided that such resignation shall not take effect until the Issuer and the Servicer consent in writing to such resignation,

such consent not to be unreasonably withheld. No termination or resignation of the Cash Manager may take effect until a Replacement Cash Manager has been appointed in its place.

Where no suitable entity is found that satisfies the criteria set out above, the Security Trustee, the Issuer and the Servicer shall consent to the appointment of an entity as Replacement Cash Manager, such consent not to be unreasonably withheld where the Security Trustee has been directed to do so by an Extraordinary Resolution of the holders of the Most Senior Class of Notes.

The Cash Manager has undertaken to indemnify the Issuer and the Security Trustee against any loss incurred by any such party as a result of any default by the Cash Manager in performing any obligation under the Cash Management Agreement. In addition, pursuant to the terms of the Cash Management Agreement, the Security Trustee shall not be responsible or have any liability if a Replacement Cash Manager cannot be found or appointed in accordance with the terms of the Cash Management Agreement.

In accordance with the terms of the Cash Management Agreement, the Issuer will pay to the Cash Manager for its services a cash management fee as set out in a fee letter dated on or about the Closing Date between, *inter alia*, the Issuer and the Cash Manager (the **Cash Management Fee**). The Cash Management Fee will be exclusive of any amount in respect of VAT.

Governing Law

The Cash Management Agreement and any non-contractual obligations arising out of or in connection with it will be governed by English law.

Calculation Agency Agreement

The Issuer, the Servicer, the Seller, the Cash Manager and the Calculation Agent will, on or before the Closing Date, enter into a Calculation Agency Agreement pursuant to which Vauxhall Finance plc will be appointed to act as the Calculation Agent. The Calculation Agent will use information provided to it by the Servicer to undertake calculations in relation to any amounts required pursuant to the Transaction Documents, and then to instruct the Cash Manager in, the operation of the Issuer Accounts and other related responsibilities.

In particular the Calculation Agent will calculate amounts to be paid out of the Transaction Account on each Interest Payment Date in accordance with the applicable Priority of Payments. On or before each Calculation Date the Calculation Agent will deliver to the Issuer and to the Cash Manager *inter alia* the Calculation Report setting out details of the amounts calculated by it pursuant to the Calculation Agency Agreement and other related information.

The Calculation Agent will receive a fee on each Interest Payment Date as agreed between the Calculation Agent and the Issuer.

The Calculation Agent's appointment may be terminated by the Issuer at any time upon the occurrence of any of the following events (each a **Calculation Agent Termination Event**):

- (a) an Insolvency Event in respect of the Calculation Agent;
- (b) the Calculation Agent entering into any voluntary arrangement, scheme or composition with creditors;
- (c) the Calculation Agent fails to perform or observe any of its material duties, obligations, covenants or services under the Calculation Agency Agreement or the Cash Management Agreement and such default is continuing unremedied or is not waived for a period of 10 Business Days after the earlier

of (A) the Calculation Agent becoming aware of such default or (B) receipt by the Calculation Agent of written notice from the Issuer or the Security Trustee requiring the same to be remedied.

The Issuer may also terminate the appointment of the Calculation Agent upon 30 days' prior written notice without a Calculation Agent Termination Event having occurred provided that the Servicer has certified that in its opinion such termination will not affect the ratings of the Rated Notes.

The Calculation Agent may resign as Calculation Agent at any time without assigning reason therefor and without responsibility for any associated costs upon not less than 60 days' prior written notice to the Issuer. Any such termination (without a Calculation Agent Termination Event) or resignation will only take effect upon appointment of a successor calculation agent by the Issuer.

The Calculation Agency Agreement and any non-contractual obligations arising out of or in connection with it shall be governed by English law.

Swap Agreement

On or prior to the Closing Date, the Issuer will enter into one or more Hedging Arrangements with the Swap Counterparty, under an International Swaps and Derivatives Association Inc. 1992 Master Agreement, in order to address certain risks arising as a result of the interest rate mis-match between the fixed rate of interest payable under the Loan Contracts (and therefore received by the Issuer in respect of the Purchased Receivables) and the floating rate of interest payable by the Issuer under the Rated Notes.

For a more detailed description of the terms of the Swap Agreement, see the section headed "*Credit Structure, Liquidity and Hedging*" and the paragraph headed "*Risk Factors Relating to The Availability of Funds to Pay The Notes*" in the section headed "*Risk Factors*".

The Swap Agreement and any non-contractual obligations arising out of or in connection therewith shall be governed by English law.

Trust Deed

The Notes will be constituted pursuant to the Trust Deed to be entered into on the Closing Date between the Issuer and the Note Trustee.

HSBC Corporate Trustee Company (UK) Limited will agree to act as Note Trustee subject to the conditions contained in the Trust Deed. The Trust Deed will contain provisions requiring the Note Trustee to have regard to the interests of the holders of all Classes of Notes issued by the Issuer unless in the Note Trustee's opinion there is a conflict between the interests of the holders of the different Classes of Notes, in which case the Note Trustee will be required to have regard only to the interests of the holders of the Most Senior Class of Notes then outstanding.

The Trust Deed will contain provisions governing the responsibility (and relief from responsibility) of the Note Trustee and providing for its indemnification in certain circumstances.

The Noteholders holding the Most Senior Class of Notes may by Extraordinary Resolution remove the Note Trustee by giving not less than 60 days' prior written notice to the Issuer and the Note Trustee provided a replacement is appointed pursuant to the Trust Deed.

In addition, the Note Trustee shall then only be bound to take any action at the direction of the Noteholders if it shall be indemnified and/or pre-funded and/or secured to its satisfaction against all liabilities to which it may render itself liable or which it may incur by so doing. Under no circumstances is the Note Trustee required to use its own funds in relation to expenses incurred in connection with the Trust Deed.

In accordance with the terms of the Trust Deed, the Issuer will pay a fee to the Note Trustee for its services under the Trust Deed at the rate and times agreed (and as amended from time to time) between the Issuer and the Note Trustee together with payment of any liabilities incurred by the Note Trustee in relation to the Note Trustee's performance of its obligations under the Trust Deed.

The Terms and Conditions of the Notes, including a summary of the provisions regarding General Meetings of the Noteholders, are reproduced in full in the section headed "*Terms and Conditions of the Notes*".

The Trust Deed and any non-contractual obligations arising out of or in connection with it will be governed by English law.

Deed of Charge

On the Closing Date, the Issuer, the Security Trustee, the Note Trustee and the Secured Creditors among others will enter into the Deed of Charge.

Security

Pursuant to the Deed of Charge, to secure the Secured Liabilities, the Issuer will create security in favour of the Security Trustee for it and the other Secured Creditors as follows:

- (a) a charge by way of first fixed charge over all of the Issuer's right, title, interest and benefit, present and future, in, to, under and pursuant to the Purchased Receivables and their Ancillary Rights, in and to all monies, rights, powers and property distributed or derived from, or accrued in or related to the Issuer's interest in the Purchased Receivables, and all of its powers relative thereto;
- (b) each assignation in security of the Issuer's interest in the Scottish Receivables (comprising the Issuer's beneficial interest under each trust declared by the Seller pursuant to each Scottish Declaration of Trust) (each such assignation to be constituted pursuant to each assignation in security entered into by the Issuer in favour of the Security Trustee pursuant to the Deed of Charge);
- (c) an assignment by way of security of (or, to the extent not assignable, charges by way of a first fixed charge over) the benefit of the Issuer's right, title, benefit and interest present and future in the Charged Documents;
- (d) a first fixed charge over all of the Issuer's right, title, benefit and interest, present and future, in the property held in the Collections Account Declaration of Trust;
- (e) an assignment by way of security of (or, to the extent not assignable, charges by way of a first fixed charge over) the Issuer's rights in respect of any amount standing from time to time to the credit of the Issuer Accounts, all interest paid or payable in relation to those amounts and the debts represented thereby (which, in the case of a fixed charge, may take effect as a floating charge and so rank behind the claims of any preferential creditors of the Issuer);
- (f) a first floating charge over all of the present and future property, assets and undertakings of the Issuer not subject to the fixed charges or assignments by way of security described above (but excepting from the foregoing exclusion all of the Issuer's property, assets and undertaking situated in Scotland or the rights to which are governed by Scots law, all of which are charged by way of floating charge); and
- (g) a first fixed charge over all of the Issuer's rights in respect of (i) the Authorised Investments made or purchased from time to time by or on behalf of the Issuer (whether owned by the Issuer or held by any nominee on the Issuer's behalf) and (ii) all interest, moneys and proceeds paid or payable in relation to those Authorised Investments,

together, the **Charged Property**.

The Security Trustee will hold the benefit of the Charged Property, together with the covenants and undertakings given to it as Security Trustee under the Transaction Documents, on trust for the Secured Creditors to secure the Secured Liabilities.

Notwithstanding the security granted over the Issuer Accounts, the Issuer and the Cash Manager are (prior to service of a Note Acceleration Notice) permitted to make payments out of such accounts for the purposes, among other things, of making payments and transfers in accordance with the Deed of Charge, the Cash Management Agreement and the Agency Agreement, and, prior to service of a Note Acceleration Notice, to make payments to third parties when these fall due. See further the paragraph headed "*3. Risk Factors Relating To Certain Regulatory Aspects And Other Considerations – Fixed charges may take effect under English or Northern Irish law as floating charges*" in the section headed "*Risk Factors*".

Rights over the Proceeds

In the event that the security over the Charged Property becomes enforceable, the Issuer has granted the Security Trustee a power of attorney to deal with the Charged Property in the manner set out in the Deed of Charge.

The Secured Creditors will have no right of set-off.

Priority of Payments

The Priority of Payments, indicating the order in which payments should be made from funds available to the Issuer, are set out in full in the Cash Management Agreement and the Deed of Charge. During the Revolving Period and the Normal Redemption Period (i) the Available Interest Distribution Amount shall be distributed in accordance with the Interest Priority of Payments and (ii) the Available Principal Distribution Amount shall be distributed in accordance with the Principal Priority of Payments. Following service of a Note Acceleration Notice, the Available Principal Distribution Amount shall be distributed in accordance with the Accelerated Priority of Payments. For so long as a Sequential Redemption Event has not occurred, payments of principal in respect of the Notes shall be made on a *pro rata* basis on each Interest Payment Date in accordance with the Principal Priority of Payments. After the occurrence of a Sequential Redemption Event during the Normal Redemption Period, payments of principal in respect of the Notes will be made in sequential order at all times in accordance with the Principal Priority of Payments.

No other Enforcement Rights

Under the terms of the Deed of Charge, the Issuer will undertake, following the occurrence of an Event of Default, to comply with all directions of the Security Trustee in relation to the management and administration of the Charged Property. The Issuer will also grant irrevocable powers of attorney under English law in favour of the Security Trustee to empower the Security Trustee to take such action in the name of the Issuer as the Security Trustee may deem necessary to protect the interests of Secured Creditors in respect of the Charged Property.

At any time after the Notes shall have become due and repayable and the Security therefor shall have become enforceable, no Noteholder or any other Secured Creditor will be entitled to proceed directly against the Issuer unless the Security Trustee, having become bound so to proceed, fails to do so within a reasonable period of time. The Note Trustee will not be able to direct the Security Trustee to enforce the Security at the request of any Secured Creditor other than the Noteholders, pursuant to a request in writing from the holders of at least one-fifth in aggregate of the Principal Amount Outstanding of the Most Senior Class of Notes or an Extraordinary Resolution of the holders of the Most Senior Class of Notes.

The Notes are limited recourse obligations of the Issuer and, if, after the distribution of all the Issuer's assets, there are amounts that are not paid in full, any amounts outstanding will be deemed to be discharged in full and any payment rights are deemed to cease as described in more detail in Condition 10 (Enforcement).

No automatic liquidation

For purposes of Article 21(4)(d) of the Securitisation Regulation, no provision of the Deed of Charge requires automatic liquidation upon default of the Issuer.

Governing Law

The Deed of Charge and any non-contractual obligations arising out of or in connection with it will be governed by English law (other than each assignment in security referred to above which will be governed by Scots law and certain Northern Irish provisions which will be governed by the laws of Northern Ireland).

Corporate Services Agreement

On the Closing Date, the Issuer, Holdings and the Share Trustee will enter into the Corporate Services Agreement with the Corporate Services Provider under which the Corporate Services Provider will agree to provide certain corporate administration services to the Issuer and Holdings. In return for the services provided, the Corporate Services Provider will receive a fee (exclusive of VAT, if any) paid semi-annually in advance in accordance with the relevant Priority of Payments.

The Corporate Services Provider may resign its appointment upon not less than 30 days' written notice to each of the parties to the Corporate Services Agreement, provided that:

- (a) if such resignation would otherwise take effect less than 30 days before or after the Final Legal Maturity Date or any other date for redemption of the Notes or any Interest Payment Date in relation to the Notes, it shall not take effect until the thirtieth day following such date; and
- (b) no resignation by or termination or revocation of the appointment of the Corporate Services Provider shall take effect until a successor has been duly appointed in accordance with the Corporate Services Agreement.

The Issuer or Holdings may (with the prior written approval of the Security Trustee) revoke its appointment of the Corporate Services Provider by not less than 30 days' notice to the Corporate Services Provider (with a copy to the Security Trustee).

In addition, the appointment of the Corporate Services Provider shall terminate forthwith if:

- (i) in the reasonable opinion of the Issuer or Holdings, the Corporate Services Provider becomes incapable of acting;
- (ii) a default is made by the Corporate Services Provider in the performance or observance of any of its covenants and obligations under the Corporate Services Agreement; or
- (iii) an Insolvency Event occurs in relation to the Corporate Services Provider.

If the appointment of the Corporate Services Provider is terminated, the Issuer or Holdings undertakes that it will forthwith appoint a successor provided that the Servicer certifies that in its opinion such appointment will not affect the ratings of the Rated Notes.

The Corporate Services Agreement and any non-contractual obligations arising out of or in connection with it will be governed by English law.

Subordinated Loan Agreement

Vauxhall Finance plc as Subordinated Lender will make available to the Issuer under the Subordinated Loan Agreement the Subordinated Loan which will be advanced to the Issuer on the Closing Date. The Subordinated Loan will be drawn down in the form of a single tranche comprising the Liquidity Reserve Proceeds.

The Liquidity Reserve Proceeds will be an amount equal to 1% of the Principal Amount Outstanding of the aggregate of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes as at the Closing Date and shall be used to establish the Liquidity Reserve Amount in an amount equal to or greater than the Liquidity Reserve Target Amount on the Closing Date.

Prior to the service of a Note Acceleration Notice, interest on the Liquidity Reserve Proceeds will be paid on each Interest Payment Date in accordance with the Interest Priority of Payments (subject to deferral if the Issuer has insufficient funds to pay such interest). On each Interest Payment Date prior to the service of a Note Acceleration Notice, all amounts standing to the credit of the Liquidity Reserve Account in excess of the Liquidity Reserve Target Amount will be applied towards repayment of the Liquidity Reserve Proceeds advanced under the Subordinated Loan. On the Final Class D Interest Payment Date amounts standing to the credit of the Liquidity Reserve Account shall be applied on such Interest Payment Date to repay the Liquidity Reserve Proceeds advanced under the Subordinated Loan in full.

Following service of a Note Acceleration Notice, the Liquidity Reserve Amount shall be released by the Issuer to the Subordinated Lender and the then current balance of the Liquidity Reserve Account shall be directly repaid by the Issuer to the Subordinated Lender on the first Interest Payment Date following service of a Note Acceleration Notice and will not be available for any use by the Issuer. Following the service of a Note Acceleration Notice, the Liquidity Reserve Target Amount will be zero.

The Issuer's obligations under the Subordinated Loan Agreement will be secured by the Deed of Charge but rank behind the claims of the Noteholders.

The Subordinated Loan Agreement and any non-contractual obligations arising out of or in connection with it will be governed by English law.

For further information on the Subordinated Loan and the Liquidity Reserve Amount, see the section headed "*Credit Structure, Liquidity and Hedging*".

CONSUMER CREDIT REGULATION IN THE UNITED KINGDOM

Consumer Credit Act 1974

A credit agreement is regulated by the Consumer Credit Act 1974 (the **CCA**) in the following circumstances:

- (a) for agreements made prior to 1 April 2014, where: (a) the customer is or includes an "individual" as defined in the CCA (which includes certain small partnerships and certain unincorporated associations); (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 (from 6 April 2008, no applicable financial limit is in force, except a limit of £25,000 for certain changes to credit agreements); and (c) the credit agreement is not an exempt agreement under the CCA (for example, certain credit agreements for business purposes with an amount of credit exceeding £25,000 are exempt agreements).
- (b) for agreements made on or after 1 April 2014, if it is a regulated credit agreement for the purposes of Chapter 14A of Part 2 of the RAO, i.e. if it involves the provision of credit of any amount by a lender to an individual (which includes certain small partnerships and certain unincorporated associations) and does not fall within any of the exemptions set out in articles 60C to 60H of the RAO.

The main consequences of a credit agreement being regulated by the CCA are described in paragraphs (i) to (xii) below.

- (i) The originator and therefore the credit agreement has to comply with authorisation and permission (or, prior to 1 April 2014, licensing) and origination requirements. If they do not comply with those requirements and the credit agreement was made on or after 6 April 2007, then it is unenforceable against the customer: (a) without an order of the Financial Conduct Authority (the **FCA**) or the court (depending on the facts), if the lender or any broker did not hold the required licence or authorisation and permission(s) at the relevant time; or (b) without a court order, if other origination requirements as to pre-contract disclosure, documentation and procedures are not complied with and, in exercising its discretion whether to make the order, the court has regard to any prejudice suffered by the customer and any culpability by the lender.
- (ii) The customer has a right to withdraw from the credit agreement (subject to certain exceptions). The customer may send notice to withdraw at any time during the 14 days starting with the day after the relevant day according to the origination procedures (i.e. the relevant day is the day on which the customer receives notice that the agreement has been executed in accordance with sections 66A(3)(c) and 61A(3) of the CCA). If the customer withdraws, then: (a) the customer is liable to repay to the lender any credit provided and the interest accrued on it; (b) the customer is not liable to pay to the lender any compensation, fees or charges except any non-returnable charges paid by the lender to a public administrative body; and (c) any insurance contract between the insurer and the customer and financed by the credit agreement on the basis of an agreement between the insurer and the lender is treated as if it had never been entered into.
- (iii) The lender is liable in certain circumstances to the customer for misrepresentation and breach of contract by a supplier in a transaction between the supplier and the customer and financed by the credit agreement. This liability arises in relation to, for example, Ancillary Products where the lender can be liable to the customer for misrepresentation and breach of contract by the supplier in a contract between the supplier and the customer for the supply of the Ancillary Product and financed by the credit agreement. The customer may set off the

amount of the claim against the amount owing by the customer under the credit agreement or any other credit agreement he has taken with the lender (or exercise analogous rights in Scotland or Northern Ireland). Any such set-off may adversely affect the Issuer's ability to make payments in full when due on the Notes.

- (iv) The lender has to comply with servicing requirements. For example: (a) the credit agreement is unenforceable against the customer for any period when the lender fails to comply with requirements as to periodic statements, arrears notices or default notices (although any such unenforceability may be cured prospectively by the lender complying with requirements as to periodic statements, arrears notices and default notices); (b) the customer is not liable to pay interest or default fees for any period when the lender fails to comply with requirements as to periodic statements or arrears notices; and (c) interest on default fees is restricted to nil until the 29th day after the day on which a notice of default fees is given and then to simple interest (i.e. interest may only be calculated on the principal amount of the default fee).
- (v) The customer is not liable to pay default interest (i.e. interest on sums unpaid in breach of the credit agreement) at a higher rate than the non-default interest rate or (where the non-default interest rate is 0%) at a higher rate than the annual percentage rate of the total charge for credit (the **Annual Percentage Rate**). This means that, for example, where the Loan Contract imposes 0% Annual Percentage Rate, then the customer is not liable to pay default interest at all.
- (vi) The customer is entitled to terminate the credit agreement and to keep the goods financed by the credit agreement by giving notice and paying the amount payable on early settlement. The amount payable by the customer on early settlement of the credit agreement (whether on such termination by the customer, or on termination by the lender for repudiatory breach by the customer, or otherwise) is restricted by formula under the CCA. A more restrictive formula for early settlement of a credit agreement in full or in part applies generally to credit agreements made on or after 11 June 2010.
- (vii) The court has power to give relief to the customer. For example, the court may (a) make a time order, giving the customer time to pay arrears or to remedy any other breach; (b) impose conditions on, or suspend, any order made by the court in relation to the credit agreement; and (c) amend the credit agreement in consequence of a term of an order made by the court under the CCA.
- (viii) The court has power to determine that the relationship between the lender and the customer arising out of the credit agreement (whether alone or with any related agreement) is unfair to the customer. If the court makes the determination, then it may make an order, among other things, requiring the originator, or any assignee such as the Issuer, to repay any sum paid by the customer. In deciding whether to make the determination, the court is required to have regard to all matters it thinks relevant, including the lender's conduct before and after making the credit agreement, and may make the determination even after the relationship has ended. Once the borrower or customer alleges that an unfair relationship exists, then the burden of proof is on the lender to prove the contrary.
- (ix) *Plevin v Paragon* [2014] UKSC 61, a November 2014 Supreme Court judgment, has clarified that compliance with the relevant regulatory rules by the creditor (or a person acting on behalf of the creditor) does not preclude a finding of unfairness, 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 rules. Where add-on products such as GAP insurance are sold and are subject to significant commission payments, it is possible that the non-disclosure of commission by the lender is a factor that could form part of a finding of unfair relationship. In November 2015, the FCA published its Consultation Paper CP 15/39 entitled

"Rules and guidance on payment protection insurance complaints". On 2 August 2016, the FCA published feedback to CP 15/39, together with a further consultation paper, Consultation Paper CP 16/20, on changes to the proposed rules and guidance concerning the handling of payment protection insurance (**PPI**) complaints in light of Plevin. The results of the consultation and the final rules and guidance, Policy Statement PS 17/3, were published on 3 March 2017 and may result in an increase in the volume of 'Plevin-based' unfair relationship claims brought against the lenders who failed to disclose significant PPI commissions when entering into credit agreements. A key aspect of the FCA's final rules is a PPI complaints deadline falling two years from 29 August 2017 when the proposed rules come into force – hence PPI consumers had until 29 August 2019 to complain to the firm or to the FOS.

Although the FCA told firms to be aware of Plevin and its impact on lenders' failures to disclose commissions during its GAP insurance consultation CP 14/29 in the Spring of 2015, the FCA did not address Plevin when it published its policy statement PS 15/13 in June 2015 and PS 17/3 does not extend the Plevin PPI complaints rules and guidance specifically to undisclosed commissions in relation to GAP insurance.

- (x) The regulator for consumer credit is the FCA or, before 1 April 2014, was the Office of Fair Trading (the **OFT**). Vauxhall Finance plc as the Seller and the Servicer holds permanent Part 4A permission from the FCA (and, before 1 April 2014, held an OFT licence) for its activities relating to consumer credit. A person holding Part 4A permission from the FCA is an FCA authorised person for the purposes discussed in paragraphs (xi) and (xii) below.
- (xi) A customer who is a private person may be entitled to claim damages for loss suffered as a result of any contravention by an FCA authorised person of a rule under the FSMA. From 1 April 2014, such rules include rules in the FCA Consumer Credit sourcebook (**CONC**), which transposes certain requirements previously made under the CCA and in OFT guidance. The customer may set off the amount of the claim for contravention of CONC against the amount owing by the customer under the credit agreement or any other credit agreement he has taken with the authorised person (or exercise analogous rights in Scotland or Northern Ireland). Any such set-off may adversely affect the Issuer's ability to make payments in full when due on the Notes.
- (xii) The FOS is an out-of-court dispute resolution scheme with jurisdiction to determine complaints against authorised persons under the FSMA relating to conduct in the course of specified regulated activities including in relation to consumer credit. The FOS is required to determine each case individually, with reference to its particular facts. Each case is first adjudicated by an adjudicator. Either party may appeal to a final decision by the FOS. The FOS is required to determine complaints by reference to what is, in its opinion, fair and reasonable in all the circumstances of the case, taking into account, among other things, law and guidance, and may order a money award to the customer. The FCA published final rules in December 2018 extending access to FOS compensation to more SMEs, as well as larger charities and trusts, and a new category of personal guarantors. The rules came into force on 1 April 2019. In March 2019, the FCA published Policy Statement PS 19/8 entitled "Increasing the award limit for the Financial Ombudsman Service". New rules have been introduced with effect from 1 April 2019 which increase the maximum level of compensation which can be awarded by the FOS to (i) £350,000 for complaints about acts or omissions by firms on or after 1 April 2019 and (ii) £160,000 for complaints about acts or omissions by firms before 1 April 2019 and which are referred to the FOS after that date. For claims brought before 1 April 2019 in respect of acts or omissions by firms which also took place before that date, the old limit of £150,000 would still apply. Additionally, the compensation limit will be automatically adjusted each year for inflation from 1 April 2020

onwards. It is not possible to predict how any future decision of the FOS would affect the Issuer's ability to make payments in full when due on the Notes.

- (xiii) The Seller has interpreted certain technical rules under the CCA in a way common with many other lenders in the vehicle finance market. If such interpretation were held to be incorrect by a court or other dispute resolution authority, then the Loan Contract would be unenforceable, as described above. If such interpretation were challenged by a significant number of Borrowers, then this could lead to significant disruption and shortfall in the income of the Issuer. Court decisions have been made on technical rules under the CCA against certain lenders, but such decisions are very few and are generally county court decisions which are not binding on other courts. Where agreements are unenforceable without a court order due to minor documentary defects, lenders have historically pursued such debts as though they are simply enforceable, until such time as those defects were raised by the borrower and/or the court in any claim. To mitigate the risks associated with this approach, lenders currently rely on the decision in *McGuffick v Royal Bank of Scotland* [2010] 1 All ER 634, in which the High Court ruled that, in relation to agreements which were unenforceable by reason of failures to provide copies under section 77 and 78 of the CCA, steps which fell short of obtaining a court judgment against the borrower were not "enforcement" within the meaning of the CCA.

In each agreement, the Seller discloses the Annual Percentage Rate, the total amount of interest payable, the rate of interest and the monthly payments that borrowers are required to make. In line with many other auto-loan lenders, the Seller specifies the interest rate in the Conditional Sale Agreement as a "flat" rate of interest (where interest is calculated on the initial principal advanced ignoring the impact of any principal repaid, for example through monthly payments) rather than an effective rate of interest (which would take into account the amount of any principal repaid, including through monthly payments).

The Financial Services Act 2012 contains provisions which enabled the transfer of consumer credit regulation from the OFT to the FCA. The related secondary legislation was enacted in 2013 to 2014 and the transfer occurred on 1 April 2014. Under the Financial Services Act 2012: (a) carrying on certain credit-related regulated activities in relation to servicing otherwise than in accordance with permission from the FCA will render the credit agreement unenforceable without FCA approval; and (b) the FCA has power to render unenforceable contracts made in contravention of any rules which it may make on cost and duration of credit agreements or in contravention of its product intervention rules. The Financial Services Act 2012 also provides for formalised cooperation to exist between the FCA and the FOS, particularly where issues identified potentially have wider implications, with a view to the FCA requiring affected firms to operate consumer redress schemes.

The Seller occasionally faces challenges from borrowers as to the Seller's ability to enforce the regulated consumer credit agreements, including for the reasons referred to in this section. Any successful challenges mean that the Seller would be required to obtain a court order before the Seller can enforce the relevant agreement. This could lead to a delay in enforcement, a reduction in the amount recoverable under the agreement and/or have an adverse effect on the value of the Purchased Receivables which, in turn, may have an adverse effect on the ability of the Issuer to make payments on the Notes. On the Closing Date (or in respect of the Further Purchased Property, the relevant Further Purchase Date or in respect of the Substitute Receivables, the relevant Substitution Date), the Seller will make certain representations and warranties that relating to each Related Loan Contract as described in more detail in the section entitled "*Overview of the Transaction Documents – Receivables Sale and Purchase Agreement – Representations and warranties given by the Seller*".

Regulated conditional sale agreements

In addition, the main consequences of a conditional sale agreement (including a personal contract purchase agreement) being regulated by the CCA are as described in paragraphs (i) to (vii) below:

- (i) The lender is liable to the customer for pre-contractual statements to the customer by a credit-broker, such as the dealer, in relation to goods sold or proposed to be sold by that credit-broker to the lender before forming the subject-matter of the conditional sale agreement. This liability arises in relation to the vehicle, and applies for example, to the dealer's promise to the customer on the quality or fitness of the vehicle, and can extend, for example, to the dealer's promise to apply a part-exchange allowance to discharge an existing credit agreement. If any such pre-contractual statement is a misrepresentation or implied condition in the conditional sale agreement, then the customer is entitled to claim the same types of remedies as described in "*Sale of Goods Act 1979*" below. The customer may set off the amount of any such money claim against the amount owing by the customer under the credit agreement or any other credit agreement he has taken with the lender (or exercise analogous rights in Scotland or Northern Ireland). Any such set-off may adversely affect the Issuer's ability to make payments in full when due on the Notes.
- (ii) When the customer is in breach of the conditional sale agreement, and has paid at least one-third of the total amount payable for the goods (including any deposit), then the goods become protected goods. The lender is not entitled to repossession of protected goods without a court order or the customer's consent given at the time of repossession. If the lender recovers protected goods without such order or consent, then the conditional sale agreement is totally unenforceable against the customer, and the customer is entitled to recover from the lender all sums paid by the customer under the agreement.
- (iii) The lender is not entitled to enter any premises to take possession of any goods subject to a conditional sale agreement (whether protected goods or not) without a court order. In Scotland, the lender may need to obtain a court order to take possession of the goods in any event.
- (iv) The customer is entitled to terminate the conditional sale agreement by giving notice, where he wishes to return the goods. On such termination, the customer is liable to surrender possession of the goods and pay the amount (if any) payable on voluntary termination. The amount payable by the customer on voluntary termination is restricted under the CCA to the amount (if any) required to bring the sum of all payments made and to be made by the customer for the goods up to one-half of the total amount payable for the goods (including any deposit). The customer must pay all arrears for the goods and compensation for any breach of duty to take reasonable care of the goods. Borrowers may take advantage of the right of voluntary termination when they are in financial difficulty, or when the residual value of the vehicle on part-exchange is less than the amount that would be payable on early settlement.
- (v) Court decisions have conflicted on whether the amount payable by the customer on termination by the lender (for example, for repudiatory breach by the customer) is restricted to the amount calculated by the one-half formula for termination by the customer. The Loan Contracts provide that the amount payable by the customer on termination by the lender is the outstanding balance of the total amount payable under the Loan Contract less any statutory rebate for early settlement and (unless the Seller elects to transfer ownership of the Financed Vehicle to the Borrower under certain Loan Contracts) less any proceeds of sale or estimated value of the Financed Vehicle. Thus the Loan Contracts reflect those court decisions favourable to the lender on this point, and that by the CCA the one-half formula does not apply to any loan to finance Ancillary Products.
- (vi) The court has power to give additional relief to the customer. For example, the court may:
 - (a) make a time order giving the customer time to pay future repayments; and
 - (b) suspend a return order for the return of the goods to the lender until breach by the customer of a time order or until further court order.

- (vii) A disposition of the vehicle by the customer to a *bona fide* private purchaser without notice of the conditional sale agreement will transfer to the purchaser the Seller's title to the vehicle.

Sale of Goods Act 1979

The Sale of Goods Act 1979 (the **SGA**) applies to all conditional sale agreements entered into prior to 1 October 2015 (the **CRA 15 Commencement Date**) and business-to-business conditional sale agreements (regardless of when they were entered into). For business-to-consumer conditional sale agreements entered into on or after the CRA 15 Commencement Date, the Consumer Rights Act 2015 (the **CRA 15**) applies (see "*Consumer Rights Act 2015*" below).

Where the SGA applies (see the above paragraph), it **provides** that conditional sale agreements contain implied terms as to title, description and quality or fitness of the goods. The Unfair Contract Terms Act 1977 provides that (a) the implied term as to title cannot be excluded by any contract term; (b) the implied terms as to description and quality or fitness cannot be excluded in a business-to-consumer contract, and can be excluded only in so far as reasonable in a business-to-business contract.

If any goods subject to a conditional sale agreement governed by English law are in breach of any term implied by the SGA as applicable, then the customer is entitled to rescind the contract and return the goods, and to treat the contract as repudiated by the lender and accept such repudiation by notice, and is not liable to make any further payments, and may claim repayment of the amounts paid by the customer under the contract and damages such as the cost of hiring an alternative vehicle. Alternatively, the customer may elect to affirm the contract and keep the goods and claim damages, which then include the difference in value of the goods had they complied with the implied term and their true value. The customer will not lose his right to rescind the contract and return the goods for any breach of which he is unaware, such as latent defects, or defects which a consumer has had no reasonable opportunity to discover.

If there is a material breach of any term (express or implied) of a conditional sale agreement governed by Scots law then the customer is entitled to reject the goods and treat the contract as repudiated by the lender and also claim damages. Where the breach is not material, the customer is not entitled to reject the goods but may claim damages. These provisions will not affect any other rights the customer may have under the relevant agreement.

Any damages claimed by a Borrower for any defect in the vehicle may be set off against amounts due to the Issuer. The agreements entered into with a Dealer provide that the Dealer will indemnify Vauxhall Finance plc for certain breaches by the Dealer, including the Financed Vehicle being in breach of certain terms implied by statute. The Seller has sold such claims against the relevant Dealer to the Issuer. However, no assurance can be given that the indemnity will cover all or any loss incurred by the Seller as a result of breach by the Dealers, including as a result of any Financed Vehicle being in breach of any term implied by the SGA, or that the Dealer would have the means to pay the indemnity.

Unfair Terms in Consumer Contracts Regulations 1999

The Unfair Terms in Consumer Contracts Regulations 1999 (the **UTCCR**) apply to business-to-consumer contracts entered into prior to the CRA 15 Commencement Date only. For business-to-consumer contracts entered into on or after the CRA 15 Commencement Date, see "*Consumer Rights Act 2015*" below.

Where the UTCCR apply (see the above paragraph), the UTCCR render unenforceable unfair terms in business-to-consumer contracts (subject to certain exceptions). The UTCCR provide that: (a) a consumer may challenge a standard term in a contract on the basis that it is unfair and not binding on the consumer (although the rest of the contract continues to bind the parties if it is capable of continuing in existence without the unfair term); and (b) the appropriate regulator and any qualifying body (such as local trading standards authorities) may seek to enjoin (or in Scotland interdict) a business from relying on unfair terms.

The UTCCR do not generally affect terms that define the main subject matter of the contract or price terms, such as the consumer's obligation to repay the fixed monthly repayments (provided that these terms are written in plain, intelligible language and are drawn adequately to the consumer's attention), but may affect terms that are not considered to define the main subject matter of the contract or to be price terms, such as terms imposing default fees.

For example, if a term permitting the lender to impose a default fee (as the Seller is permitted to do) is found to be unfair, then the consumer is not liable to pay the default fee or, to the extent that he has paid it, he may claim against the originator, or any assignee such as the Issuer, repayment of the amount of default fee paid, or may set off the amount of the claim against the amount owing by the consumer under the credit agreement or any other credit agreement he has taken with the lender (or exercise analogous rights in Scotland or Northern Ireland). Any such non-recovery, claim or set-off may adversely affect the Issuer's ability to make payments in full when due on the Notes.

The FCA addresses unfair terms in its regulation of consumer finance. The OFT (who regulated unfair terms in relation to consumer finance prior to 1 April 2014) has previously carried out an investigation into credit card default fees and on 5 April 2006 issued a statement of its view of the principles that credit card issuers should follow in setting default fees, and that the principles are likely to apply to analogous default fees in other contracts. The principles are in essence that terms imposing default fees should not have the object of raising more in revenue than is reasonably expected to be necessary to recover certain limited administrative costs incurred as a result of the consumer's default. This guidance now forms part of CONC, specifically CONC 7.7.5R, which provides that "a firm must not impose charges on customers in default or arrears difficulties unless the charges are no higher than necessary to cover the reasonable costs of the firm".

In March 2013, the Law Commission and the Scottish Law Commission (together, the **Commissions**) published advice to the UK Government on reforming the UTCCR. The Commissions recommended, among other things, that no assessment of fairness should be made of a term that specifies the main subject matter of the contract, or of a price term, provided that the term in question is transparent and prominent. The Commissions also recommended that the UTCCR should expressly provide that, in proceedings by consumers, the court is required to consider the fairness of a term, even if the consumer has not raised the issue, where the court has available to it the legal and factual elements necessary for that task. Such reforms are included in the CRA 15 (see "*Consumer Rights Act 2015*" below) and came into force on the CRA 15 Commencement Date.

As noted above, on 1 April 2014, the OFT's responsibilities for consumer credit, including enforcement of the UTCCR, transferred to the FCA (which also has responsibility for enforcement of the UTCCR in relation to financial services contracts for carrying on a regulated activity under the FSMA) and the OFT ceased to exist. Therefore, guidance issued by the FCA in relation to the UTCCR as well as guidance previously issued by the OFT and FSA may apply to the Loan Contracts from 1 April 2014. It should be noted, however, that the guidance issued by the FSA and OFT (and, as of 1 April 2014, the FCA) has changed over time: on 2 March 2015, the FCA removed certain guidance and other material on the UTCCR from its website because they no longer reflect the FCA's current view on unfair contract terms. The FCA website was updated in January 2016 to refer to the Competition and Markets Authority's (**CMA**) guidance consultation as the latest development in guidance on unfair contract terms, and this guidance makes it clear that the CRA 15 generally carries forward rather than changes the substance of the protections provided to consumers under earlier legislation and guidance. On 19 December 2018, the FCA published finalised guidance: "*Fairness of variation terms in financial services consumer contracts under the Consumer Rights Act 2015*" (**FG18/7**), outlining factors the FCA considers firms should have regard to when drafting and reviewing variation terms in consumer contracts. This follows developments in case law, including the Court of Justice of the EU. The finalised guidance relates to all financial services consumer contracts entered into since 1 July 1995. The FCA stated that firms should consider both this guidance and any other rules that apply when they draft and use variation terms in their consumer contracts. The FCA stated that the finalised guidance will apply to FCA authorised persons and their appointed representative in relation to any consumer contracts which contain variation terms.

The CMA is the UK's national competition and consumer authority, which took over the role of principal enforcer of the UTCCR from the OFT in relation to unfair contract terms in April 2014. A Memorandum of Understanding between the CMA and FCA dated 12 January 2016 sets out the use of their concurrent powers under consumer protection legislation. The CMA published guidelines on the unfair contract terms provisions in the CRA 15 which were finalised as of 31 July 2015 (reference CMA37). These are intended to support the CRA 15. The CRA 15 consolidates and repeals the UTCCR and parts of the Unfair Contract Terms Act 1977 (**UCTA**) (see "*Consumer Rights Act 2015*" below). However, as noted above, despite its revocation, the UTCCR will continue to apply to contracts entered into prior to the CRA 15 Commencement Date.

The Unfair Contract Terms Regulatory Guide (**UNFCOG**) in the FCA Handbook explains the FCA's policy on how it uses its formal powers under the UTCCR, although comprehensive guidance on the UTCCR themselves is not provided. The UNFCOG was updated on 1 October 2015 following the coming into force of the CRA 15 but the updated version (the Unfair Contract Terms & Consumer Notices Regulatory Guide) applies only to contracts entered into on or after the CRA 15 Commencement Date. The UNFCOG (in the form it was in on 30 September 2015) continues to apply to contracts entered into before the CRA 15 Commencement Date.

The broad and general wording of the UTCCR (and the CRA 15 (see "*Consumer Rights Act 2015*" below)) makes any assessment of the fairness of terms largely subjective and makes it difficult to predict whether or not a court would find a term to be unfair. It is therefore possible that any Loan Contracts made with consumers may contain unfair terms, which may result in the possible unenforceability of those unfair terms. No assurance can be given that any regulatory action or guidance in respect of the UTCCR (and the CRA 15 (see "*Consumer Rights Act 2015*" below)) will not have a material adverse effect on the Loan Contracts and accordingly on the Issuer's ability to make payments in full when due on the Notes.

Consumer Rights Act 2015

The CRA 15 reforms and consolidates consumer law in the UK. The CRA 15 involves the creation of a single regime for unfair contract terms out of the Unfair Contract Terms Act 1977 (which essentially deals with attempts to limit liability for breach of contract) and the UTCCR. On the CRA 15 Commencement Date, certain sections of the CRA 15 revoked the UTCCR, amended the SGA (i.e. much of the SGA no longer applies to business-to-consumer contracts) and introduced a new regime for dealing with unfair contractual terms with respect to contracts entered into on or after the CRA 15 Commencement Date. The SGA and UTCCR will continue to apply to contracts entered into prior to the CRA 15 Commencement Date as described above.

Under Part 2 of the CRA 15 an unfair term of a consumer contract (a contract between a trader and a consumer) is not binding on a consumer (a term which has been revised to mean an individual acting for purposes that are wholly or mainly outside that individual's trade, business, craft or profession). In an additional change from the old regime, from the CRA 15 Commencement Date, an unfair consumer notice will also not be binding on a consumer, although a consumer may rely on the term or notice if the consumer chooses to do so. A term will be unfair where, contrary to the requirement of good faith, it causes significant imbalance in the parties' rights and obligations under the contract to the detriment of the consumer. In determining whether a term is fair it is necessary to: (i) take into account the nature of the subject matter of the contract; (ii) refer to all the circumstances existing when the term was agreed; and (iii) refer to all of the other terms of the contract or any other contract on which it depends. The CRA 15 also applies substantially the same test of fairness to consumer notices and generally refers to term and notices interchangeably.

Schedule 2 contains an indicative and non-exhaustive "grey list" of terms of consumer contracts that may be regarded as unfair. Notably, paragraph 11 lists "a term which has the object or effect of enabling the trader to alter the terms of the contract unilaterally without a valid reason which is specified in the contract". Although paragraph 22 provides that this does not include a term by which a supplier of financial services reserves the right to alter the rate of interest payable by or due to the consumer, or the amount of other charges for

financial services without notice where there is a valid reason if the supplier is required to inform the consumer of the alteration at the earliest opportunity and the consumer is free to dissolve the contract immediately. FG18/7 provides guidance in respect of which reasons might be considered to be valid by the FCA.

A consumer contract may not be assessed for fairness to the extent that (i) it specifies the main subject matter of the contract; and/or (ii) the assessment is of the appropriateness of the price payable under the contract by comparison with the goods, digital content or services supplied under it; unless it appears on the "grey list" referenced above. A trader must ensure that a written term of a consumer contract, or a consumer notice in writing, is transparent i.e. that it is expressed in plain and intelligible language and is legible. Where a term of a consumer contract is "unfair" it will not bind the consumer. However, the remainder of the contract, will, so far as practicable, continue to have effect in every other respect.

Where a term in a consumer contract is susceptible of multiple different meanings, the meaning most favourable to the consumer will prevail. In a shift from the old regime, under the CRA 15 it is the duty of the court to consider the fairness of any given term. This can be done even where neither of the parties to proceedings has explicitly raised the issue of fairness.

The CRA 15 also provides that business-to-consumer conditional sale agreements contain implied terms as to title, description and quality or fitness of the goods. The CRA 15 further provides that (a) the implied term as to title and (b) the implied terms as to description and quality or fitness cannot be excluded by any contract term. This is broadly the same as the position for business-to-business contracts under the SGA outlined above (see "*Sale of Goods Act 1979*").

The provisions in the CRA 15 governing unfair contractual terms and implied terms as to title, description and quality or fitness of the goods apply in respect of contracts entered into on or after the CRA 15 Commencement Date. As stated above, the SGA, UCTA and UTCCR continue to apply to contracts entered into prior to the CRA 15 Commencement Date. The new CRA 15 regime does not seem to be significantly different from the regime under the UTCCR, UCTA or the SGA. However, this area of law is rapidly developing and new regulatory guidance and case law as a result of this new legislation can be expected. No assurance can be given that any changes in legislation, guidance or case law on unfair terms or implied terms as to title, description and quality or fitness of the goods will not have a material adverse effect on the Loan Contracts and accordingly on the Issuer's ability to make payments in full when due on the Notes.

Consumer Protection from Unfair Trading Regulations 2008

The Consumer Protection from Unfair Trading Regulations 2008 (the **UTR**) prohibit unfair business-to-consumer commercial practices before, during and after a consumer contract is made. The UTR do not currently give any claim, defence or right of set-off to an individual consumer. Breach of the UTR does not (of itself) render an agreement void or unenforceable, but the possible liabilities for misrepresentation or breach of contract in relation to agreements may result in irrecoverable losses on amounts to which such agreements apply. The Consumer Protection (Amendment) Regulations 2014 have amended the UTR with effect from 1 October 2014 so as to give consumers a right to redress for prohibited practices, including a right to unwind agreements.

The UTR require the Competition and Markets Authority (or prior to 1 April 2014, the OFT) and local trading standards authorities to enforce the UTR by prosecution or by seeking an enforcement order to prevent a business from carrying on unfair practices. In addition, the FCA (or prior to 1 April 2014, the OFT) addresses unfair practices in its regulation of consumer finance. No assurance can be given that any regulatory action or guidance in respect of the UTR will not have a material adverse effect on the Loan Contracts and accordingly on the Issuer's ability to make payments in full when due on the Notes.

Banking Act 2009

The Banking Act 2009 (the **Banking Act**) includes provision for a special resolution regime pursuant to which specified UK authorities have extended tools to deal with the failure (or likely failure) of certain UK incorporated entities, including authorised deposit-taking institutions and investment firms, and powers to take certain resolution actions in respect of third country institutions. In addition, powers may be used in certain circumstances in respect of UK established banking group companies, where such companies are in the same group as a relevant UK or third country institution or in the same group as an EEA credit institution or investment firm (and, for these purposes, the EEA includes the United Kingdom). Relevant transaction parties for these purposes include Vauxhall Finance plc (in its various capacities), the Account Bank and the Swap Counterparties.

The tools available under the Banking Act may be used in respect of relevant institutions and, in certain circumstances, their UK established banking group companies (such as the Seller, as a wholly owned subsidiary of Opel Bank SA). The tools available under the Banking Act include share and property transfer powers (including powers for partial property transfers), bail-in powers, certain ancillary powers (including powers to modify contractual arrangements in certain circumstances) and special insolvency procedures which may be commenced by the UK authorities. It is possible that the extended tools described above could be used prior to the point at which an application for insolvency proceedings with respect to a relevant entity could be made and, in certain circumstances, the UK authorities may exercise broad pre-resolution powers in respect of relevant entities with a view to removing impediments to the exercise of the stabilisation tools.

In general, the Banking Act requires the UK authorities to have regard to specified objectives in exercising the powers provided for by the Act. One of the objectives (which is required to be balanced as appropriate with the other specified objectives) refers to the protection and enhancement of the stability of the financial system of the United Kingdom. The Banking Act includes provisions related to compensation in respect of instruments and orders made under it. In general, there is considerable uncertainty about the scope of the powers afforded to UK authorities under the Banking Act and how the authorities may choose to exercise them.

If an instrument or order were to be made under the provisions of the Banking Act currently in force in respect of a relevant entity as described above, such action may (amongst other things) affect the ability of such entities to satisfy their obligations under the Transaction Documents and/or result in the cancellation, modification or conversion of certain unsecured liabilities of such entity under the Transaction Documents or in other modifications to such documents. In particular, modifications may be made pursuant to powers permitting (i) certain trust arrangements to be removed or modified, (ii) contractual arrangements between relevant entities and other parties to be removed, modified or created where considered necessary to enable a transferee in the context of a property or share transfer to operate the transferred business effectively and (iii) in connection with the modification of an unsecured liability through use of the bail-in tool, the discharge of a relevant entity from further performance of its obligations under a contract. In addition, subject to certain conditions, powers would apply to require a relevant instrument or order (and related events) to be disregarded in determining whether certain widely defined "default events" have occurred (which events may include trigger events included in the Transaction Documents in respect of the relevant entity, including termination events and (in the case of the Seller) trigger events in respect of perfection of legal title to the Purchased Receivables). As a result, the making of an instrument or order in respect of a relevant entity as described above may affect the ability of the Issuer to meet its obligations in respect of the Notes.

As noted above, the stabilisation tools may be used in respect of certain banking group companies provided certain conditions are met. If the Issuer was regarded to be a banking group company and no exclusion applied, then it would be possible in certain scenarios for the relevant authority to exercise one or more relevant stabilisation tools (including the property transfer powers and/or the bail-in powers) in respect of it, which could result in reduced amounts being available to make payments in respect of the Notes and/or in the modification, cancellation or conversion of any unsecured portion of the liability of the Issuer under the Notes at the relevant time. In this regard, it should be noted that the UK authorities have provided an exclusion for certain securitisation companies, which exclusion is expected to extend to the Issuer, although aspects of the relevant provisions are not entirely clear.

At present, the UK authorities have not made an instrument or order under the Banking Act in respect of the entities referred to above and there has been no indication that any such instrument or order will be made, but there can be no assurance that this will not change and/or that Noteholders will not be adversely affected by any such instrument or order if made. While there is provision for compensation in certain circumstances under the Act, there can be no assurance that Noteholders would recover compensation promptly and equal to any loss actually incurred.

Lastly, as a result of Directive 2014/59/EU providing for the establishment of an EEA-wide (which, for these purposes, includes the United Kingdom) framework for the recovery and resolution of credit institutions and investment firms and any relevant national implementing measures, as updated by the Banking Reform Package, it is possible that an institution with its head office in an EEA state other than the UK and/or certain group companies could be subject to certain resolution actions in that other state. Once again, any such action may affect the ability of any relevant entity to satisfy its obligations under the Transaction Documents and there can be no assurance that Noteholders will not be adversely affected as a result.

THE PROVISIONAL PORTFOLIO

General

Information contained in this section is based on the Provisional Portfolio as at the Cut-off Date.

The Issuer Assets are comprised of Receivables originated by the Seller and purchased by the Issuer on the Closing Date (and on any Further Purchase Date during the Revolving Period). All Receivables in the Issuer Assets are derived from Loan Contracts.

The Initial Purchased Property which comprise the Issuer Assets will be purchased (and, as applicable, held under an initial Scottish Declaration of Trust) (any Further Purchased Property and Substitute Receivables to be held under each further Scottish Declaration of Trust) by the Issuer from Vauxhall Finance plc as Seller pursuant to the terms of the Receivables Sale and Purchase Agreement to be entered into on the Closing Date. The information contained in this section relates to the Receivables which will satisfy the Eligibility Criteria as at the Closing Date, on which date the Initial Purchased Property (randomly selected from the Provisional Portfolio) will be transferred by the Seller.

The Receivables

The Receivables are comprised of amounts due under the Loan Contracts. The Loan Contracts are entered into by retail customers with some directed at small businesses/commercial customers that are resident in England, Scotland or Northern Ireland. The Loan Contracts are available for both new and used vehicles.

The Receivables arise under two types of contracts:

Conditional Sale Agreements

Conditional Sale Agreements carry a fixed rate of return, typically amortised in equal monthly instalments over the repayment period, which varies between 12 and 60 months. Title to the Financed Vehicle passes to the Borrower once all payments have been made. These agreements require the Borrower to make an initial payment followed by generally equal monthly payments of interest and principal which fully amortise the amount financed. In certain cases, a completion fee may be payable under the relevant Conditional Sale Agreement. In such a case the final payment may be larger than the previous monthly payments of interest and principal. The Borrower is required to insure the Financed Vehicle for its replacement value and against liability to others for loss or damage. The Borrower may be required to provide a guarantee for its obligations under such Loan Contract.

PCP Agreements

PCP Agreements carry a fixed rate of return, amortised over the repayment period of up to 49 months, so that the Borrower has the right to (a) make a final balloon payment to acquire the legal title of the Financed Vehicle or (b) return the Financed Vehicle financed under such Loan Contract in lieu of making such final balloon payment (subject always to compliance with obligations to take reasonable care of the Financed Vehicle and any compensatory payments regarding the same). These contracts apply Borrower payments to reduce the amount financed on the basis of generally equal monthly payments of interest and principal and, in the event that the relevant Borrower opts to keep the Financed Vehicle at the end of the contract term, a final balloon payment for all amounts due at the end of the contract term. The Borrower is required to insure the Financed Vehicle for its replacement value and against liability to others for loss or damage. The Purchase Price as calculated includes any such balloon payments under PCP Agreements and any balloon payments received will be paid to the Transaction Account in accordance with the Receivables Sale and Purchase Agreement. The total Outstanding Principal Balance of Purchased Receivables arising under a PCP Agreement as at the Cut-off Date is £350,614,655 (approximately 70.1% of the Provisional Portfolio by

aggregate Outstanding Principal Balance as at the Cut-off Date) of which the balloon payment element accounts for 31.8% of the Provisional Portfolio by aggregate Outstanding Principal Balance as of the Cut-off Date.

The options available to the Borrower and the resulting implications for the Transaction are more particularly described as follows:

Option 1

The Borrower may opt to pay the balloon payment, upon receipt of which title to the related Financed Vehicle will pass to Borrower. The Borrower may finance the payment of the balloon payment in any number of ways, for example by selling the Financed Vehicle to a third party dealer or trade in the related Financed Vehicle against the purchase of a new vehicle from a third party dealer. Under the terms of each PCP Agreement, the Borrower remains contractually obliged to pay the balloon payment to Vauxhall Finance plc in a trade-in scenario – depending on the terms of the trade-in, such payment may be made by either the Borrower or the third party dealer. Upon receipt by the Issuer of the balloon payment in full, title to the related Financed Vehicle will transfer to the Borrower and the PCP Agreement between Vauxhall Finance plc and the Borrower will terminate. The Borrower may, alternatively, enter into a modifying agreement with Vauxhall Finance plc to refinance the balloon payment in relation to a Loan Contract that is a PCP Agreement, under which the term of such Loan Contract is extended for up to a maximum of 36 months and the balloon payment is amortised in equal monthly instalments over the extended repayment period, provided that the agreement is a regulated agreement and the Borrower meets Vauxhall Finance plc's standard credit and underwriting requirements. It should be noted that the entry into such modifying agreement is not contractually provided for under the PCP Agreements. Once fully amortised, title to the related Financed Vehicle will transfer to the Borrower and the modifying agreement between Vauxhall Finance plc and the Borrower will terminate.

Any balloon payments will form part of the Collections received by the Servicer on behalf of the Issuer.

Option 2

The Borrower may opt to return the related Financed Vehicle to the Seller instead of paying the balloon payment. In this case, Vauxhall Finance plc is under an obligation pursuant to the Receivables Sale and Purchase Agreement to sell the Financed Vehicle and to remit the proceeds of such sale to the Issuer.

PCP Agreements comprise approximately 70.1% of the Provisional Portfolio.

The Borrower is the registered keeper of the Financed Vehicle, although Vauxhall Finance plc remains the owner unless and until the Borrower exercises its option to purchase the Financed Vehicle.

The Initial Purchased Property

Under the Receivables Sale and Purchase Agreement, the Seller will assign and transfer (and, as applicable, hold under an initial Scottish Declaration of Trust) to the Issuer the Initial Purchased Property and Ancillary Rights which have an aggregate principal balance of £500,000,001 at the Cut-off Date.

Representations and warranties in respect of the Issuer Assets

None of the Issuer, the Note Trustee or the Security Trustee has undertaken or will undertake any investigation to verify the details of the Purchased Receivables and each will rely solely on the representations and warranties given by the Seller to the Issuer pursuant to the Receivables Sale and Purchase Agreement. Pursuant to the Receivables Sale and Purchase Agreement, the Seller will make certain representations and warranties to the Issuer regarding, among other things, its status and the validity of the Purchased Receivables and the Related Loan Contracts. Such representations and warranties will be given to

the Issuer on the Closing Date in respect of the Initial Purchased Property (and the relevant Further Purchase Date in respect of the Further Purchased Property or the relevant Substitution Date in respect of the Substitute Receivables) and, in respect of the Eligibility Criterion set out in paragraph 3 below, the date on which any Variation is agreed by the Servicer in respect of a Purchased Receivable.

For more detailed information on the representations and warranties in respect of the Issuer Assets please refer to the section headed "*Overview of the Transaction Documents*".

Eligibility Criteria

The Seller will randomly select from the Provisional Portfolio, the Receivables to be transferred and assigned to the Issuer (and, as applicable, held under an initial Scottish Declaration of Trust) on the Closing Date on the basis of the Eligibility Criteria.

The Seller will randomly select from the Seller's portfolio of Receivables which the Seller determines comply with the Eligibility Criteria, adjusted (if necessary) by randomly excluding Receivables which would otherwise cause a breach of any Concentration Limit, the Further Purchased Property or Substitute Receivables to be sold or transferred, as applicable, on a Further Purchase Date.

In order for a Purchased Receivable to meet the Eligibility Criteria, the Purchased Receivable or, as the case may be, the Related Loan Contract from which it is derived must have satisfied the Eligibility Criteria.

For more detailed information on the representations and warranties in respect of the Issuer Assets please refer to the section headed "*Eligibility Criteria of Purchased Receivables*".

Environmental performance

As at the Reference Date, for the purpose of compliance with Article 22(4) of the Securitisation Regulation, the Servicer confirms, so far as it is aware, information on environmental performance of the Vehicles relating to the Receivables is not available to be reported pursuant to Article 22(4).

Statistical Information and Historical Performance Data

The tables in the following pages set out statistics information and historical performance data. The statistical information data is given in relation to the Provisional Portfolio as at the Cut-off Date, and set out, to the extent material, static pool information with respect to Initial Purchased Property which comprise the Issuer Assets. The historical performance data is given in relation to all Loan Contracts originated by the Seller from January 2007 until December 2019, and set out, to the extent material, for originations per quarter, the distribution of such Loan Contracts originated in that quarter by the number of days in arrears as at each quarter end.

Summary of the Provisional Portfolio (as of the Cut-off Date)

Number of Underlying Agreements	50,006
Total current Outstanding Principal Balance	500,000,001
Average current Outstanding Principal Balance	9,999
Minimum current Outstanding Principal Balance	1,004
Maximum current Outstanding Principal Balance	37,985
Weighted Average Customer Interest Rate (%)	6.22
Minimum Customer Interest Rate (%)	0.00
Maximum Customer Interest Rate (%)	17.12
Weighted Average Scheduled Remaining Term (months)	41.40
Minimum Scheduled Remaining Term (months)	7.00
Maximum Scheduled Remaining Term (months)	59.00
Minimum Original Maturity (months)	12.00
Maximum Original Maturity (months)	60.00
Weighted Average Seasoning (months)	9.25
Direct Debit by Outstanding Balance (%)	99.63

Distribution by New and Used Cars

New/Used	Number of Loan Contracts	Percentage of Total	Aggregate Principal Balance	Percentage of Total
		(%)	(£)	(%)
Cars New	34,041	68.07	368,230,864	73.65%
Cars Used	15,965	31.93	131,769,136	26.35%
Total	50,006	100.00	500,000,001	100.00

Distribution by product

Product	Number of Loan Contracts	Percentage of Total	Aggregate Principal Balance	Percentage of Total	Aggregate Balloon Balance	Percentage of Total	Aggregate Instalment Balance	Percentage of Total
		(%)	(£)	(%)	(£)	(%)	(£)	(%)
Balloon new non-supported	10,418.00	20.83	121,027,640	24.21	54,851,549	34.53	66,176,091	19.40
Balloon new supported	14,560.00	29.12	189,597,481	37.92	88,178,739	55.52	101,418,742	29.73
Balloon used non-supported	3850	7.70	39,358,686	7.87	15,546,070	9.79	23,812,617	6.98
Balloon used supported	62	0.12	630,848	0.13	261,276	0.16	369,572	0.11
Standard new non-supported	2,884	5.77	27,003,851	5.40	-	0.00	27,003,851	7.92
Standard new supported	6,179	12.36	30,601,892	6.12	-	0.00	30,601,892	8.97
Standard used non-supported	11,920	23.84	91,124,247	18.22	-	0.00	91,124,247	26.71
Standard used supported	133	0.27	655,355	0.13	-	0.00	655,355	0.19
Total	50,006	100	500,000,001	100	158,837,633	100	341,162,367	100

Distribution by fuel type

Fuel Type	Number of Loan Contracts	Percentage of Total	Aggregate Principal Balance	Percentage of Total
		(%)	(£)	(%)
Diesel	7,661	15.32	74,993,633	15.00
Petrol/Hybrid	42,345	84.68	425,006,368	85.00
Total	50,006	100	500,000,001	100

Distribution by payment method

Payment Method	Number of Loan Contracts	Percentage of Total	Aggregate Principal Balance	Percentage of Total
		(%)	(£)	(%)
Direct Debit	49,800	99.59	498,132,949	99.63
Other	206	0.41	1,867,052	0.37
Total	50,006	100	500,000,001	100

Distribution by Original Principal Balance

Size by Original Principal Balance	Number of Loan Contracts	Percentage of Total	Aggregate Principal Balance	Percentage of Total
		(%)	(£)	(%)
0.01 – 5,000.00	2,191	4.38	8,190,232	1.64
5,000.01 – 10,000.00	13,661	27.32	95,295,383	19.06
10,000.01 – 15,000.00	21,880	43.75	213,838,821	42.77
15,000.01 – 20,000.00	9,406	18.81	129,170,729	25.83
20,000.01 – 25,000.00	2,527	5.05	45,720,108	9.14
25,000.01 – 30,000.00	305	0.61	6,744,934	1.35
30,000.01 – 35,000.00	30	0.06	822,887	0.16
35,000.01 > =	6	0.01	216,907	0.04
Total	50,006	100	500,000,001	100
Minimum	1,500.00			
Maximum	40,495.00			
Average	12,153.22			

Distribution by Current Principal Balance

Size by Current Principal Balance	Number of Loan Contracts	Percentage of Total	Aggregate Principal Balance	Percentage of Total
		(%)	(£)	(%)
0.01 – 5,000.00	8,407	16.81	26,905,150	5.38
5,000.01 – 10,000.00	16,823	33.64	130,572,932	26.11
10,000.01 – 15,000.00	17,077	34.15	205,088,352	41.02
15,000.01 – 20,000.00	6,368	12.73	108,077,182	21.62
20,000.01 – 25,000.00	1,222	2.44	26,345,842	5.27
25,000.01 – 30,000.00	91	0.18	2,415,993	0.48
30,000.01 – 35,000.00	14	0.03	446,584	0.09
35,000.01 > =	4	0.01	147,967	0.03
Total	50,006	100.00	500,000,001	100.00
Minimum	1,003.51			
Maximum	37,984.84			
Average	9,998.80			

Distribution by Customer Interest Rate

Customer Interest Rate	Number of Loan Contracts	Percentage of Total	Aggregate Principal Balance	Percentage of Total
(%)		(%)	(£)	(%)
<= 0.00	5,701	11.40	24,301,138	4.86
0.01 - 2.00	7	0.01	29,979	0.01
2.01 - 4.00	4,129	8.26	35,015,023	7.00
4.01 - 6.00	13,845	27.69	177,038,337	35.41
6.01 - 8.00	12,868	25.73	150,845,506	30.17
8.01 - 10.00	8,263	16.52	72,752,117	14.55
10.01 - 12.00	2,918	5.84	23,082,003	4.62
12.01 - 14.00	2,033	4.07	15,136,137	3.03
14.01 - 16.00	236	0.47	1,755,705	0.35
16.01 - 18.00	6	0.01	44,055	0.01
Total	50,006	100.00	500,000,001	100.00
Minimum	0.00%			
Maximum	17.12%			
Weighted Average	6.22%			

Distribution by Customer Type

Customer Type	Number of Loan Contracts	Percentage of Total	Aggregate Principal Balance	Percentage of Total
		(%)	(£)	(%)
Corporate	148	0.30	1,506,399	0.30
Private	49,858	99.70	498,493,601	99.70
Total	50,006	100.00	500,000,001	100.00

Distribution by Vehicle Manufacturer

Vehicle Manufacturer	Number of Loan Contracts	Percentage of Total	Aggregate Principal Balance	Percentage of Total
		(%)	(£)	(%)
Vauxhall	44,262	88.51	450,010,437	90.00
Ford	1,369	2.74	11,427,699	2.29
Nissan	537	1.07	4,661,466	0.93
Mercedes	298	0.60	3,802,944	0.76
Renault	476	0.95	3,767,203	0.75
Peugeot	463	0.93	3,470,007	0.69
BMW	280	0.56	3,124,856	0.62
Citroen	351	0.70	2,432,872	0.49
Hyundai	297	0.59	2,424,982	0.48
Kia	254	0.51	2,148,256	0.43
MG Motor UK	196	0.39	1,818,045	0.36
Ssangyong	129	0.26	1,528,886	0.31
Land Rover	71	0.14	1,195,514	0.24
Fiat	203	0.41	1,141,824	0.23
Mitsubishi	85	0.17	1,006,016	0.20
Toyota	133	0.27	961,695	0.19
Mini	82	0.16	651,497	0.13
Dacia	106	0.21	647,849	0.13
Mazda	62	0.12	548,214	0.11
Volvo	49	0.10	443,919	0.09
Other	303	0.61	2,785,821	0.56
Total	50,006	100.00	500,000,001	100.00

Distribution by Geographical Region

Geographical Region	Number of Loan Contracts	Percentage of Total	Aggregate Principal Balance	Percentage of Total
		(%)	(£)	(%)
South East including London	11,024	22.05	109,112,171	21.82
Scotland	7,793	15.58	83,007,911	16.60
North West	5,863	11.72	60,409,694	12.08
East Midlands	4,271	8.54	43,480,670	8.70
South West	4,540	9.08	42,831,621	8.57
West Midlands	4,132	8.26	42,135,691	8.43
Northern	3,785	7.57	36,536,335	7.31
Yorkshire & Humberside	2,636	5.27	26,605,842	5.32
Wales	2,575	5.15	23,733,603	4.75
East Anglia	2,425	4.85	23,466,140	4.69
Northern Ireland	962	1.92	8,680,322	1.74
Total:	50,006	100.00	500,000,001	100.00

Distribution by Term at Origination

Original Term (Months)	Number of Loan Contracts	Percentage of Total	Aggregate Principal Balance	Percentage of Total
		(%)	(£)	(%)
6.01 - 12.00	23	0.05	102,088	0.02
12.01 - 18.00	11	0.02	60,800	0.01
18.01 - 24.00	260	0.52	1,167,476	0.23
24.01 - 30.00	80	0.16	453,715	0.09
30.01 - 36.00	1,821	3.64	13,419,672	2.68
36.01 - 42.00	346	0.69	2,668,421	0.53
42.01 - 48.00	25,546	51.09	293,932,641	58.79
48.01 - 54.00	4,892	9.78	64,434,091	12.89
54.01 - 60.00	17,027	34.05	123,761,097	24.75
Total	50,006	100.00	500,000,001	100.00
Minimum	12.00			
Maximum	60.00			
Weighted Average	50.65			

Distribution by Remaining Term

Remaining Term (Months)	Number of Loan Contracts	Percentage of Total	Aggregate Principal Balance	Percentage of Total
		(%)	(£)	(%)
6.01 - 12.00	3,793	7.59	13,673,619	2.73
12.01 - 18.00	2,965	5.93	11,591,562	2.32
18.01 - 24.00	1,744	3.49	9,680,761	1.94
24.01 - 30.00	1,463	2.93	13,469,170	2.69
30.01 - 36.00	4,898	9.79	52,394,299	10.48
36.01 - 42.00	12,331	24.66	149,934,200	29.99
42.01 - 48.00	13,297	26.59	158,141,356	31.63
48.01 - 54.00	3,656	7.31	33,165,783	6.63
54.01 - 60.00	5,859	11.72	57,949,250	11.59
Total	50,006	100.00	500,000,001	100.00
Minimum	7.00			
Maximum	59.00			
Weighted Average	41.40			

Distribution by Seasoning

Seasoning (Months)	Number of Loan Contracts	Percentage of Total	Aggregate Principal Balance	Percentage of Total
		(%)	(£)	(%)
0.01 - 6.00	21,401	42.80	235,626,981	47.13
6.01 - 12.00	15,789	31.57	183,984,391	36.80
12.01 - 18.00	3,911	7.82	39,517,284	7.90
18.01 - 24.00	977	1.95	9,528,401	1.91
24.01 - 30.00	444	0.89	3,471,074	0.69
30.01 - 36.00	316	0.63	2,184,664	0.44
36.01 - 42.00	2,654	5.31	13,400,788	2.68
42.01 - 48.00	2,562	5.12	8,537,545	1.71
48.01 - 54.00	1,952	3.90	3,748,874	0.75
Total	50,006	100.00	500,000,001	100.00
Minimum	1.00			
Maximum	53.00			
Weighted Average	9.25			

Distribution by top 20 Customers

Top 20 Customers	Number of Loan Contracts	Percentage of Total	Aggregate Principal Balance	Percentage of Total
		(%)	(£)	(%)
1	7	0.01	98,839	0.02
2	8	0.02	96,427	0.02
3	8	0.02	96,402	0.02
4	5	0.01	69,288	0.01
5	1	0.00	37,985	0.01
6	1	0.00	37,337	0.01
7	1	0.00	37,129	0.01
8	1	0.00	35,515	0.01
9	1	0.00	34,861	0.01
10	1	0.00	34,080	0.01
11	1	0.00	33,606	0.01
12	1	0.00	32,282	0.01
13	1	0.00	32,182	0.01
14	1	0.00	31,838	0.01
15	1	0.00	31,671	0.01
16	1	0.00	31,648	0.01
17	1	0.00	31,611	0.01
18	1	0.00	31,416	0.01
19	1	0.00	31,244	0.01
20	1	0.00	30,109	0.01
Other	49,962	99.91	499,104,531	99.82
Total	50,006	100.00	500,000,001	100.00

Distribution by Origination Date

Year of Origination	Number of Loan Contracts	Percentage of Total	Aggregate Principal Balance	Percentage of Total
		(%)	(£)	(%)
2015	1,765	3.53	3,262,248	0.65
2016	5,403	10.80	22,424,959	4.48
2017	715	1.43	5,257,323	1.05
2018	3,160	6.32	28,716,830	5.74
2019	35,143	70.28	396,976,651	79.40
2020	3,820	7.64	43,361,990	8.67
Total	50,006	100.00	500,000,001	100.00

PCP Agreements – Distribution by Balloon Amount

Balloon Amount	Number of Loan Contracts	Percentage of Total	Aggregate Principal Balance	Percentage of Total
		(%)	(£)	(%)
0.01 - 2,000.00	140	0.48	888,488	0.25
2,000.01 - 4,000.00	4,763	16.49	40,449,841	11.54
4,000.01 - 6,000.00	14,656	50.73	160,810,846	45.87
6,000.01 - 8,000.00	6,511	22.54	95,441,571	27.22
8,000.01 - 10,000.00	1,714	5.93	30,974,114	8.83
10,000.01 - 12,000.00	1,058	3.66	21,029,336	6.00
12,000.01 - 14,000.00	42	0.15	850,337	0.24
14,000.01 - 16,000.00	4	0.01	98,058	0.03
16,000.01 – 18,000.00	1	0.00	34,080	0.01
Total	28890	100.00	350,614,655	100.00
Minimum	1,487.12			
Maximum	21,104.38			
Weighted Average	5,980.29			

PCP Agreements – Distribution by New and Used Cars

New / Used	Number of Loan Contracts	Percentage of Total	Aggregate Principal Balance	Percentage of Total
		(%)	(£)	(%)
Cars New	24,978	86.46	310,625,121	88.59
Cars Used	3,912	13.54	39,989,534	11.41
Total	28,890	100.00	350,614,655	100.00

PCP Agreements – Distribution by Maturity Date

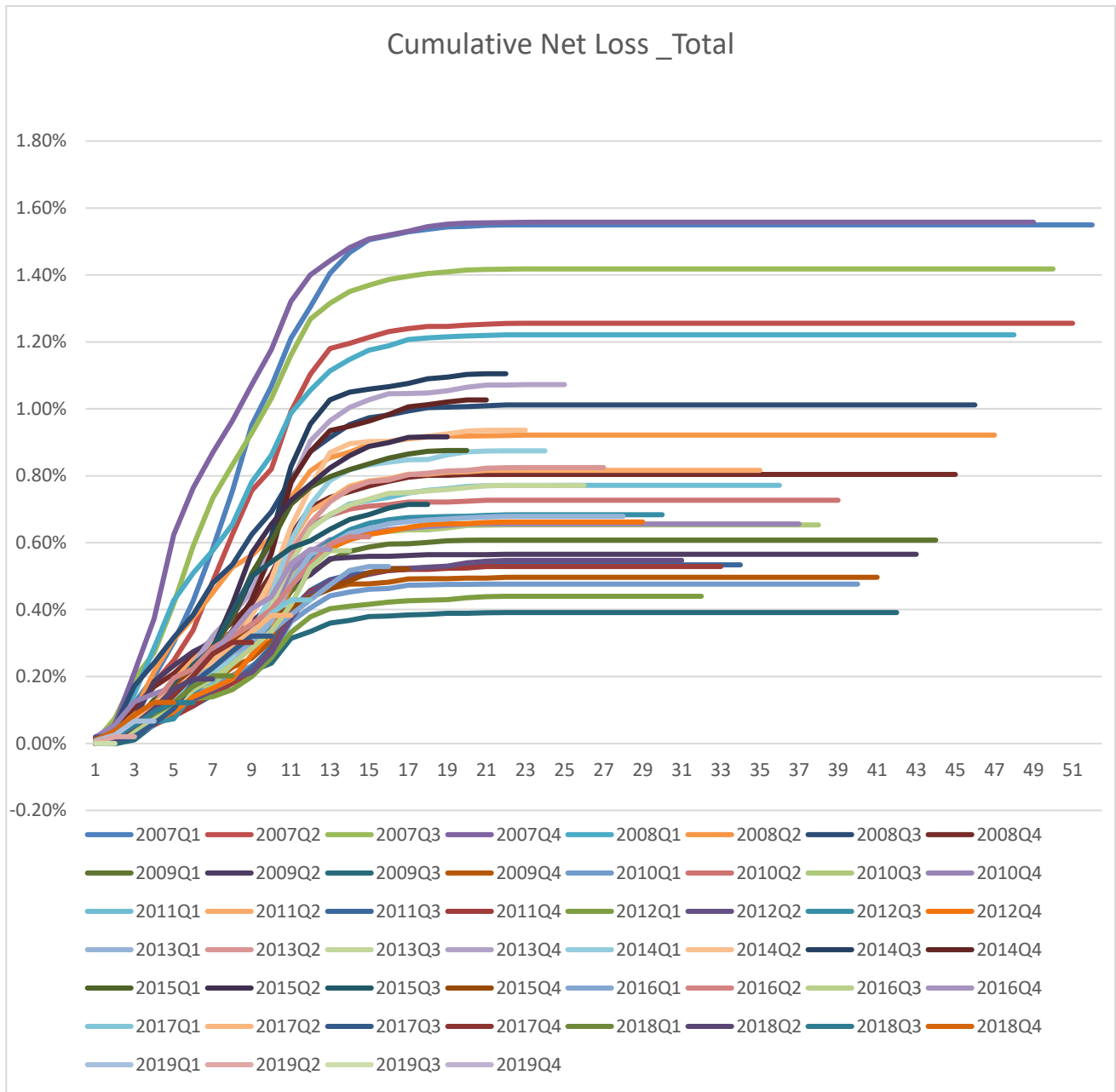
PCP Maturity Date	Number of Loan Contracts	Percentage of Total	Aggregate Balloon Balance	Percentage of Total	Percentage Distribution by total balance*
		(%)	(£)	(%)	(%)
2020 – Q3	927	3.21	4,671,501	2.94	0.93
2020 – Q4	469	1.62	2,385,955	1.50	0.48
2021 – Q1	79	0.27	476,938	0.30	0.10
2021 – Q2	171	0.59	872,735	0.55	0.17
2021 – Q3	168	0.58	855,722	0.54	0.17
2021 – Q4	142	0.49	710,635	0.45	0.14
2022 – Q1	406	1.41	2,726,572	1.72	0.55
2022 – Q2	272	0.94	1,636,514	1.03	0.33
2022 – Q3	548	1.90	3,163,350	1.99	0.63
2022 – Q4	422	1.46	2,124,467	1.34	0.42
2023 – Q1	7,078	24.50	42,051,074	26.47	8.41
2023 – Q2	5,192	17.97	30,416,660	19.15	6.08
2023 – Q3	4,557	15.77	23,675,739	14.91	4.74
2023 – Q4	6,221	21.53	31,231,382	19.66	6.25
2024 – Q1	2,238	7.75	11,838,389	7.45	2.37
Total:	28,890	100	158,837,633	100	31.77

Total Principal Balance (RVs)	158,837,633
Total Outstanding Principal Balance	500,000,001
Balloon amount in % of Outstanding Principal Balance	31.77%

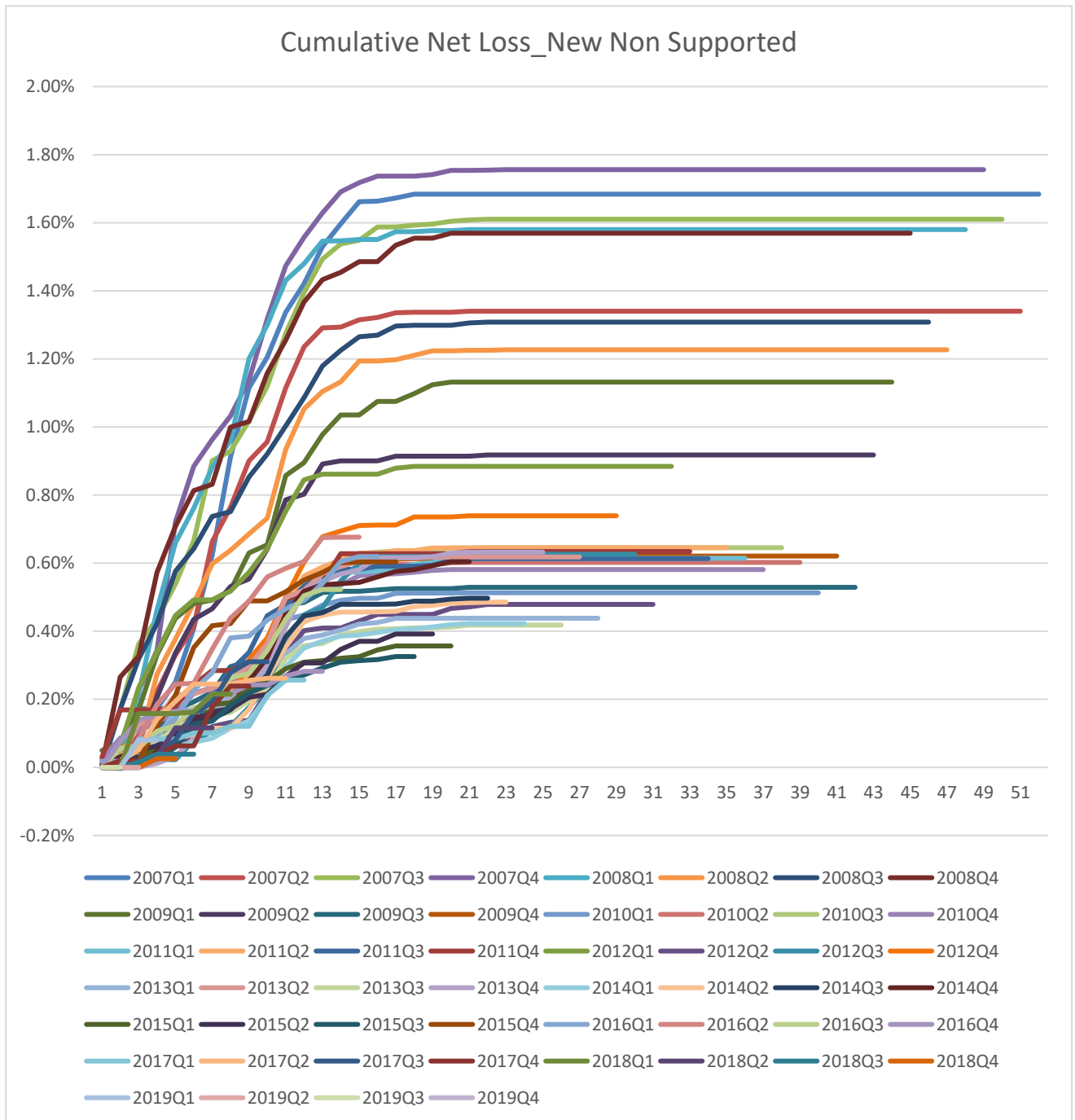
* Field shows the discounted balance of expected residual value maturities as a percentage of the total discounted portfolio balance

Historical Performance Data

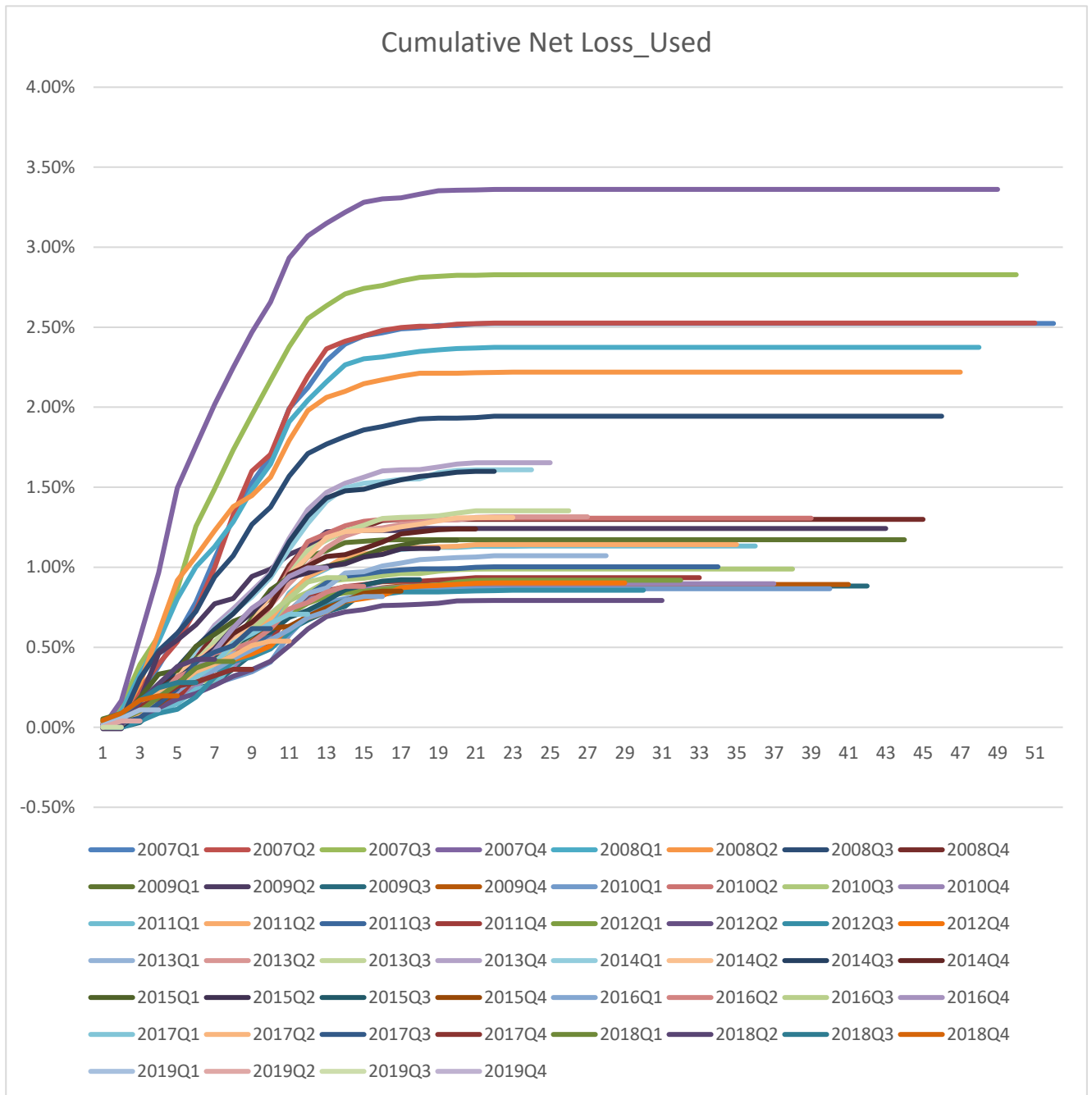
Cumulative Net Loss – Total



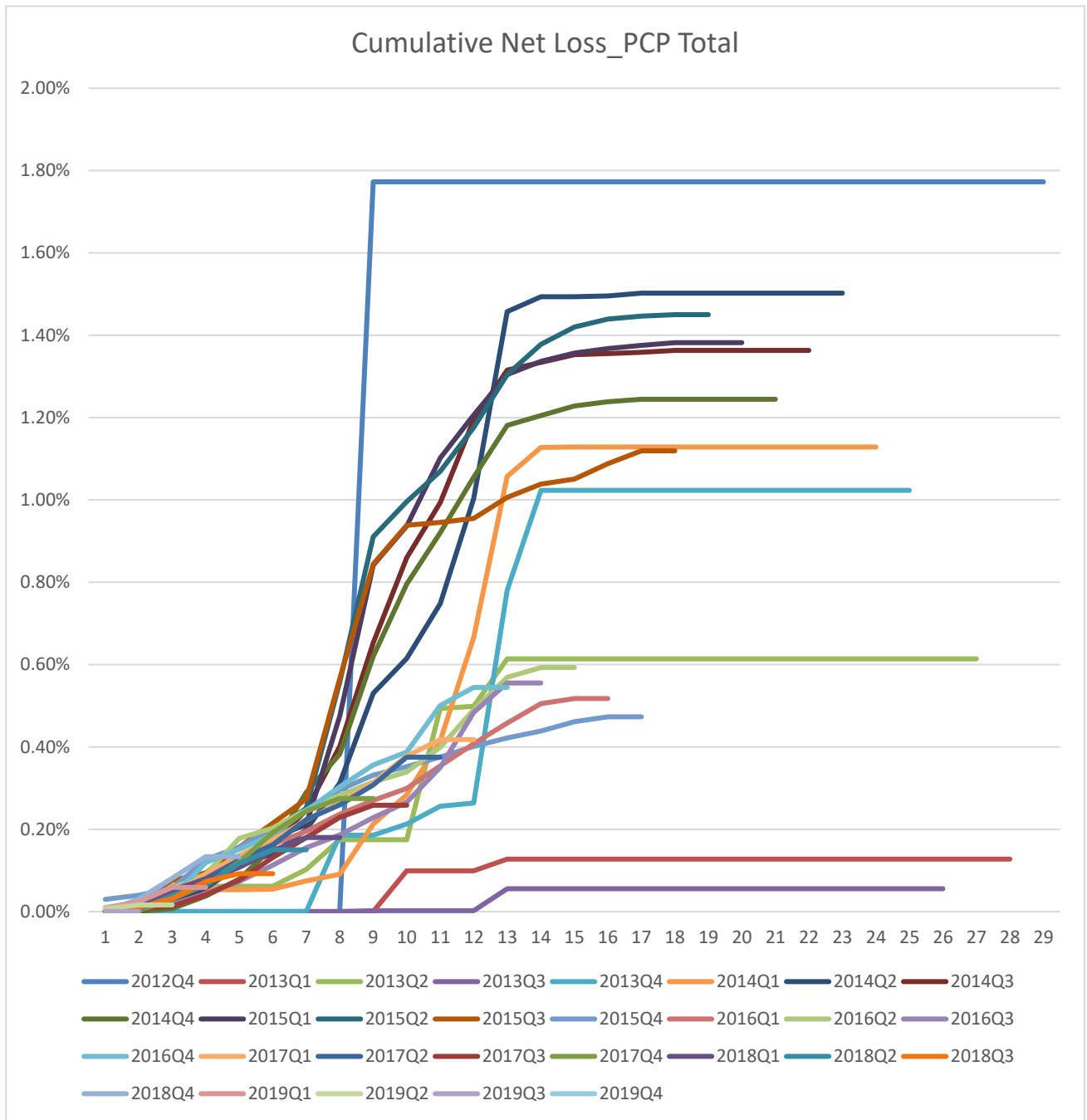
Cumulative Net Loss – New (Non Supported)



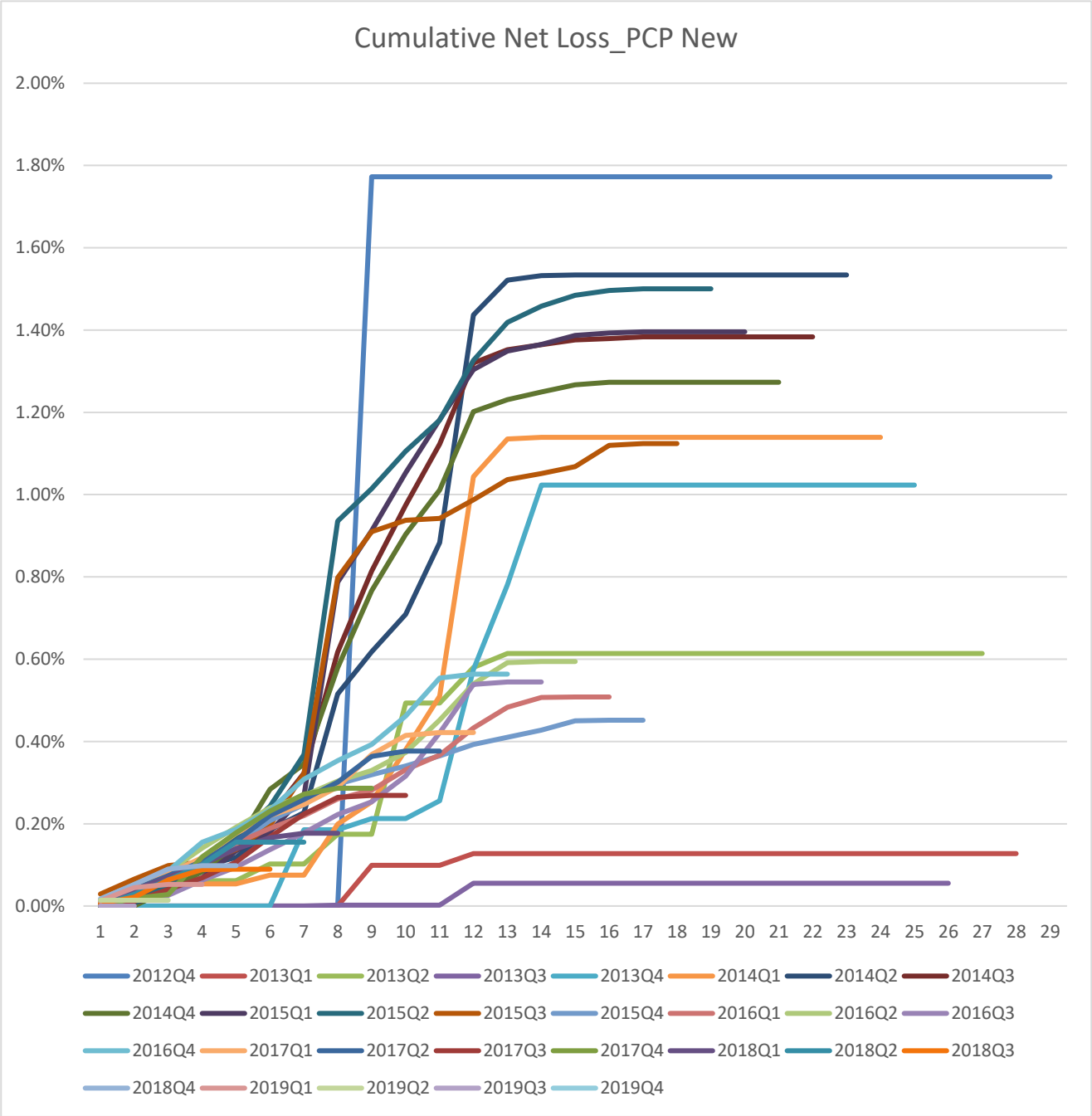
Cumulative Net Loss – Used



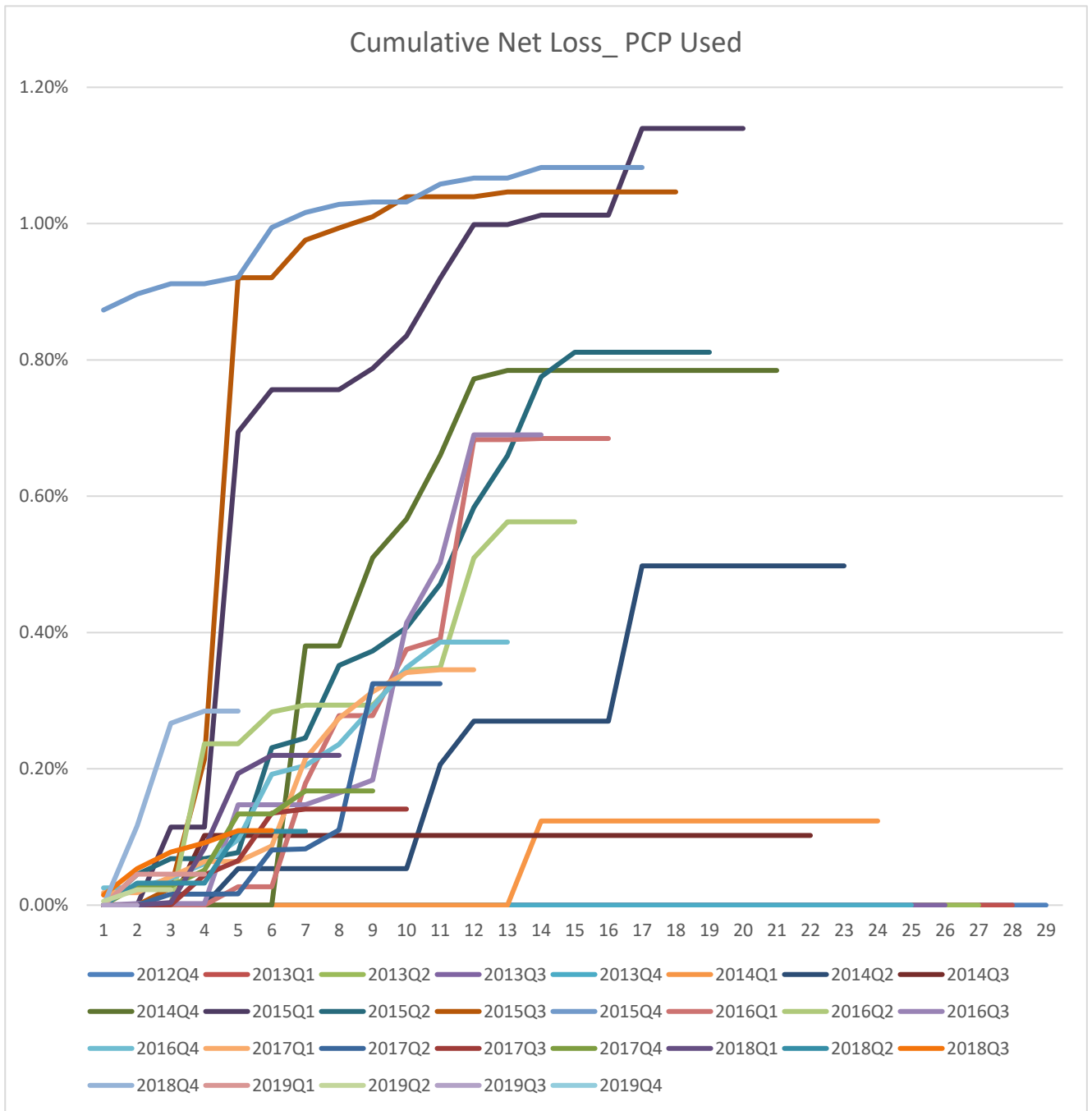
Cumulative Net Loss – PCP (Total)



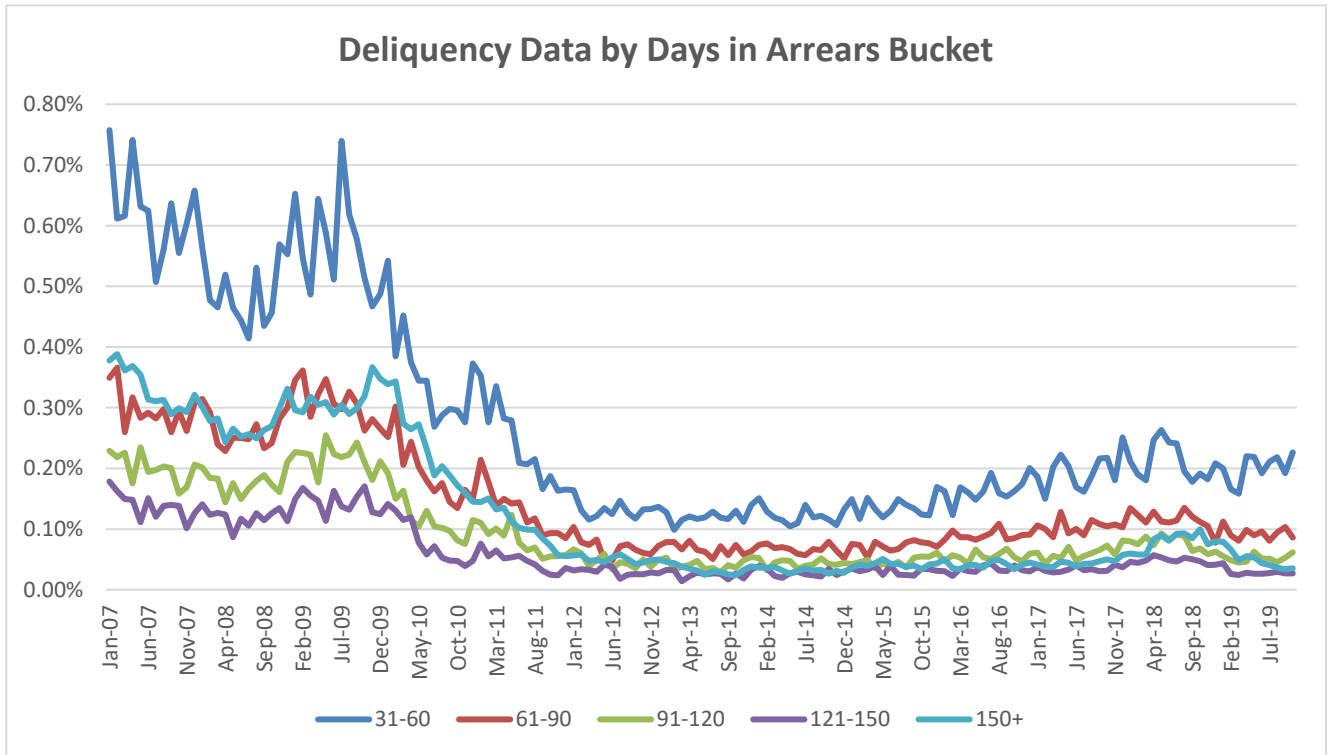
Cumulative Net Loss – PCP (New)



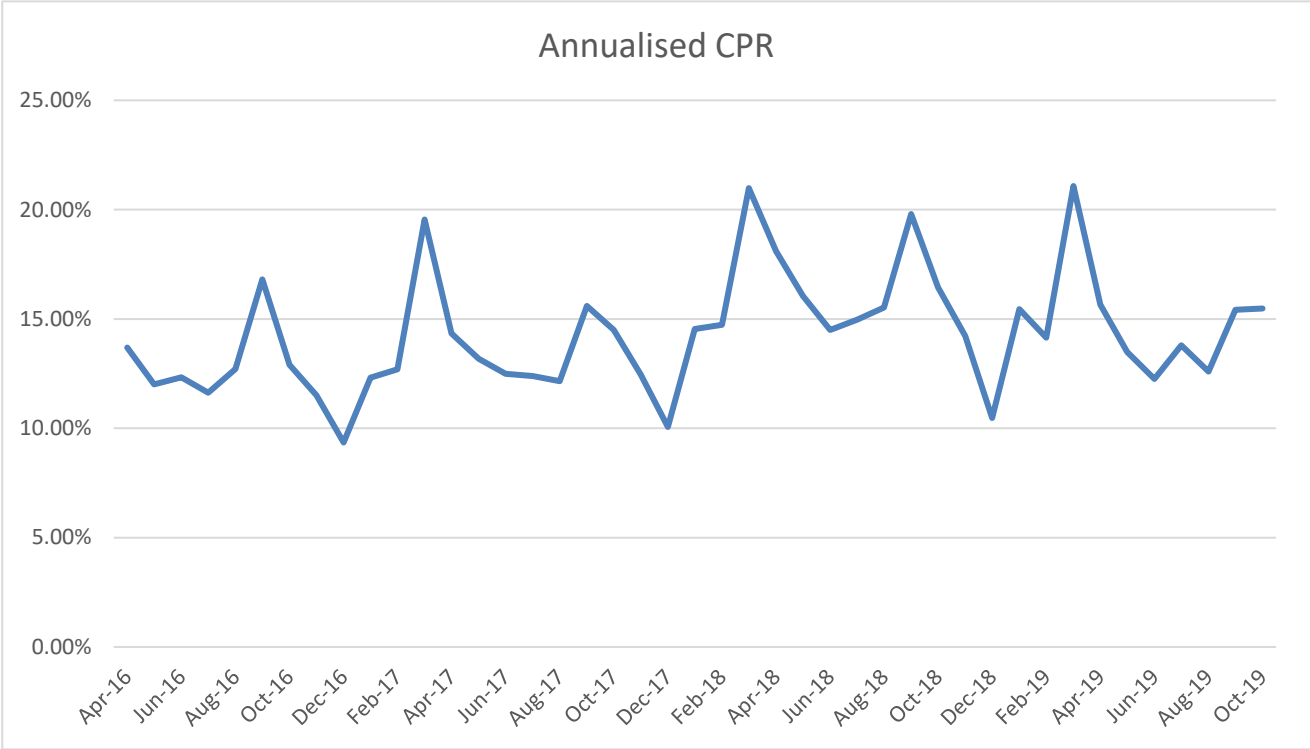
Cumulative Net Loss – PCP (Used)



Delinquencies – Total



Prepayment Data – Total



TAXATION

UK TAXATION

The following applies only to persons who are the beneficial owners of the Notes and is a summary of the Issuer's understanding of current UK law and published HM Revenue and Customs (HMRC) practice relating only to the UK withholding tax treatment of payments of interest (as that term is understood for UK tax purposes) in respect of the Notes. It does not deal with any other UK taxation implications of acquiring, holding or disposing of the Notes. The UK tax treatment of prospective Noteholders depends on their individual circumstances and may be subject to change in the future (possibly with retrospective effect). Prospective Noteholders should seek their own professional advice.

Payments of interest on the Notes may be made without deduction of or withholding on account of UK income tax provided that the Notes carry a right to interest and the Notes are and continue to be listed on a "recognised stock exchange" within the meaning of section 1005 of the Income Tax Act 2007. Euronext Dublin is a recognised stock exchange for such purposes. The Notes will satisfy this requirement if they are officially listed in Ireland in accordance with provisions corresponding to those generally applicable in EEA states and are admitted to trading on the main market of Euronext Dublin. Provided, therefore, that the Notes carry a right to interest and are and remain so listed on a "recognised stock exchange", interest on the Notes will be payable without withholding of or deduction on account of UK tax.

In other cases, an amount must generally be withheld from payments of interest on the Notes that has a UK source on account of UK income tax at the basic rate (currently 20%), subject to any available exemptions or reliefs. However, where an applicable double tax treaty provides for a lower rate of withholding tax (or for no tax to be withheld) in relation to a Noteholder, HMRC can issue a notice to the Issuer to pay interest to the Noteholder without deduction of tax (or for interest to be paid with tax deducted at the rate provided for in the relevant double tax treaty).

FOREIGN ACCOUNT TAX COMPLIANCE ACT

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as "FATCA", a "foreign financial institution" (as defined by FATCA) 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 UK) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement US 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 an IGA from payments that it makes. Certain aspects of the application of FATCA provisions and IGAs to instruments such as 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 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" and Notes issued on or prior to the date that is six months after the date on which final regulations defining foreign passthru payments are filed with the U.S. Federal Register generally would be grandfathered for purposes of FATCA withholding unless materially modified after such date (including by reason of a substitution of the Issuer). However, if additional Notes that are not distinguishable from previously issued Notes are issued after the expiration of the grandfathering period and are subject to withholding under FATCA, then withholding agents may treat all Notes, including the Notes offered prior to the expiration of the grandfathering period, as subject to withholding under FATCA. Holders should consult their own tax advisers regarding how these rules may apply to their 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 as a result of the withholding.

FEES

The following table sets out certain of the ongoing fees to be paid by the Issuer to the Transaction Parties.

<u>Type of Fee</u>	<u>Amount of Fee</u>	<u>Priority in Cashflow</u>	<u>Frequency</u>
Servicer Fee	1% per annum of the Outstanding Principal Balance of the Purchased Receivables (inclusive of VAT)	Ahead of all outstanding Notes	Monthly in arrears on each Interest Payment Date
Other ongoing fees and expenses of the Issuer	Estimated at GBP 44,000 (exclusive of any applicable VAT)	Ahead of all outstanding Notes	Per annum.
Expenses related to the admission to trading of the Notes	Listing fees – estimated at EUR11,740 (exclusive of any applicable VAT)	N/A	On or about the Closing Date

UK VAT is currently chargeable at 20%.

SUBSCRIPTION AND SALE

BNPP has, pursuant to a note subscription agreement dated on or about 20 March 2020 between the Joint Lead Managers, the Seller and the Issuer (the **Note Subscription Agreement**), agreed with the Issuer (subject to certain conditions) to subscribe or procure the subscription and payment for and pay for £500,000,000 of the Notes at the issue price of 100% of the Initial Principal Amount of the Notes.

The Joint Lead Managers may sell any of the Notes to subsequent purchasers in individually negotiated transactions at negotiated prices which may vary among different purchasers and which may be greater or less than the issue price of the Notes.

The Issuer has agreed to indemnify the Joint Lead Managers against certain liabilities and to pay certain costs and expenses in connection with the issue of the Notes.

Other than admission of the Notes to the Official List of Euronext Dublin and to trading on its regulated market, no action has been taken by the Issuer or the Joint Lead Managers which would or has been intended to permit a public offering of the Notes, or possession or distribution of this Prospectus or other offering material relating to the Notes, in any country or jurisdiction where action for that purpose is required.

This Prospectus does not constitute, and may not be used for the purpose of, an offer or a solicitation by anyone to subscribe for or purchase any of the Notes in or from any country or jurisdiction where such an offer or solicitation is not authorised or is unlawful.

Pursuant to the Note Subscription Agreement, Vauxhall Finance plc as originator has covenanted that it will retain a material net economic interest of not less than 5% in the securitisation as required by Article 6(1) of the Securitisation Regulation in accordance with the text of Article 6(3)(a) of the Securitisation Regulation (which does not take into account any corresponding national measures). As at the Closing Date, the Originator will meet this obligation by retaining the portion of the Notes that (i) in aggregate comprise 5% of the nominal value of the Notes and (ii) constitute a vertical tranche as required by the text of Article 6(3)(a) of the Securitisation Regulation. Any change in the manner in which such interest is held will be notified to the Noteholders.

Except with the express written consent of Vauxhall Finance plc in the form of a U.S. Risk Retention Waiver and where such sale falls within the exemption provided by Section 20 of the U.S. Risk Retention Rules, the Notes offered and sold by the Issuer may not be purchased by any person except for persons that are not Risk Retention U.S. Persons. Each purchaser of a Note or a beneficial interest therein acquired in the initial syndication of the Notes, by its acquisition of a Note or a beneficial interest in a Note, will be deemed to represent to the Issuer, the Seller and the Joint Lead Managers that it (1) either (i) is not a Risk Retention U.S. Person or (ii) has obtained a U.S. Risk Retention Waiver, (2) is acquiring such Note or a beneficial interest therein for its own account and not with a view to distribute such Note and (3) is not acquiring such Note or a beneficial interest therein as part of a scheme to evade the requirements of the U.S. Risk Retention Rules (including acquiring such Note through a non-Risk Retention U.S. Person, rather than a Risk Retention U.S. Person, as part of a scheme to evade the 10% Risk Retention U.S. Person limitation in the exemption provided for in Section 20 of the U.S. Risk Retention Rules). See "*Risk Factors – Risk Factors Relating To Certain Regulatory Aspects And Other Considerations – U.S. Risk Retention Requirements*"

United States

The Notes have not been and will not be registered under the Securities Act or the securities laws of any state or any other relevant jurisdiction of the United States and therefore may not be offered, sold, resold or otherwise transferred, directly or indirectly within the United States or to, or for the account or benefit of, U.S. persons (as defined under Regulation S under the Securities Act 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. Accordingly, the Notes are being offered outside the United States to persons other than U.S. persons.

The Joint Lead Managers have agreed that, except as permitted by the Note Subscription Agreement, they will not offer or sell the Notes as part of its distribution at any time or otherwise until 40 days after the later of the commencement of the offering of the Notes and the Closing Date (the **Distribution Compliance Period**) within the United States or to, or for the account or benefit of, U.S. persons (as defined under Regulation S under the Securities Act). The Joint Lead Managers have further agreed that they will have sent to each affiliate or other person receiving a selling commission, fee or other remunerations that purchases Notes from the Joint Lead Managers during the Distribution Compliance Period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account of, U.S. persons (as defined under Regulation S under the Securities Act).

In addition, until the expiration of the Distribution Compliance Period, an offer or sale of the Notes within the United States by the Joint Lead Managers may violate the registration requirements of the Securities Act. Terms used in this section that are defined in Regulation S under the Securities Act are used herein as defined therein.

The Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. Treasury regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986, and Treasury regulations promulgated thereunder.

UK

The Joint Lead Managers have represented to and agreed with the Issuer that:

- (a) they have only communicated or caused to be communicated, and will only communicate or cause to be communicated, any invitation or inducement to engage in any activity (within the meaning of section 21 of the FSMA) received by the Joint Lead Managers in connection with the issue or sale of any Notes in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and
- (b) they have complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes in, from or otherwise involving the UK.

The Joint Lead Managers have acknowledged that, save for having obtained the approval of the Prospectus as a prospectus in accordance with Part VI of the FSMA, and having applied for the admission of the Notes to the Official List of Euronext Dublin and to trading on its regulated market, no further action has been or will be taken in any jurisdiction by the Joint Lead Managers that would, or is intended to, permit a public offering of the Notes, or possession or distribution of the Prospectus or any other offering material in relation to the Notes, in any country or jurisdiction where such further action for that purpose is required.

France

The Joint Lead Managers have represented to and agreed with the Issuer that they have not offered or sold and will not offer or sell, directly or indirectly, Notes to the public in France, and have not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France, the Prospectus or any other offering material relating to the Notes, and that such offers, sales and distributions have been and will be made in France only to (a) providers of investment services relating to portfolio management for the account of third parties and/or (b) qualified investors (*investisseurs qualifiés*), (other than individuals) as defined in, and in accordance with, Articles D.411-1 and following of the French *Code monétaire et financier*.

Prohibition of Sales to EEA and UK Retail Investors

The Joint Lead Managers have represented and agreed that they have not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes to any retail investor in the European Economic Area or in the United Kingdom. For the purposes of this provision,

- (a) 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 Directive 2014/65/EU (as amended, **MiFID II**); or
 - (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended or superseded, the **Insurance Distribution Directive**), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
 - (iii) not a qualified investor as defined in the Prospectus Regulation; and
- (b) the expression "offer" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

General

The Joint Lead Managers have undertaken that they will not, directly or indirectly, offer or sell any Notes or have in their possession, distribute or publish any offering circular, prospectus, form of application, advertisement or other document or information in respect of the Notes in any country or jurisdiction except under circumstances that will, to the best of their knowledge and belief, result in compliance with any applicable laws and regulations, and all offers and sales of Notes by the Joint Lead Managers will be made on the same terms.

TRANSFER RESTRICTIONS

Offers and Sales by the Joint Lead Managers

The Notes (including interests therein represented by a Global Note or a Book-Entry Interest or a Definitive Note) have not been and will not be registered under the Securities Act or the securities laws of any state or any other relevant jurisdiction of the United States and therefore may not be offered, sold, resold or otherwise transferred, directly or indirectly within the United States or to, or for the account or benefit of, U.S. persons (as defined under Regulation S under the Securities Act) 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.

Investor Representations and Restrictions on Resale

Each purchaser of the Notes (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 and agreed, as follows, that:

- (a) the purchaser is located outside the United States and is not a U.S. person (as defined under Regulation S);
- (b) if the purchaser purchased the Notes during the initial syndication of the Notes, it (1) either (i) is not a Risk Retention U.S. Person or (ii) has obtained a U.S. Risk Retention Waiver, (2) is acquiring such Note or a beneficial interest therein for its own account and not with a view to distribute such Notes and (3) is not acquiring such Note or a beneficial interest therein as part of a scheme to evade the requirements of the U.S. Risk Retention Rules (including acquiring such Note through a non-Risk Retention U.S. Person, rather than a Risk Retention U.S. Person, as part of a scheme to evade the 10% Risk Retention U.S. Person limitation in the exemption provided for in Section 20 of the U.S. Risk Retention Rules);
- (c) the Notes have not been and will not be registered under the Securities Act and such Notes are being offered only in a transaction that does not require registration under the Securities Act and, if such purchaser decides to resell or otherwise transfer such Notes, then it agrees that it will offer, resell, pledge or transfer such Notes only (i) to a purchaser who is not a U.S. person (as defined in Regulation S) or an affiliate of the Issuer or a person acting on behalf of such an affiliate, and who is not acquiring the Notes for the account or benefit of a U.S. person and who is acquiring the Notes in an offshore transaction pursuant to an exemption from registration in accordance with Rule 903 or Rule 904 of Regulation S or (ii) pursuant to an effective registration statement under the Securities Act, in each case in accordance with any applicable securities laws of any state or other jurisdiction of the United States or (iii) pursuant to another exemption from the registration requirements of the Securities Act; provided that the agreement of such purchaser is subject to any requirement of law that the disposition of the purchaser's property shall at all times be and remain within its control;
- (d) unless the relevant legend set out below has been removed from the Notes, such purchaser shall notify each transferee of Notes (as applicable) from it that (i) such Notes have not been registered under the Securities Act, (ii) the holder of such Notes is subject to the restrictions on the resale or other transfer thereof described in paragraphs (a) and (c) above, (iii) such transferee shall be deemed to have represented that such transferee is acquiring the Notes in an offshore transaction and that such transfer is made pursuant to an exemption from registration in accordance with Rule 903 or Rule 904 of Regulation S and (iv) such transferee shall be deemed to have agreed to notify its subsequent transferees as to the foregoing;

- (e) the Issuer, the Joint Lead Managers and their affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgments, representations and agreements.

The Notes bear a legend to the following effect:

"THIS NOTE HAS 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 OR ANY OTHER RELEVANT JURISDICTION AND IS SUBJECT TO UNITED STATES TAX LAW REQUIREMENTS, AND, AS A MATTER OF U.S. LAW, MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED IN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, A U.S. PERSON (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT) (1) AS PART OF THEIR DISTRIBUTION AT ANY TIME OR (2) OTHERWISE PRIOR TO THE DATE THAT IS 40 DAYS AFTER THE LATER OF THE COMMENCEMENT OF THE OFFERING OF THE NOTES AND THE CLOSING OF THE OFFERING OF THE NOTES, 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 AND OTHERWISE IN ACCORDANCE WITH UNITED STATES TAX LAW REQUIREMENTS."

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 securities offered and sold.

GENERAL INFORMATION

1. The legal entity identifier (LEI) of the Issuer is: 213800P8XQG7CEH4YG57.
2. Application has been made to Euronext Dublin for the Notes to be admitted to the Official List of Euronext Dublin and to trading on its regulated market, subject only to the issue of the Global Notes of the Notes. The Notes are expected to be admitted to listing with effect from 23 March 2020. The issue of the Notes will be cancelled if the related Global Notes are not issued. The estimated aggregate cost of the foregoing applications for admission to the Official List of Euronext Dublin and admission to trading on its regulated market is approximately EUR11,740.
3. Walkers Listing Services Limited is acting solely in its capacity as Irish Listing Agent for the Issuer in connection with the Notes and is not itself seeking admission of the Notes to the Official List of Euronext Dublin or to trading on its regulated market for the purposes of the Prospectus Regulation.
4. Any website referred to in this document does not form part of the Prospectus.
5. None of the Issuer or Holdings is or has been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer or Holdings respectively is aware) since 11 September 2019 (being the date of incorporation of the Issuer and Holdings) which may have, or have had in the recent past, significant effects upon the financial position or profitability of the Issuer or Holdings (as the case may be).
6. For so long as the Notes are admitted to the Official List of Euronext Dublin and to trading on its regulated market, the Issuer shall maintain a Paying Agent in the UK.
7. The issue of the Notes was authorised pursuant to a resolution of the Board of Directors of the Issuer passed on 12 March 2020.
8. The Notes have been accepted for clearance through Euroclear and Clearstream under the following ISIN and Common Code:

Notes	ISIN	Common Code
Class A	XS2106055176	210605517
Class B	XS2106055416	210605541
Class C	XS2106055762	210605576
Class D	XS2106055846	210605584
Class E	XS2106055929	210605592
Class F	XS2106056224	210605622
Class G	XS2107371622	210737162
Class H	XS2115336096	211533609

9. From the date of this Prospectus and for so long as the Notes are admitted to the Official List of Euronext Dublin and to trading on its regulated market, copies of the Transaction Documents will be available on <https://editor.eurodw.eu/home>.
10. The Servicer, will procure the publication of the following information, which shall be made available to investors, potential investors and the relevant competent authorities in accordance with Article 7(1) of the Securitisation Regulation:
 - (a) simultaneously, at least each quarter and within one month of the relevant interest payment date, ongoing information in relation to the receivables in the portfolio in accordance with the requirements of Articles 7(1)(a) and (e) of the Securitisation Regulation (subject to any published guidance of the relevant regulatory or competition authorities), including a Monthly Investor Report on each Interest Payment Date on the basis of a Calculation Report prepared by the Calculation Agent, which will contain, among other things, information with respect to the Purchased Receivables and the Notes, as well as a Cash Flow Model;
 - (b) prior to the pricing of the notes, information in relation to the receivables in the portfolio in accordance with the requirements of Articles 7(1)(a) and Article 22(5) of the Securitisation Regulation;
 - (c) without delay, any information required to be reported pursuant to Articles 7(1)(f) or 7(1)(g) (as applicable) of the Securitisation Regulation; and
 - (d) copies of documents required to be published in accordance with Article 7(1)(b) and (d) of the Securitisation Regulation and Article 22(5) of the Securitisation Regulation, including certain Transaction Documents, this Prospectus and any supplements thereto, (in draft form, if applicable) prior to the pricing of the notes and (in final form, if applicable) at the latest 15 days after the closing date,

by means of a securitisation repository or (where no securitisation repository is registered in accordance with Article 10 of the Securitisation Regulation) by means of a website (expected to be www.eurodw.eu) which conforms to the requirements set out in Article 7(2) of the Securitisation Regulation, or any other website which may be notified by the Issuer from time to time provided that such replacement or additional website conforms to the requirements set out in Article 7(2) of the Securitisation Regulation. For the avoidance of doubt, this website and the contents thereof do not form part of this prospectus.

The Seller will make the information referred to above available to the holders of any of the Notes, relevant competent authorities and, upon request, to potential investors in the Notes. Any documents provided in draft form are subject to amendment and completion without notice.

11. The Servicer, will make available to the holders of the Notes a cash flow model (upon receipt of the same from, and with the assistance of, the Cash Manager), either directly or indirectly through one or more entities which provide such cash flow models to investors generally (the **Cashflow Model**). The Seller shall procure that such cash flow model precisely represents the contractual relationship between the Loan Contracts and the payments flowing between the Seller, investors in the Notes, other third parties and the Issuer. The Cash Flow Model shall be made available (i) prior to pricing of the Notes to potential investors and (ii) on an ongoing basis to investors in the Notes and potential investors upon request. The Monthly Investor Report and the Cash Flow Model will be available on the website of Bloomberg and/or Intex and, upon request, distributed directly to holders of any of the Notes.
12. The Issuer confirms that the Loan Contracts backing the issue of the Notes have characteristics that demonstrate capacity to produce funds to service any payments due and payable on the Notes.

However, investors are advised that this confirmation is based on the information available to the Issuer at the date of this Prospectus and may be affected by the future performance of such assets backing the issue of the Notes. Consequently investors are advised to review carefully any disclosure in the Prospectus together with any amendments or supplements thereto.

13. Since its date of incorporation, the Issuer has not commenced operations and no financial statements have been made up as at the date of this Prospectus.
14. The following legend will appear on all Notes and on all receipts and interest coupons relating to such Notes: "ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE."

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