

SC POLAND AUTO 2014-1 LIMITED

(incorporated with limited liability in Ireland)

PLN 1,158,000,000 Class A Floating Rate Secured Notes due 2025 Issue Price: 100%

PLN 209,000,000 Class B Floating Rate Secured Notes due 2025 Issue Price: 100%

<i>Class</i>	<i>Initial Principal Amount</i>	<i>Interest Rate</i>	<i>Issue Price</i>	<i>Expected Ratings (Fitch /Moody's)</i>	<i>Maturity Date</i>	<i>ISIN</i>
A	PLN 1,158,000,000	1m WIBOR+ 0.75%	100%	AAsf/Aa3(sf)	Payment Date falling in 2025	XS1070423931
B	PLN 209,000,000	1m WIBOR+ 0.95%*	100%	Asf/Aa3(sf)	Payment Date falling in 2025	XS1079309651

* The Interest Rate applicable to the Class B Notes shall not exceed 7 per cent. per annum.

The Class A Floating Rate Secured Notes due June 2025 (the "**Class A Notes**") and the Class B Floating Rate Secured Notes due June 2025 (the "**Class B Notes**") (each being a "**Class**" of Notes and together being the "**Notes**") issued by SC Poland Auto 2014-1 Limited (the "**Issuer**") are backed by a portfolio of financing receivables purchased by the Issuer from Santander Consumer Bank S.A. (the "**Seller**"). The Issuer will not acquire any receivables or collateral from the Seller other than the Portfolio (as defined below).

The Notes are issued pursuant to a Note Trust Deed dated the Note Issuance Date (as defined below) (the "**Note Trust Deed**") between the Issuer and U.S. Bank Trustees Limited as note trustee (the "**Note Trustee**"). The obligations of the Issuer under the Notes and other obligations will be secured by first-ranking security interests granted to U.S. Bank Trustees Limited as security trustee (the "**Security Trustee**") in favour of the holders of the Notes (the "**Noteholders**") and the other Issuer Secured Parties (as defined in the Note Conditions below) pursuant to an English law security deed dated the Note Issuance Date (the "**Security Trust Deed**") and a Polish security agreement dated 16 April 2014 (the "**Registered Pledge Agreement**"). Although the Notes will share in the same security, the Class A Notes will rank in priority to the Class B Notes in the event of the security being enforced. The Issuer will, on the Note Issuance Date, purchase and acquire from the Seller the Portfolio. Certain characteristics of the Portfolio are described under "**DESCRIPTION OF THE PORTFOLIO**" herein.

The Class A Notes and the Class B Notes will each be issued at the issue price equal to 100% of their initial principal amount on or about 27 June 2014 (the "**Note Issuance Date**").

This Prospectus constitutes a prospectus for the purpose of Article 5.3 of Directive 2003/71/EC of the European Parliament and of the Council as amended (the "**Prospectus Directive**") in respect of asset-backed securities within the meaning of Article 2 (5) of the Commission Regulation (EC) No. 809/2004 of 29 April 2004 and the relevant implementing provisions in Ireland. The Prospectus has been approved by the Central Bank of Ireland (the "**Central Bank**"), as competent authority under the Prospectus Directive. The Central Bank only approves this Prospectus as meeting the requirements imposed under Irish and EU law pursuant to the Prospectus Directive.

Application has been made to the Irish Stock Exchange (the "**Irish Stock Exchange**") for the Class A Notes and the Class B Notes to be admitted to the Official List and trading on its regulated market. Upon approval of the Prospectus by the Central Bank, the Prospectus will be filed with the Irish Companies Registration Office in accordance with Regulation 38(1)(b) of the Prospectus (Directive 2003/71/EC) Regulations 2005. Such approval relates only to the Class A Notes and the Class B Notes which are to be admitted to trading on the regulated market of the Irish Stock Exchange or other regulated markets for the purpose of Directive 2004/39/EC or which are to be offered to the public in any Member State of the European Economic Area. Application may also be made for the Class A Notes to be admitted to listing and/or trading on a regulated market in Poland. No application will be made for the Class B Notes to be admitted to listing and/or trading in Poland.

The Notes have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "**Securities Act**"), and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons by any person referred to in rule 903(B)(2)(III), (x) as part of their distribution at any time, or (y) otherwise until 40 calendar days after the completion of the distribution of the securities as determined and certified by the Joint Lead Managers, except in either case in accordance with Regulation S under the Securities Act.

Banco Santander, S.A. and Citibank International plc (the "**Joint Lead Managers**") will subscribe for or, on a best efforts basis, procure subscriptions for the Class A Notes and the Class B Notes and, to the extent they subscribe for and purchase any Class A Notes or Class B Notes, will offer the Class A Notes and the Class B Notes from time to time, in negotiated transactions or otherwise, at prices to be determined at the time of the sale.

For a discussion of certain significant factors affecting investments in the Notes, see "**RISK FACTORS**". An investment in the Notes is suitable only for financially sophisticated investors who are capable of evaluating the merits and risks of such investment and who have sufficient resources to be able to bear any losses which may result from such investment.

The Seller will undertake to the Joint Lead Managers in the Subscription Agreement and to the Issuer and the Note Trustee, on behalf of the Noteholders, in the Security Trust Deed that it will retain a material net economic interest of at least 5 per cent. of the nominal value of the securitised exposures in accordance with Articles 405-409 of Regulation (EU) No. 575/2013 (the "**CRR**") and Article 51 of Commission Delegated Regulation (EU) No 231/2013 as it is interpreted and applied on the date hereof (the "**AIFM Regulation**") by holding a "first loss" exposure to the Issuer pursuant to the Subordinated Loan. In exceptional circumstances the Seller may hold a material economic interest in another manner permitted by the CRR or the AIFM Regulation

For reference to the definitions of capitalised words and phrases appearing herein, see "**INDEX OF DEFINED TERMS**".

Arrangers and Joint Lead Managers

CITIBANK INTERNATIONAL PLC

**SANTANDER GLOBAL BANKING &
MARKETS**

Co-Managers

BANK HANDLOWY W WARSZAWIE SA

DOM MAKLEPSKI BZ WBK S.A.

The date of this prospectus is 27 June 2014

The Class A Notes and the Class B Notes will be initially represented by separate temporary global note certificates in bearer form (the "**Class A Temporary Global Note**" and the "**Class B Temporary Global Note**", and together, the "**Temporary Global Notes**") without interest coupons attached. The Temporary Global Note will be exchangeable, as described herein (see "**OUTLINE OF THE TRANSACTION — The Notes — Form and Denomination**"), for separate permanent global note certificate in bearer form which are recorded in the records of Euroclear and Clearstream (as defined below) (the "**Class A Permanent Global Note**" together with the Class A Temporary Global Note, the "**Class A Note Certificates**", and the "**Class B Permanent Global Note**" together with the Class B Temporary Global Note, the "**Class B Note Certificates**") without interest coupons attached. The Temporary Global Notes will be exchangeable not earlier than 40 calendar days and not later than 180 calendar days after the Note Issuance Date, upon certification of non-U.S. beneficial ownership, for interests in Permanent Global Notes. The Class A Note Certificates and the Class B Note Certificates will be deposited with a common safekeeper for Euroclear Bank S.A./N.V. ("**Euroclear**") and Clearstream Banking, *société anonyme* ("**Clearstream Luxembourg**" and, together with Euroclear, the "**Clearing Systems**") on or before the Note Issuance Date and recorded in the records of Euroclear and Clearstream Luxembourg. The Class A Notes and the Class B Notes may be transferred in book-entry form only. The Notes will be issued in denominations of PLN 500,000 and integral multiples of PLN 1,000 in excess thereof. The Class A Note Certificates and the Class B Note Certificates will only be exchangeable for definitive securities in certain limited circumstances. See "**NOTE CONDITIONS — Form, Denomination and Title**".

The Class A Notes and the Class B Notes will be governed by English law and will be issued in "**new global note**" format.

Any investment in the Notes does not have the status of a bank deposit and is not within the scope of the deposit protection scheme or the credit institutions (eligible liabilities guarantee) scheme operated by the Central Bank. The Issuer is not regulated by the Central Bank by virtue of the issue of the Notes.

THE NOTES REPRESENT OBLIGATIONS OF THE ISSUER ONLY AND DO NOT REPRESENT AN INTEREST IN OR OBLIGATION OF THE ARRANGERS, THE MANAGERS, THE SELLER, THE SERVICER (IF DIFFERENT), THE NOTE TRUSTEE, THE SECURITY TRUSTEE, THE PLEDGEE, THE PRINCIPAL PAYING AGENT, THE CALCULATION AGENT, THE CASH ADMINISTRATOR, THE LISTING AGENT, THE TRANSACTION ACCOUNT BANK, THE COMMON SAFEKEEPER, THE COMMON SERVICE PROVIDER, THE CUSTODIAN OR ANY OF THEIR RESPECTIVE AFFILIATES OR ANY OTHER PARTY TO THE TRANSACTION DOCUMENTS (OTHER THAN THE ISSUER). NEITHER THE NOTES NOR THE UNDERLYING PORTFOLIO WILL BE INSURED OR GUARANTEED BY ANY GOVERNMENTAL AGENCY OR INSTRUMENTALITY OR BY ANY OF THE AFOREMENTIONED PARTIES OR ANY OF THE RESPECTIVE AFFILIATES OR ANY OTHER PARTY TO THE TRANSACTION DOCUMENTS (OTHER THAN THE ISSUER) OR BY ANY OTHER PERSON OR ENTITY EXCEPT AS DESCRIBED HEREIN.

Interest on the Class A Notes will accrue on the outstanding principal amount of such Notes at a per annum rate equal to the sum of the one month Warsaw Inter-bank Offered Rate ("**WIBOR**") (in the case of the first Interest Period, the linear interpolation between 2 week and 1 month WIBOR) and 0.75% (the "**Class A Interest Margin**"). Interest on the Class B Notes will accrue on the outstanding principal amount of such Notes at a per annum rate equal to the sum of the one month WIBOR (in the case of the first Interest Period, the linear interpolation between 2 week and 1 month WIBOR) and 0.95% (the "**Class B Interest Margin**"), subject to a maximum interest rate of 7 per cent. per annum. Interest on the Notes will be payable in Polish zloty and by reference to successive interest accrual periods (each, an "**Interest Period**") monthly in arrear on the 20th day of each calendar month, unless such date is not a Business Day, in which case the Payment Date shall be the

next succeeding Business Day (each, a **"Payment Date"**). The first Payment Date will be the Payment Date falling in July 2014. **"Business Day"** shall mean a day which is a Target 2 Settlement Day, London Banking Day and a Warsaw Banking Day. See **"NOTE CONDITIONS — Interest"**.

If any withholding or deduction for or on account of taxes should at any time apply to the Notes, payments of interest on, and principal in respect of, the Notes will be made subject to such withholding or deduction. The Notes will not provide for any gross-up or other payments in the event that payments on the Notes become subject to any such withholding or deduction on account of taxes. See **"TAXATION"**.

Amortisation of the Notes will commence on the first Payment Date in accordance with the applicable Priority of Payments. See **"NOTE CONDITIONS — Redemption"**.

The Notes will mature on the Payment Date falling in June 2025 (the **"Maturity Date"**), unless previously redeemed in full. In addition, the Notes will be subject to partial redemption, early redemption and/or optional redemption before the Maturity Date in specific circumstances and subject to certain conditions. See **"NOTE CONDITIONS — Redemption"**.

Rating Agencies

The Class A Notes and the Class B Notes are expected, on issue, to be rated by Fitch Ratings Limited (**"Fitch"**) and Moody's Investors Service Limited (**"Moody's"**) (together with Fitch, the **"Rating Agencies"**).

In general, European regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the European Union (**"EU"**) and registered under Regulation (EC) No 1060/2009 (the **"CRA Regulation"**) as amended by Regulation (EU) No. 513/2011 and by Regulation (EC) No. 464/2013 (**"CRA3"**). The credit ratings included or referred to in this Prospectus have been issued by the Rating Agencies, each of which has been registered or certified in accordance with the CRA Regulation. Such general restriction will also apply in the case of credit ratings issued by non-EU credit rating agencies, unless the relevant credit ratings are endorsed by an EU-registered credit rating agency or the relevant non-EU rating agency is certified in accordance with the CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended).

Each of Fitch and Moody's is established in the European Union and has been registered under the CRA Regulation as of 31 October 2011.

Credit ratings

It is a condition of the issue of the Class A Notes and the Class B Notes that they are assigned the ratings indicated in the table on the first page of this Prospectus.

The ratings of the Class A Notes and the Class B Notes by Fitch address the likelihood that the holders of the Class A Notes (the **"Class A Noteholders"**) and the Class B Notes (the **"Class B Noteholders"**) will receive all payments to which they are entitled, as described herein. The rating of AAsf is the highest rating that Fitch, assign to long-term structured finance obligations in Poland as at the date of this Prospectus. The ratings assigned to the Class A Notes and the Class B Notes by Moody's address the risk of expected loss posed to Class A Noteholders and Class B Noteholders by the legal final maturity of the Class A Notes and the Class B Notes. The rating of Aa3(sf) is the highest that Moody's assigns to long-term structured finance obligations in Poland as at the date of this Prospectus. Moody's ratings address only the credit risks associated with the transaction. Other non-credit risks have not been addressed, but may have a significant effect on yield to investors.

However, the ratings assigned to the Class A Notes and the Class B Notes do not represent any assessment of the likelihood or level of principal prepayments prior to the Maturity Date. The ratings do not address the possibility that the Noteholders might suffer a lower than expected yield due to prepayments or amortisation or may fail to recoup their initial investments.

The ratings assigned to the Class A Notes and the Class B Notes should be evaluated independently against similar ratings of other types of securities. A rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal by the Rating Agencies at any time.

The Issuer has not requested a rating of the Class A Notes or the Class B Notes by any rating agency other than the Rating Agencies; there can be no assurance, however, as to whether any other rating agency will rate the Class A Notes or the Class B Notes or, if it does, what rating would be assigned by such other rating agency. The rating assigned to the Class A Notes or the Class B Notes by such other rating agency could be lower than the respective ratings assigned by the Rating Agencies.

In this Prospectus, references to "**Polish zloty**" or "**PLN**" are to the lawful currency in Poland, and references to "**euro**" or "**€**" are to the lawful currency of the member states of the European Union that have adopted the single currency in accordance with the EC Treaty.

The language of this Prospectus is English. Certain legislative references and technical terms have been cited in their original language in order that the correct technical meaning may be ascribed to them under applicable law.

PCS Label

An application has been made to Prime Collateralised Securities (PCS) UK Limited for the Class A Notes to receive the Prime Collateralised Securities label (the "**PCS Label**") and the Seller currently expects that the Class A Notes will receive the PCS Label. However, there can be no assurance that the Class A Notes will receive the PCS Label (either before issuance or at any time thereafter) and if the Class A Notes do receive the PCS Label, there can be no assurance that the PCS Label will not be withdrawn from the Class A Notes at a later date.

The PCS Label is not a recommendation to buy, sell or hold securities. It is not investment advice whether generally or as defined under Markets in Financial Instruments Directive (2004/39/EC) and it is not a credit rating whether generally or as defined under the Credit Rating Agency Regulation (1060/2009/EC) or Section 3(a) of the United States Securities Exchange Act of 1934 (as amended by the Credit Agency Reform Act of 2006). Prime Collateralised Securities (PCS) UK Limited is not an "**expert**" as defined in the United States Securities Acts of 1933 (as amended).

By awarding the PCS Label to certain securities, no views are expressed about the creditworthiness of these securities or their suitability for any existing or potential investor or as to whether there will be a ready, liquid market for these securities. Investors should conduct their own research regarding the nature of the PCS Label and must read the information set out in <http://pcsmarket.org>

Responsibility for the contents of this Prospectus

The Issuer accepts responsibility for the information contained in this Prospectus and declares that, to the best of its knowledge and belief (having taken all reasonable care to ensure that such is the case), the information contained in this Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

The Seller accepts responsibility for the information under "OUTLINE OF THE TRANSACTION – The Portfolio: Purchased Receivables and Related Collateral" on page 7, "OUTLINE OF THE TRANSACTION – Servicing of the Portfolio" on page 8, "RISK

FACTORS – Reliance on administration and collection procedures" on page 43, "CREDIT STRUCTURE – Purchased Receivable interest rates" on page 50, "CREDIT STRUCTURE — Cash collection arrangements" on page 50, "EXPECTED MATURITY AND AVERAGE LIFE OF NOTES AND ASSUMPTIONS" on page 157, "DESCRIPTION OF THE PORTFOLIO" on page 117, "CREDIT AND COLLECTION POLICY" on page 158, and "THE SELLER AND THE SERVICER" on pages 171. The Seller also accepts responsibility for the information contained in the section of this Prospectus headed "ARTICLES 405-409 OF THE CAPITAL REQUIREMENTS REGULATION" on page 195 (but not, for the avoidance of doubt, any information set out in the sections referred to therein). To the best of the knowledge and belief of the Seller (having taken all reasonable care to ensure that such is the case), all information contained in this Prospectus for which the Seller is responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.

The Note Trustee and the Security Trustee accept responsibility for the information in the last four paragraphs under "THE NOTE TRUSTEE AND THE SECURITY TRUSTEE" on page 178 and hereby declare that, to the best of their knowledge and belief (having taken all reasonable care to ensure that such is the case), all information contained in this Prospectus for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.

The Principal Paying Agent, the Calculation Agent and the Cash Administrator accept responsibility for the information under "THE PRINCIPAL PAYING AGENT, THE CALCULATION AGENT AND THE CASH ADMINISTRATOR" on page 175 and hereby declare that, to the best of their knowledge and belief (having taken all reasonable care to ensure that such is the case), all information contained in this Prospectus for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.

The Transaction Account Bank and the Custodian accept responsibility for the information under "THE TRANSACTION ACCOUNT BANK AND THE CUSTODIAN" on page 177 and hereby declare that, to the best of their knowledge and belief (having taken all reasonable care to ensure that such is the case), all information contained in this Prospectus for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.

The Corporate Administrator accepts responsibility for the information under "THE CORPORATE ADMINISTRATOR" on page 176 and hereby declares that, to the best of its knowledge and belief (having taken all reasonable care to ensure that such is the case), all information contained in this Prospectus for which it is responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.

No person has been authorised to give any information or to make any representations, other than those contained in or consistent with this Prospectus, in connection with the issue, offering, subscription or sale of the Notes and, if given or made, such information or representations must not be relied upon as having been authorised by the Issuer, the directors of the Issuer, the Note Trustee, the Security Trustee, the Arrangers or the Managers.

Neither the delivery of this Prospectus nor any offering, sale or delivery of any Notes shall, under any circumstances, create any implication (i) that the information in this Prospectus is correct as of any time subsequent to the date hereof or, as the case may be, subsequent to the date on which this Prospectus has been most recently amended or supplemented, or (ii) that there has been no adverse change in the financial situation of the Issuer since the date of this Prospectus or, as the case may be, the date on which this Prospectus has been most recently amended or supplemented, or the date of the most recent financial information which is contained in this Prospectus by reference, or (iii) that any

other information supplied in connection with the issue of the Notes is correct at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

Prospective purchasers of Notes should conduct such independent investigation and analysis as they deem appropriate to evaluate the merits and risks of an investment in the Notes. If you are in doubt about the contents of this document, you should consult your stockbroker, bank manager, legal adviser, accountant or other financial adviser. None of the Arrangers nor the Managers make any representation, recommendation or undertaking or warranty, express or implied, regarding the accuracy, adequacy, reasonableness or completeness of the information contained herein or in any further information, notice or other document which may at any time be supplied by the Issuer in connection with the Notes and do not accept any responsibility or liability therefor. None of the Arrangers nor the Managers undertake to review the financial condition or affairs of the Issuer or to advise any investor or potential investor in the Notes of any information coming to the attention of the Arrangers or any Manager.

No action has been taken by the Issuer, the Arrangers or the Managers other than as set out in this Prospectus that would permit a public offering of the Notes, or possession or distribution of this Prospectus or any other offering material in any country or 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 part thereof) nor any other information memorandum, prospectus, form of application, advertisement, other offering material or other information may be issued, distributed or published in any country or jurisdiction except in compliance with applicable laws, orders, rules and regulations, and the Issuer, the Arrangers and the Managers have represented that all offers and sales by them have been and will be made on such terms.

This Prospectus may be distributed and its contents disclosed only to the prospective investors to whom it is provided. By accepting delivery of this Prospectus, the prospective investors agree to these restrictions.

The distribution of this Prospectus (or any part thereof) and the offering, sale and delivery of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Prospectus (or any part hereof) comes are required by the Issuer, the Arrangers and the Managers to inform themselves about and to observe any such restriction.

THE NOTES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE SECURITIES ACT OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR OTHER RELEVANT JURISDICTIONS AND MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS 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. EACH MANAGER HAS REPRESENTED AND AGREED THAT IT HAS NOT OFFERED OR SOLD THE NOTES, AND WILL NOT OFFER OR SELL THE NOTES (I) AS PART OF ITS DISTRIBUTION AT ANY TIME AND (II) OTHERWISE UNTIL 40 CALENDAR DAYS AFTER THE COMPLETION OF THE DISTRIBUTION OF ALL NOTES ONLY IN ACCORDANCE WITH RULE 903 OF THE REGULATION S PROMULGATED UNDER THE SECURITIES ACT AND APPLICABLE STATE OR LOCAL SECURITIES LAWS. NONE OF THE MANAGERS, THE ARRANGERS, THEIR RESPECTIVE AFFILIATES NOR ANY PERSONS ACTING ON THEIR BEHALF HAVE ENGAGED OR WILL ENGAGE IN ANY DIRECTED SELLING EFFORTS WITH RESPECT TO THE NOTES, AND THEY HAVE COMPLIED AND WILL COMPLY WITH THE OFFERING RESTRICTIONS REQUIREMENTS OF REGULATION S UNDER THE SECURITIES ACT. AT OR PRIOR TO CONFIRMATION OF SALE OF NOTES, EACH MANAGER WILL HAVE SENT TO EACH

DISTRIBUTOR, DEALER OR PERSON RECEIVING A SELLING CONCESSION, FEE OR OTHER REMUNERATION THAT PURCHASES NOTES FROM IT DURING THE RESTRICTED PERIOD A CONFIRMATION OR NOTICE TO SUBSTANTIALLY THE FOLLOWING EFFECT:

"THE SECURITIES COVERED HEREBY HAVE NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS, BY ANY PERSON REFERRED TO IN RULE 903(B)(2)(III), (X) AS PART OF THEIR DISTRIBUTION AT ANY TIME OR (Y) OTHERWISE UNTIL 40 CALENDAR DAYS AFTER THE COMPLETION OF THE DISTRIBUTION OF THE SECURITIES AS DETERMINED AND CERTIFIED BY THE MANAGERS, EXCEPT IN EITHER CASE IN ACCORDANCE WITH REGULATION S UNDER THE SECURITIES ACT. TERMS USED ABOVE HAVE THE MEANING GIVEN TO THEM BY REGULATION S UNDER THE SECURITIES ACT."

TERMS USED IN THE FOREGOING PARAGRAPH HAVE THE MEANING GIVEN TO THEM BY REGULATION S UNDER THE SECURITIES ACT.

*This Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any securities other than the securities to which it relates or an offer to sell or the solicitation of an offer to buy any of the securities offered hereby in any circumstances in which such offer or solicitation is unlawful. This Prospectus does not constitute, and may not be used for, or in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation. For a further description of certain restrictions on offerings and sales of the Notes and distribution of this Prospectus, or an invitation by, or on behalf of the Issuer or the Managers to subscribe for or to purchase any of the Notes (or of any part thereof), see "**Subscription and Sale**".*

An investment in the Notes is only suitable for financially sophisticated investors who are capable of evaluating the merits and risks of such investment and who have sufficient resources to be able to bear any losses which may result from such investment.

It should be remembered that the price of securities and the income from them can go down as well as up.

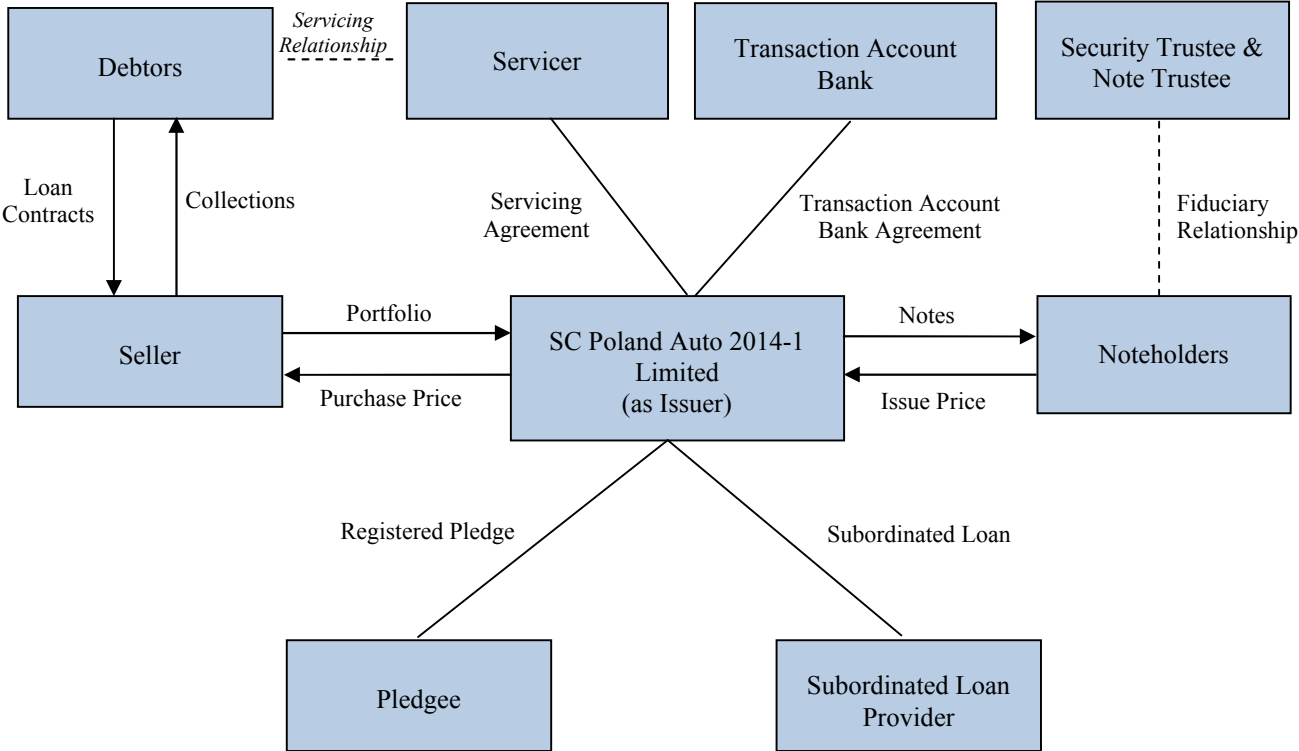
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TRANSACTION STRUCTURE

Structure Diagram (as of the close of business on the Note Issuance Date)

This diagrammatic overview of the transaction structure is qualified in its entirety by reference to the more detailed information appearing elsewhere in this Prospectus.



OUTLINE OF THE TRANSACTION

The following outline should be read in conjunction with, and is qualified in its entirety by, the detailed information appearing elsewhere in this Prospectus. In the event of any inconsistency between this outline and the information provided elsewhere in this Prospectus, the latter shall prevail. Capitalised terms used and not otherwise defined in this outline will have the meanings ascribed to them in the **"GLOSSARY OF DEFINED TERMS"**.

The Parties

Issuer	SC Poland Auto 2014-1 Limited, a special purpose company incorporated with limited liability under the laws of Ireland, which has its registered office at 1 Grant's Row, Mount Street Lower, Dublin 2, Ireland.
Corporate Administrator	Structured Finance Management (Ireland) Limited (the "Corporate Administrator").
Seller	Santander Consumer Bank S.A., with its registered office in Wrocław, at ul. Strzegomska 42c, 53-611 Wrocław, entered in the register of entrepreneurs of the National Court Register, maintained by the District Court for Wrocław Fabryczna in Wrocław, VI Commercial Division of the National Court Register, under KRS number: 0000040562, NIP 527-20-46-102 (the "Seller").
Servicer	The Portfolio will be serviced by the Seller (in this capacity, the "Servicer").
Back-up Servicer Facilitator	Banco Santander, S.A. (the "Back-up Servicer Facilitator").
Note Trustee	U.S. Bank Trustees Limited (in this capacity, the "Note Trustee").
Security Trustee	U.S. Bank Trustees Limited (in this capacity, the "Security Trustee").
Pledgee	U.S. Bank Trustees Limited (in this capacity, the "Pledgee").
Subordinated Loan Provider	The Seller.
Seller Collections Account Bank	National Bank of Poland, in respect of the Seller Collections Account (in this capacity, the "Seller Collections Account Bank").
Transaction Account Bank and Custodian	Elavon Financial Services Limited (in its capacity as (a) transaction account bank, (the "Transaction Account Bank") and (b) custodian (the "Custodian"), respectively).
Registered Pledge Account Bank	Bank Zachodni WBK S.A. (in this capacity, the "Registered Pledge Account Bank").

Joint Lead Managers	Banco Santander, S.A. and Citibank International plc
Co-Managers	Bank Handlowy w Warszawie S.A. and Dom Maklerski BZ WBK S.A.
Managers	Banco Santander, S.A., Citibank International plc, Bank Handlowy w Warszawie S.A. and Dom Maklerski BZ WBK S.A. (the " Managers ").
Principal Paying Agent, Calculation Agent, Cash Administrator, and Common Servicer Provider	Elavon Financial Services Limited in its capacity as (a) principal paying agent, (the " Principal Paying Agent "), (b) calculation agent, (the " Calculation Agent "), (c) cash administrator, (the " Cash Administrator ") and (d) common service provider, (the " Common Service Provider ").
Listing Agent	A&L Listing Limited (the " Listing Agent ").
Rating Agencies	Fitch Ratings Limited (" Fitch ") and Moody's Investors Service Limited (" Moody's ").
The Notes	
The Transaction	The Seller will sell and assign the Portfolio to the Issuer on or before the Note Issuance Date pursuant to a purchase agreement entered into between the Issuer and the Seller (the " Receivables Purchase Agreement "). The Issuer will issue the Notes on the Note Issuance Date and will grant security interests in the Portfolio to secure its obligations under the Notes and the Transaction Documents. The Transaction is not and the Notes are not a re-securitisation, as none of the assets backing the Notes is itself an asset-backed security or other securitisation position, and also are not a " synthetic " securitisation, in which credit risk transfer would be achieved through the use of credit derivatives or other similar financial instruments.
Classes of Notes	<p>The PLN 1,158,000,000 Class A Floating Rate Secured Notes due on the Payment Date falling in June 2025 (the "Class A Notes" and the PLN 209,000,000 Class B Floating Rate Secured Notes due on the Payment Date falling in June 2025 (the "Class B Notes" and together with the Class A Notes, the "Notes") will be backed by the Portfolio.</p> <p>Following the issue of the Class A Notes and the Class B Notes the Issuer will not issue any further Notes.</p>
Signing Date	26 June 2014
Note Issuance Date	27 June 2014
Form and denomination	The Class A Notes and the Class B Notes will be initially represented by separate temporary global notes in bearer form (the " Class A Temporary Global Note " and the " Class B Temporary Global Note ", and together, the " Temporary Global Notes ") without interest coupons attached. The Temporary Global Notes

will be exchangeable for separate permanent global notes in bearer form which are recorded in the records of Euroclear and Clearstream, (the "**Class A Permanent Global Note**", together with the Class A Temporary Global Note, the "**Class A Note Certificates**", and the "**Class B Permanent Global Note**" together with the Class B Temporary Global Note, the "**Class B Note Certificates**"). Each Temporary Global Note will be exchangeable not earlier than 40 calendar days and not later than 180 calendar days after the Note Issuance Date, upon certification of non-U.S. beneficial ownership, for interests in a Permanent Global Note. The Class A Note Certificates and the Class B Note Certificates will be deposited with a common safekeeper for Euroclear and Clearstream Luxembourg on or before the Note Issuance Date and recorded in the records of Euroclear and Clearstream Luxembourg.

Each of the Class A Note Certificates and the Class B Note Certificates will be exchangeable, free of charge to the holder in whole but not in part, for a Note in definitive form ("**Definitive Notes**"):

- (a) if either Euroclear or Clearstream, Luxembourg 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 has in fact done so and no successor clearing system acceptable to the Note Trustee is available;
- (b) any of the circumstances described in Note Condition 12 (*Events of Default*); or
- (c) as a result of any amendment to, or change in (A) the laws or regulations of Ireland or the United Kingdom (or of any political sub-division thereof) or of any authority therein or thereof having power to tax or (B) the interpretation or administration of such laws or regulations, which becomes effective on or after the Note Issuance Date, the Issuer or the Principal Paying Agent is or will be required to make any deduction or withholding for or on account of tax from any payment in respect of the Notes which would not be required were the Notes in definitive form, then the Issuer will, within 30 days of the occurrence of the relevant event, issue serially numbered note certificates, where applicable, in definitive form in exchange for the whole outstanding interest in the relevant Note Certificate.

Ownership interests in the Temporary Global Notes and the Permanent Global Notes will be shown on, and transfer thereof will be effected through, records maintained by Euroclear and Clearstream, Luxembourg and their respective participants.

The Notes will be issued in the denomination of PLN 500,000 or an integral multiple of PLN 1,000 in excess thereof.

Status and priority The Notes constitute direct, secured and unconditional obligations of the Issuer (but shall be limited recourse obligations as provided in the terms and conditions of the Notes (the "**Note Conditions**"). The Class A Notes rank *pari passu* among themselves in respect of security. Following the delivery by the Note Trustee of an Enforcement Notice, the Class A Notes rank against all other current

and future obligations of the Issuer in accordance with the Post-Enforcement Priority of Payments. The Class B Notes rank *pari passu* among themselves in respect of security. Following the delivery by the Note Trustee of an Enforcement Notice, the Class B Notes rank against all other current and future obligations of the Issuer in accordance with the Post-Enforcement Priority of Payments. In accordance with the Post-Enforcement Priority of Payments, payments to the Class A Notes rank as to all payments and as to security in priority to the Class B Notes.

Limited recourse	All payment obligations of the Issuer under the Notes will be limited recourse obligations of the Issuer to pay only the amounts available for such payment from the Available Distribution Amount in accordance with the Priorities of Payment.
Non-petition	The Security Trustee and the other Issuer Secured Parties (or any other person acting on behalf of any of them) shall not be entitled to take any action or commence any proceedings (except for those permitted by the Transaction Documents) or petition a court for the liquidation of the Issuer, nor enter into any arrangement, examinership, reorganisation or Insolvency Proceedings in relation to the Issuer whether under the laws of Ireland or other applicable bankruptcy laws until two years and one day after the payment or extinguishment of all Transaction Secured Obligations of the Issuer.
Interest	<p>On each Payment Date, interest on the Notes of each Class is payable monthly in arrear by applying WIBOR for the relevant Interest Period plus the relevant margin to the Class A Principal Amount or the Class B Principal Amount (as applicable) outstanding immediately prior to the relevant Payment Date (as these terms are defined in Note Condition 4 (<i>Interest</i>)) of such Note, provided that, in respect of the Class B Notes, the interest rate shall not exceed 7 per cent. per annum. With respect to the Class A Notes, the margin will be 0.75% per annum and with respect to the Class B Notes, the margin will be 0.95% per annum.</p> <p>The Interest Period with respect to each Payment Date will be the period commencing on (and including) the Payment Date immediately preceding such Payment Date and ending on (but excluding) such Payment Date with the first Interest Period commencing on (and including) the Note Issuance Date and ending on (but excluding) the first Payment Date.</p> <p>Interest will be calculated on the basis of the actual number of days elapsed and a year of 365 days.</p>
Payment Dates	Payments of principal and interest will be made to the Noteholders on the 20th day of each calendar month, unless such date is not a Business Day in which case the Payment Date shall be the next succeeding Business Day and the first Payment Date will be the Payment Date falling in July 2014.
Cut-Off Date	" Cut-Off Date " shall mean the last day of each calendar month, save for the first Cut-Off Date, which shall be 13 June 2014, and the Cut-Off Date with respect to any Payment Date is the Cut-Off Date immediately preceding such Payment Date.
Maturity Date	Unless previously redeemed or purchased and cancelled as described herein, each Class of Notes will be redeemed in full on the Payment Date falling in June 2025, subject to the limitations set forth in Note Condition 2.5 (<i>Limited recourse and non-petition</i>). The Issuer will be under no obligation to make any payment under

the Notes after the Maturity Date.

Amortisation On each Payment Date prior to the delivery by the Note Trustee of an Enforcement Notice, the Notes will be subject to redemption in accordance with the Pre-Enforcement Priority of Payments sequentially in the following order: first to the Class A Notes in an amount equal to the excess of the Class A Principal Amount over the Class A Target Principal Amount and second to the Class B Notes in an amount equal to the excess of the Class B Principal Amount over the Class B Target Principal Amount.

On and after the delivery by the Note Trustee of an Enforcement Notice, the Notes will be subject to redemption in accordance with the Post-Enforcement Priority of Payments, sequentially in the following order: to the Class A Notes, and once the Class A Notes have been redeemed in full, to the Class B Notes.

Clean up Call On any Payment Date on or following the Payment Date on which all of the Class A Notes and the Class B Notes have been redeemed in full, the Seller will have an option to repurchase all of the outstanding Purchased Receivables (together with any Related Collateral) held by the Issuer at the repurchase price. The repurchase price will be equal to the sum of (A) the then current Aggregate Outstanding Loan Principal Amount plus (B) any Deemed Collections owed by the Seller and other Collections received by the Seller, as Servicer, and not otherwise paid to the Issuer, plus (C) any interest on the Purchased Receivables accrued until and outstanding on such Payment Date (and not included in such Deemed Collections) and without any recourse against, or warranty or guarantee of, the Issuer. The exercise of the clean up call will be subject to there being sufficient proceeds distributable as a result of such repurchase to repay the outstanding principal on the Subordinated Loan plus accrued but unpaid interest thereon (if any) together with all amounts ranking prior thereto according to the Pre-Enforcement Priority of Payments.

Taxation All payments of principal and interest on the Notes will be made free and clear of, and without any withholding or deduction for or on account of, tax (if any) applicable to the Notes under any applicable jurisdiction, unless such withholding or deduction is required by law. If any such withholding or deduction is imposed, the Issuer will not be obliged to pay any additional or further amounts as a result thereof.

Optional redemption for taxation reasons In the event that the Issuer is required by law to deduct or withhold certain taxes with respect to any payment under the Notes, the Notes may, at the option of the Issuer and subject to certain conditions, be redeemed in whole but not in part at their then outstanding aggregate Note Principal Amounts, together with accrued but unpaid interest (if any) to the date (which must be a Payment Date) fixed for redemption.

Secured Assets The obligations of the Issuer under the Notes will be secured by first ranking security interests granted to the Security Trustee for the benefit of the Noteholders and other Issuer Secured Parties, in the case of the English Secured Assets, and the obligations of the Issuer under the parallel debt provisions of the Security Trust Deed will be secured by first ranking security interest granted to the Pledgee, in the case of the Polish Secured Assets:

- (a) under Polish law in respect of the Issuer's rights in respect of a collection of movables and rights being an economic entirety in

Poland, all of which have been pledged to the Pledgee pursuant to the Registered Pledge Agreement; and

- (b) under English law in respect of the Issuer's rights under the Note Trust Deed and certain other English law Transaction Documents and the rights of the Issuer in and to the Transaction Account, the Reserve Account and the Issuer Collections Account (together the "**Issuer Secured Accounts**"; in accordance with the Security Trust Deed.

Upon the delivery by the Note Trustee of an Enforcement Notice, the security over the Secured Assets will become enforceable and the Security Trustee and the Pledgee will, subject to the terms of the Security Trust Deed and Registered Pledge Agreement (as applicable) and subject to the Security Trustee being indemnified and/or secured and/or prefunded to its satisfaction, enforce or arrange for the enforcement of the Secured Assets as instructed in writing by the Note Trustee and any proceeds obtained from the enforcement of the Secured Assets pursuant to the Security Documents (together with any other funds forming part of the Post-Enforcement Available Distribution Amount) will be applied exclusively in accordance with the Post-Enforcement Priority of Payments.

The Security Trustee and Pledgee will not be able to exercise any rights in relation to the Portfolio beyond those which may be exercised by the Issuer. The Issuer's rights in relation to the Portfolio will be limited to the rights which the Seller had under the Loan Contracts and Related Collateral and applicable law to enforce the Purchased Receivables and Related Collateral. Enforcement against debtors as borrowers (the "**Debtors**") can only take place in accordance with applicable enforcement legislation, in particular the Polish Civil Procedure Code. In addition, an event of default specified in the security documents enabling the Seller to enforce the security interest must have occurred.

Registered Pledge

The Registered Pledge was established by execution of the Registered Pledge Agreement and registration thereof in the Polish register of pledges. The Registered Pledge Agreement was executed prior to the Note Issuance Date in order to ensure that the pledge would be registered in the register of pledges on the Note Issuance Date. As at the date of registration of the Registered Pledge, the only assets of the Issuer in Poland were any receivables under the Registered Pledge Account Agreement. This account was opened to ensure that, at the time of registration of the pledge, the Issuer already had an asset in Poland. For the avoidance of doubt, this account will not be used to hold Collections or any other amounts.

Parallel Debt

The Registered Pledge Agreement secures the Issuer's undertaking in the Security Trust Deed to pay to the Security Trustee (as creditor in its own right) sums equal to each amount payable by the Issuer to each of the Issuer Secured Parties under the Transaction Documents.

The Portfolio: Purchased Receivables and Related Collateral

The Portfolio underlying the Notes consists of purchased receivables arising from (i) Polish law governed auto-loan agreements denominated in PLN entered into between the Seller and Debtors (ii) Polish law governed car-backed loan agreements denominated in PLN entered into between the Seller and the Debtors (iii) Polish law governed hire purchase agreements denominated in PLN entered into between the Seller and the Debtors and (iv) the Related Collateral.

The Related Collateral includes, *inter alia*, any security interest in the Vehicles obtained by the Seller as security for the Purchased Receivables, any and all present and future claims relating to insurance policies with respect to a relevant Vehicle where the Seller has been named as beneficiary (to the extent permitted pursuant to the terms of such policy), in each case only to the extent, if any, that such interests, rights and benefits can be legally and validly assigned without third party consent or any required consent has been obtained.

The Portfolio will be assigned and transferred to the Issuer on the Note Issuance Date pursuant to the Receivables Purchase Agreement other than the transfer of the Seller's partial ownership interests in the Vehicles, which will be transferred to the Issuer following a Servicer Termination Event or borrower default under the relevant Loan Contract.

The aggregate Principal Amount of the Portfolio as of the beginning of business (in Warsaw, Poland) on 13 June 2014 was PLN 1,751,436,438.43.

Purchase Price The consideration payable by the Issuer in respect of the sale of the Purchased Receivables shall be equal to the Aggregate Outstanding Loan Principal Amount on the Purchase Cut-Off Date.

Servicing of the Portfolio The Portfolio will be administered, collected and enforced by the Seller in its capacity as Servicer and on behalf of the Issuer under a servicing agreement with, *inter alios*, the Issuer (the "**Servicing Agreement**") dated on or before the Note Issuance Date, and upon termination of the appointment of the Servicer following the occurrence of a Servicer Termination Event, by a back-up servicer appointed by the Issuer. A back-up servicer facilitator will be appointed to ensure that a back-up servicer will be appointed to enable the Portfolio to be serviced without interruption in case of the insolvency of the Servicer.

Banco Santander, S.A. will undertake in the Security Trust Deed to act as a back-up servicer facilitator (a "**Back-Up Servicer Facilitator**") if a Servicer's Owner Downgrade 2 occurs, which will require it to select an entity having the requirements set out in the Servicing Agreement and willing to assume the duties of a successor servicer in the event that a Servicer Termination Notice is delivered.

Servicer Termination Event "**Servicer Termination Event**" shall mean the occurrence of any of the following events:

- (a) the Servicer fails to remit to the Issuer any Collections received by it or to make any other payment required to be made by the Servicer to the Issuer pursuant to the Servicing Agreement, in each case, on or within three Business Days after the date when such remittance or payment is required to be made in accordance with the Servicing Agreement or, if no such due date is specified, the date of demand for payment, provided however, that a delay or failure to make such a remittance or payment will not constitute a Servicer Termination Event if such delay or failure is caused by an event beyond the reasonable control of the Servicer, an act of God or other similar occurrence; or

- (b) the Servicer fails to perform any of its obligations (other than those referred to in paragraph (a) above) owed to the Issuer under the Servicing Agreement and such failure is materially prejudicial to the interests of the Noteholders (as determined by the Note Trustee) and continues for (i) five Business Days in the case of failure by the Servicer to deliver any Monthly Report when due or (ii) 30 calendar days in the case of any other failure to perform, in each case after the date on which the Note Trustee gives written notice thereof to the Issuer and the Servicer or the Servicer otherwise has actual notice or knowledge of such failure (whichever is earlier); provided however, that, subject to paragraph (g) below, a delay or failure to perform any obligation will not constitute a Servicer Termination Event if such delay or failure is caused by an event beyond the reasonable control of the Servicer, an act of God or other similar occurrence; or
- (c) any of the representations and warranties made by the Servicer with respect to or in the Servicing Agreement or any Monthly Report or information transmitted pursuant to the Servicing Agreement is materially false or incorrect in a manner which is materially prejudicial to the interests of the Noteholders (as determined by the Note Trustee); or
- (d) (i) proceedings are initiated against the Servicer under any applicable liquidation, insolvency, composition, reorganisation or other similar laws, or an application is made for the appointment of an administrative or other receiver, manager, administrator or other similar official, or an administrative or other receiver, manager, administrator or other similar official or a public administration board is appointed, in relation to the Servicer or, as the case may be, in relation to the whole or a substantial part of the undertaking or assets of the Servicer, or an encumbrancer takes possession of the whole or a substantial part of the undertaking or assets of the Servicer, or a distress, execution, attachment, sequestration or other process is levied, enforced upon, sued out or put in force against the whole or a substantial part of the undertaking or assets of the Servicer and (ii) in any such case (other than the appointment of an administrator), the proceedings, application, appointment, possession or process is not discharged or discontinued within 30 days; or
- (e) any licence, authorisation or registration of the Servicer required with respect to the Servicing Agreement and the Services to be performed thereunder is revoked, restricted or made subject to any material conditions that would be reasonably likely to have a material adverse effect on the Servicer's ability to perform the Services; or
- (f) it is or becomes unlawful for the Servicer to perform or comply with any of its obligations under the Servicing Agreement; or
- (g) the Servicer is prevented or severely hindered for a period of 60 days or more from complying with its obligations under the Servicing Agreement as a result of a force majeure event and such

force majeure event continues for 30 Business Days after written notice of such non-compliance has been given by the Issuer or the Note Trustee.

Collections

Subject to the Pre-Enforcement Priority of Payments, the Collections received by the Seller or (if different) the Servicer on the Portfolio which form part of the Available Distribution Amount will be available for the payment of interest and principal on the Notes.

"Collections" shall mean, with respect to any Purchased Receivable and any Related Collateral:

- (a) all payments by or on behalf of any Debtor or any relevant guarantor or insurer in respect of principal, interest, certain fees, premiums, expenses or otherwise in respect of such Purchased Receivable or under the related Loan Contract (including, without limitation, all Allocated Overpayments and any and all proceeds from vehicle insurance policies relating to the Vehicles, but excluding, however, any Unallocated Overpayments and any payments in respect of insurance premiums which are identifiable as such and not included in the Principal Amount of such Purchased Receivable);
- (b) all cash proceeds in relation to the enforcement of any Related Collateral, any proceeds from the sale of Defaulted Receivables (together with the relevant Related Collateral) received by the Servicer on behalf of the Issuer from any third party;
- (c) all amounts paid to the Issuer by or on behalf of the Seller in respect of any Deemed Collections; and
- (d) interest paid to the Issuer by the Seller, the Seller Collections Account Bank or the Transaction Account Bank on any Collections on deposit in the Collections Accounts.

Collection Period

"Collection Period" shall mean, in relation to any Cut-Off Date, the period commencing on (but excluding) the Cut-Off Date immediately preceding such Cut-Off Date, and ending on (and including) such Cut-Off Date and with respect to the first Payment Date the period that commenced on 13 June 2014 (excluding such date) and ends on 30 June 2014 (including such date).

Deemed Collections

Pursuant to the Receivables Purchase Agreement, the Seller has undertaken to pay to the Issuer as a Deemed Collection the Outstanding Principal Amount (or the affected portion thereof) of any Purchased Receivable (plus accrued and unpaid interest) if: such Purchased Receivable proves not to have been an Eligible Receivable on the Purchase Cut-Off Date; such Purchased Receivable becomes a Disputed Receivable; such Purchased Receivable is not a Defaulted Receivable but is rescheduled or substantially modified (whether or not in accordance with the Credit and Collection Policy); such Purchased Receivable is a Defaulted Receivable and is rescheduled or substantially modified other than in accordance with the Credit and Collection Policy; or such Purchased Receivable is cancelled or otherwise ceases to exist for any reason other than full payment by the Debtor to the Servicer or the Issuer. For the avoidance of doubt, a Purchased Receivable which is a Defaulted Receivable and is restructured in accordance with the Credit

and Collection Policy in an attempt to maximise recoveries will not be a Deemed Collection. In accordance with the terms of the Receivables Purchase Agreement, in certain circumstances the receipt by the Issuer of a Deemed Collection will result in the relevant Purchased Receivable and Related Collateral related thereto being automatically re-assigned to the Seller on the next Payment Date following the payment of the Deemed Collection.

"Deemed Collection" shall mean in relation to any Purchased Receivable an amount equal to:

- (a) the Outstanding Principal Amount of such Purchased Receivable (or, as the context may require, the affected portion of such Outstanding Principal Amount, in each case before giving effect to an event described in this definition), plus accrued and unpaid interest on such Outstanding Principal Amount (or, as applicable, such portion) as of the date when the Seller makes payment to the Seller Collections Account or, as applicable, the Issuer Collections Account with respect to such Deemed Collection, if:
 - (i) such Purchased Receivable proves not to have been an Eligible Receivable on the Purchase Cut-Off Date;
 - (ii) such Purchased Receivable becomes a Disputed Receivable (irrespective of any subsequent court determination in respect thereof);
 - (iii) such Purchased Receivable is rescheduled (including any extension of its maturity date) or otherwise substantially modified whether or not in accordance with the Credit and Collection Policy (in each case, other than where the Purchased Receivable is a Defaulted Receivable and its terms are rescheduled, extended or otherwise modified in accordance with the Credit and Collection Policy in an attempt to maximise recoveries); or
 - (iv) such Purchased Receivable is cancelled or otherwise ceases to exist for any reason other than full payment by the Debtor to the Servicer or the Issuer (for example, if the Debtor requests and the Servicer agrees to exchange the Vehicle for a different Vehicle and in connection therewith to replace it with a different Loan Contract covering the replacement Vehicle),

and, in any such case described in (i) or (ii) above, the Seller does not cure such event or condition within 60 days after the day it receives notice from the Issuer or the Note Trustee or otherwise obtains knowledge of such event or condition; and

- (b) the amount of any reduction of the Outstanding Principal Amount of any Purchased Receivable, accrued and unpaid interest or any other amount owed by a Debtor with respect to such Purchased Receivable due to:

- (i) any set-off against the Seller or the Issuer (as the case may be) due to a counterclaim of the Debtor, or any set-off or equivalent action against the relevant Debtor by the Seller;
- (ii) any discount or other credit in favour of the Debtor; or
- (iii) any final and conclusive decision by a court or similar authority with binding effect on the parties, based on any reason.

**Defaulted
Receivables**

Any Purchased Receivable (which is not a Disputed Receivable) which (a) has a Loan Instalment that is overdue by more than 180 days, as indicated in the Monthly Report for the preceding Collection Period (b) has been written-off by the Servicer in accordance with the Credit and Collection Policy or (c) is related to a Loan Contract that has been legally terminated (a "**Defaulted Receivable**").

**Collections
Accounts**

As at the date of this Prospectus, the Debtors make payments in respect of Receivables into one or more bank accounts in the name of the Seller opened at the Seller Collections Account Bank (together with any additional or substitute accounts of the Seller at the Seller Collections Account Bank as may be permitted under the Transaction Documents, the "**Seller Collections Accounts**"). The Servicer will, on each Warsaw Banking Day on which any payments are received and credited to any Seller Collections Account, identify the portion, if any, of those payments that constitute Collections.

For so long as a Servicer's Owner Downgrade 1 exists and no Notification Event has occurred, which has not been waived, all Collections paid into the Seller Collections Accounts shall be transferred by the Servicer to the Transaction Account within one Warsaw Banking Day after the date on which such Collections are received in accordance with the provisions of the Servicing Agreement. As at the date of this Prospectus, a Servicer's Owner Downgrade 1 does exist.

If no Servicer's Owner Downgrade 1 exists (and no Notification Event has occurred, which has not been waived), the Servicer shall, on a monthly basis, transfer from the Seller Collections Accounts to the Transaction Account all Collections which have not previously been paid to the Transaction Account.

With respect to each Collection Period, on the third Business Day preceding the immediately following Payment Date (each a "**Transfer Date**"), the Servicer will pay to the Transaction Account an amount equal to the Collections received during that Collection Period and not previously transferred to the Issuer Collections Account. The Servicer shall pay the Issuer interest on the amount of those Collections, for each day from and including the Warsaw Banking Day when the Seller receives those Collections to but excluding the Transfer Date or other date on which it transfers those Collections to the Transaction Account or the Issuer Collections Account, at the same rate as the effective rate of interest received by the Seller on amounts held in the Seller Collections Accounts during the relevant period. Such interest shall be payable on each Transfer Date.

The Servicing Agreement will provide that, on the occurrence of (i) a Servicer's Owner Downgrade 2 or (ii) a Servicer Termination Event (each a "**Notification Event**"), the Servicer, on behalf of the Issuer, will instruct the Debtors to make

payments on Purchased Receivables to a specified account of the Issuer (the **"Issuer Collections Account"** at the Transaction Account Bank. On a daily basis, the Servicer will arrange for the transfer of the amounts on deposit in the Issuer Collections Account to the Transaction Account.

The Issuer will agree in the Servicing Agreement that, as soon as reasonably practicable after becoming aware of the same, it shall use all reasonable endeavours to ensure that any amount belonging to the Seller which is wrongly credited to the Issuer Collections Account or otherwise received by the Issuer in error, is applied correctly thereafter by being transferred to the Seller.

**Transaction
Account**

"Transaction Account" shall mean the account in the name of the Issuer at the Transaction Account Bank as such account may be redesignated or replaced from time to time in accordance with the Account Transaction Documents. Payments will be made by the Issuer on the Payment Dates from amounts standing to the credit of the Transaction Account. The funds in the Transaction Account will be invested by the Issuer from time to time in Permitted Investments maturing at least one Business Day before the next following Payment Date.

**Liquidity
Reserve**

The Class A Notes and the Class B Notes will have the benefit of a liquidity reserve in an amount up to the Required Liquidity Reserve Amount (the **"Liquidity Reserve"**) designed to cover temporary shortfalls in Collections available to pay senior expenses and interest on the Class A Notes and the Class B Notes.

The Liquidity Reserve will be denominated in PLN.

Prior to the delivery by the Note Trustee of an Enforcement Notice, to the extent the Liquidity Reserve has been applied to meet the payment obligations of the Issuer in accordance with the Pre-Enforcement Priority of Payments, the Reserve Account will be replenished on each Payment Date, up to the sum of the Required Liquidity Reserve Amount as determined at the Cut-Off Date immediately preceding that Payment Date, by any excess funds of the Available Distribution Amount which are not used to meet the prior-ranking payment obligations of the Issuer in accordance with the Pre-Enforcement Priority of Payments.

On and after the Amortisation Threshold Date, the Standard Required Liquidity Reserve Amount will reduce in line with the Aggregate Note Principal Amount. Any reduction in the Standard Required Liquidity Reserve Amount will affect the Required Liquidity Reserve Amount and accordingly the amount by which the Reserve Account may be replenished on a particular Payment Date under item (h) of the Pre-Enforcement Priority of Payments.

An amount equal to the difference between (A) the Required Liquidity Reserve Amount as of a particular Cut-Off Date and (B) the Required Liquidity Reserve Amount on the immediately preceding Cut-Off Date, if positive, will be available to the Issuer to be applied in accordance with the Pre-Enforcement Priority of Payments.

**Reserve
Account**

"Reserve Account" shall mean a specified account in the name of the Issuer at the Transaction Account Bank, as may be re-designated or replaced from time to time in accordance with the Transaction Documents. The Liquidity Reserve will be held in the Reserve Account. The funds in the Reserve Account will be invested by the Issuer from time to time in Permitted Investments maturing at least

one Business Day before the next following Payment Date.

**Subordinated
Loan**

Pursuant to and in accordance with the terms of the Subordinated Loan Agreement, the Subordinated Loan Provider will make available to the Issuer a loan facility denominated in PLN under which the Subordinated Loan Provider will make an interest-bearing amortising advance to the Issuer. The advance will be made on the Note Issuance Date in order to (i) pay the part of the purchase price of the Portfolio not covered by the net proceeds requested by the Issuer from issue of the Notes and (ii) fund the Reserve Account. The Subordinated Loan will be repaid in accordance with the Priorities of Payment and the Transaction Documents.

**Standard
Required
Liquidity
Reserve
Amount**

Pursuant to the Note Conditions, the Required Liquidity Reserve Amount will be:

- (a) on the Note Issuance Date, PLN 27,340,000;
- (b) as at each Cut-Off Date prior to (but excluding) the Amortisation Threshold Date, an amount equal to 2% of the Initial Aggregate Note Principal Amount;
- (c) on the Cut-Off Date falling on the Amortisation Threshold Date and as at each Cut-Off Date following the Amortisation Threshold Date, an amount equal to two times 2% of the Aggregate Note Principal Amount as at such Cut-Off Date; and
- (d) zero following the earliest of:
 - (i) repayment in full of interest and principal due in respect of the Class A Notes and the Class B Notes;
 - (ii) the Cut-Off Date on which the Aggregate Outstanding Loan Principal Amount is zero but the Class A Notes and the Class B Notes have not been redeemed in full; and
 - (iii) the Maturity Date;

provided that, in the case of (a), (b) and (c) above, the Required Liquidity Reserve Amount shall not be less than 0.5% of the Initial Aggregate Note Principal Amount.

"Liquidity Reserve Shortfall" shall occur if the credit standing to the Reserve Account in respect of the Required Liquidity Reserve Amount as of any Payment Date, after replenishing the Reserve Account in accordance with item (h) of the Pre-Enforcement Priority of Payments, falls short of the Required Liquidity Reserve Amount as of the Cut-Off Date immediately preceding such Payment Date.

**Available
Distribution
Amount**

"Available Distribution Amount" shall mean, with respect to any Cut-Off Date and the Collection Period ending on such Cut-Off Date, an amount calculated by the Servicer, the Cash Administrator and/or the Calculation Agent, as applicable, equal to the sum of:

- (a) the amounts standing to the credit of the Reserve Account as of such Cut-Off Date;
- (b) any Collections (including, for the avoidance of doubt, Deemed Collections by or on behalf of the Seller or the Servicer) received by the Seller or (if different) the Servicer during the Collection Period ending on such Cut-Off Date;
- (c) the amounts paid by the Seller to the Issuer during such period pursuant to the Receivables Purchase Agreement in respect of: (A) any stamp duty, registration and other similar taxes, (B) any taxes levied on the Issuer and any relevant parties involved in the financing of the Issuer due to the Issuer and such parties having entered into the Receivables Purchase Agreement, the other Transaction Documents or other agreements relating to the financing of the acquisition by the Issuer of the Purchased Receivables, (C) any liabilities, costs, claims and expenses which arise from the non-payment or the delayed payment of any taxes specified under (B) above, except for those penalties and interest charges which are attributable to the gross negligence of the Issuer, and (D) any additional amounts corresponding to sums which the Seller is required to deduct or withhold for or on account of tax with respect to all payments made by the Seller to the Issuer under the Receivables Purchase Agreement;
- (d) any amounts paid by the Seller to the Issuer in respect of (A) any default interest on unpaid sums due by the Seller to the Issuer and (B) any indemnities against any loss or expense, including legal fees, incurred by the Issuer as a consequence of any default of the Seller, in each case paid by the Seller to the Issuer pursuant to the Receivables Purchase Agreement;
- (e) any default interest and indemnities paid by the Servicer to the Issuer pursuant to the Servicing Agreement (including, without limitation, indemnity payments in respect of the maintenance of the Weighted Average Loan Return), in each case as collected during such Collection Period;
- (f) any other amounts paid by the Seller to the Issuer under or with respect to the Receivables Purchase Agreement or the Purchased Receivables or the Related Collateral and any other amounts paid by the Servicer to the Issuer under or with respect to the Servicing Agreement, the Purchased Receivables or the Related Collateral, in each case as paid to the Issuer and deposited to the Transaction Account during such Collection Period;
- (g) any interest earned on and paid into any Issuer Secured Account or paid by the Seller, the Seller Collections Account Bank or the Transaction Account Bank to the Issuer in respect of Collections held in any Collections Account during such Collection Period; and
- (h) the amounts (if any) which are standing to the credit of the Transaction Account which would have been distributed as

Available Distribution Amount on any Payment Date prior to such Cut-Off Date, but were not distributed due to such Payment Date falling on a Servicer Disruption Date or the prior occurrence of a Servicer Termination Event;

Pre-Enforcement Priority Payments	<p>On each Payment Date prior to the delivery by the Note Trustee of an Enforcement Notice, the Available Distribution Amount as of the Cut-Off Date immediately preceding such Payment Date will be applied in accordance with the following order of priorities:</p>
(a)	<p>to pay any obligation of the Issuer which is due and payable with respect to corporation and trade tax under any applicable law (if any);</p>
(b)	<p>to pay <i>pari passu</i> with each other on a <i>pro rata</i> basis any fees, costs, taxes (excluding, for the avoidance of doubt, any income taxes or other general taxes due and payable in the ordinary course of business), expenses and other amounts due and payable to the Note Trustee, Security Trustee and Pledgee under the Transaction Documents;</p>
(c)	<p>to pay <i>pari passu</i> with each other on a <i>pro rata</i> basis (according to the respective amounts due and payable) any fees, costs, taxes (excluding, for the avoidance of doubt, any income taxes or other general taxes due and payable in the ordinary course of business), expenses and other amounts due and payable to the Corporate Administrator under the Corporate Administration Agreement and the Transaction Account Bank under the Transaction Account Agreement, any amounts due and payable by the Issuer in connection with the establishment of the Issuer, and any other amounts due and payable or which are expected to fall due and payable by the Issuer in connection with the liquidation or dissolution (if applicable) of the Issuer or any annual return, filing, stock exchange announcement and registered office or other company, licence or statutory fee in Ireland and a reserved profit of the Issuer of up to EUR 1,000 annually;</p>
(d)	<p>to pay <i>pari passu</i> with each other on a <i>pro rata</i> basis any fees, costs, taxes (excluding, for the avoidance of doubt any income taxes or other general taxes due in the ordinary course of business), indemnity payments, expenses and other amounts due and payable to the legal advisers or auditors of the Issuer, the Rating Agencies (including any on-going monitoring fees), the Principal Paying Agent, the Cash Administrator and the Calculation Agent under the Agency Agreement, the Arrangers and Managers under the Subscription Agreement, the relevant stock exchange on which the Notes may be listed, any listing agent, any intermediary between the Issuer, the Noteholders and the relevant stock exchange, the Common Safekeepers and any other relevant party with respect to the issue of the Notes;</p>
(e)	<p>to pay <i>pari passu</i> with each other on a <i>pro rata</i> basis any fees, costs, taxes (excluding, for the avoidance of doubt, any income taxes or other general taxes due in the ordinary course of business), expenses and other amounts due and payable to the Servicer under the Servicing Agreement or otherwise, and any such amounts due and payable to any substitute servicer or back-up servicer (including any expenses, costs and fees incurred in the course of replacement) for the Purchased Receivables and the related collateral which may be appointed from time to time in accordance with the Receivables Purchase Agreement or the Servicing Agreement;</p>

- (f) to pay Class A Notes Interest due and payable on such Payment Date *pro rata* on each Class A Note;
- (g) to pay Class B Notes Interest due and payable on such Payment Date *pro rata* on each Class B Note;
- (h) until (but not including) the Payment Date on which each of the Class A Principal Amount and the Class B Principal Amount is reduced to zero, to credit the Reserve Account so that the amount on deposit in the Reserve Account in respect of the Liquidity Reserve will equal the Required Liquidity Reserve Amount as of the immediately preceding Cut-Off Date;
- (i) to pay any Class A Notes Principal as of such Cut-Off Date, *pro rata* on each Class A Note, but only until the Class A Principal Amount following such payment is equal to the Class A Target Principal Amount;
- (j) after the Class A Notes have been redeemed in full, to pay any Class B Notes Principal as of such Cut-Off Date, *pro rata* on each Class B Note, but only until the Class B Principal Amount following such payment is equal to the Class B Target Principal Amount;
- (k) unless the Payment Date falls on a Servicer Disruption Date, to pay *first*, interest (including accrued interest) due and payable under the Subordinated Loan and *second*, outstanding principal under the Subordinated Loan in the event of any reduction of the Standard Required Liquidity Reserve Amount from time to time (if any) in accordance with the provisions of the Subordinated Loan Agreement, in an amount (if any) which is equal to the difference between (A) the Standard Required Liquidity Reserve Amount as of the Cut-Off Date immediately preceding such Cut-Off Date and (B) the Standard Required Liquidity Reserve Amount as of such Cut-Off Date, but in no event more than the difference between the actual credit then standing to the Reserve Account as of such Cut-Off Date and the Required Liquidity Reserve Amount as of such Cut-Off Date (and if such difference is negative it shall be deemed to be zero) and *third* only after all of the Class A Notes and Class B Notes have been redeemed in full, the outstanding principal on the Subordinated Loan;
- (l) unless the Payment Date falls on a Servicer Disruption Date, to pay any amounts owed by the Issuer to the Seller due and payable under the Receivables Purchase Agreement in respect of (i) any valid return of a direct debit, if any (to the extent such returns do not reduce the Collections for the Collection Period ending on such Cut-Off Date), (ii) any tax credit relief, remission or repayment received by the Issuer on account of any tax or additional amount paid by the Seller or (iii) any Deemed Collection paid by the Seller for a Disputed Receivable which proves subsequently with *res judicata* to be an enforceable Purchased Receivable, or otherwise (including, for the avoidance of doubt, any claims of the Seller against the Issuer for breach of obligation) under the Receivables Purchase Agreement or other Transaction Documents; and
- (m) unless the Payment Date falls on a Servicer Disruption Date, to pay, prior to the occurrence of a Servicer Termination Event any remaining amount to the Seller in accordance with the Receivables Purchase Agreement.

Issuer Event of An Issuer Event of Default includes, non-payment, breach of other obligations, insolvency and unlawfulness, as fully set out in Condition 12 (*Events of Default*)

Default	in the section headed "Note Conditions".
Post-Enforcement Available Distribution Amount	<p>"Post-Enforcement Available Distribution Amount" shall mean, with respect to any Payment Date following the delivery by the Note Trustee of an Enforcement Notice, an amount equal to the sum (without duplication) of:</p> <ul style="list-style-type: none"> (a) any funds standing to the credit of the Transaction Account on such Payment Date; (b) any funds standing to the credit of the Reserve Account on such Payment Date; and (c) the proceeds of enforcement of the Secured Assets available for distribution on such Payment Date.
Post-Enforcement Priority Payments	<p>Following the delivery by the Note Trustee of an Enforcement Notice, on any Payment Date the Post-Enforcement Available Distribution Amount will be applied in the following order towards fulfilling the payment obligations of the Issuer, in each case only to the extent payments of a higher priority have been made in full:</p> <ul style="list-style-type: none"> (a) (i) if the Issuer is declared insolvent within the meaning of the Insolvency and Restructuring Law, to pay the costs and satisfy claims required by provisions of the Insolvency and Restructuring Law, (ii) if court enforcement proceedings have been commenced under the Polish Civil Procedure Code, to pay the costs in connection with such enforcement proceedings up to the amounts obtained as a result of such enforcement proceedings or (iii) if out-of-court proceedings have been commenced in accordance with the Registered Pledge Law, to pay costs connected with the out-of-court enforcement proceedings under the Registered Pledge Law up to the amounts obtained as a result of such out-of-court enforcement proceedings; (b) to pay any obligation of the Issuer with respect to corporation and trade tax under any applicable law (if any) which is due and payable; (c) to pay <i>pari passu</i> with each other on a <i>pro rata</i> basis any fees, costs, taxes (excluding, for the avoidance of doubt, any income taxes or other general taxes due and payable in the ordinary course of business), expenses and other amounts due and payable to the Note Trustee, Security Trustee and Pledgee under the Transaction Documents and any Receiver or manager or administrative receiver under the Transaction Documents appointed in respect of the Issuer; (d) to pay <i>pari passu</i> with each other on a <i>pro rata</i> basis any fees, costs, taxes (excluding, for the avoidance of doubt, any income taxes or other general taxes due in the ordinary course of business), expenses and other amounts due and payable to the Corporate Administrator under the Corporate Administration Agreement, and the Transaction Account Bank under the Transaction Account Agreement, and any amounts due and payable or which are expected to fall due and payable by the Issuer in connection with the liquidation or dissolution (if applicable) of the Issuer or any annual return, filing, registration, stock exchange announcement and registered office or other company licence or statutory fees in

Ireland;

- (e) to pay *pari passu* with each other on a *pro rata* basis any fees, costs, taxes (excluding, for the avoidance of doubt any income taxes or other general taxes due in the ordinary course of business), indemnity payments, expenses and other amounts due and payable to legal advisers or auditors of the Issuer, the Rating Agencies (including any on-going monitoring fees), the Principal Paying Agent the Cash Administrator, the Calculation Agent under the Agency Agreement, the Arrangers and Managers under the Subscription Agreement, the relevant stock exchange on which the Notes may be listed, any listing agent, any intermediary between the Issuer, the Noteholders and the relevant stock exchange, the Common Safekeepers and any other relevant party with respect to the issue of the Notes;
- (f) to pay *pari passu* with each other on a *pro rata* basis any fees, costs, taxes (excluding, for the avoidance of doubt, any income taxes or other general taxes due in the ordinary course of business), expenses and other amounts due and payable to the Servicer under the Servicing Agreement or otherwise, and any such amounts due to any substitute servicer or back-up servicer (including any expenses, costs and fees incurred in the course of replacement) of the Purchased Receivables and the Related Collateral which may be appointed from time to time in accordance with the Receivables Purchase Agreement or the Servicing Agreement and any such costs and expenses incurred by or on behalf of the Issuer in the event that the Issuer collects and/or services the Purchased Receivables or the Related Collateral during the process of the replacement of the Servicer;
- (g) to pay Class A Notes Interest due and payable on such Payment Date, pro rata on each Class A Note;
- (h) to pay any Class A Notes Principal as of such Payment Date, pro rata on each Class A Note until the Class A Principal Amount has been reduced to zero;
- (i) after the Class A Notes have been redeemed in full, to pay Class B Notes Interest due and payable on such Payment Date, pro rata on each Class B Note;
- (j) to pay any Class B Notes Principal as of such Payment Date, pro rata on each Class B Note until the Class B Principal Amount has been reduced to zero;
- (k) after the Class B Notes have been redeemed in full, to pay interest (including accrued interest) due and payable under the Subordinated Loan;
- (l) to pay any amounts owed by the Issuer to the Seller due and payable under the Receivables Purchase Agreement in respect of (i) any valid return of a direct debit, if any (to the extent such returns do not reduce the collections received under the Receivables for the collection period ending on the Cut-Off Date immediately preceding such Payment Date), (ii) any tax credit, relief, remission or repayment received by the Issuer on account of any tax or additional amount paid by the Seller or (iii) any Deemed Collection paid by the Seller for a Disputed Receivable which proves subsequently with *res judicata* to be an enforceable Purchased Receivable, or otherwise (including, for the avoidance of doubt, any claims of the Seller against the Issuer for breach of obligation) under the Receivables Purchase Agreement or other Transaction Documents;

(m)	to repay outstanding principal due and payable under the Subordinated Loan; and
(n)	to pay any remaining amount in accordance with Article 1025 of the Civil Procedure Code (or any other provision which would replace it) or, if Article 1025 of the Civil Procedure Code is not applicable, to the Seller.
Ratings	<p>The Class A Notes are expected on issue to be assigned a long-term rating of AAsf by Fitch and a long-term rating of Aa3(sf) by Moody's.</p> <p>The Class B Notes are expected on issue to be assigned a long-term rating of Asf by Fitch and a long-term rating of Aa3(sf) by Moody's.</p> <p>Each of Fitch and Moody's is established in the European Union and has been registered under the CRA Regulation as of 31 October 2011.</p>
Rating triggers	<p>With respect to the Transaction Account Bank, upon the occurrence of a Ratings Downgrade or, in certain cases, other downgrades or withdrawal of credit ratings of those parties or their obligations, the Transaction Documents provide for the provision of collateral, guarantees or a replacement or the taking of certain other actions as described below in this Prospectus at "OUTLINE OF THE OTHER PRINCIPAL TRANSACTION DOCUMENTS — Transaction Account Agreement" on page 115. With respect to the Servicer, the Transaction Documents provide for certain actions to be taken on the occurrence of a Servicer's Owner Downgrade 1 (which, as at the date of this Prospectus, has occurred) or a Servicer's Owner Downgrade 2, but do not provide for any action or change on the occurrence of a downgrade or withdrawal of any credit rating with respect to the Servicer itself. With respect to the Seller, the Subordinated Loan Provider, the Note Trustee, the Security Trustee, the Pledgee, the Custodian, the Managers, the Arrangers, the Principal Paying Agent, the Calculation Agent, the Cash Administrator and the Listing Agent, the Transaction Documents do not provide for any provision of collateral, guarantees or replacement service providers upon the occurrence of a Ratings Downgrade or other downgrade or withdrawal of any credit rating of those parties or their obligations.</p>
Listing	<p>Application has been made to the Irish Stock Exchange for the Class A Notes and the Class B Notes to be admitted to the Official List and trading on its regulated market.</p> <p>The estimated total expenses related to the admission to trading is €5,600.</p> <p>Application may also be made for the Class A Notes to be admitted to listing and/or trading on a regulated market in Poland.</p>
Clearing of Class A Notes and Class B Notes	<p>The Class A Notes and the Class B Notes will be cleared through Euroclear and Clearstream Luxembourg.</p> <p>Transactions in the Class A Notes in Poland may be executed through Krajowy Depozyt Papierów Wartościowych w Warszawie S.A. (the "Central Securities Depository of Poland") by virtue of a bridge arrangement with Clearstream Luxembourg. Investors or their representatives must be a participant, or arrange to hold Class A Notes through a participant, of the Central Securities Depository of Poland in order to participate in such settlement.</p>

Governing Law	The Notes, the Note Trust Deed, the Subscription Agreement and the other Transaction Documents other than the Receivables Purchase Agreement, the Registered Pledge Account Agreement, the Servicing Agreement and the Registered Pledge Agreement will be governed by, and construed in accordance with, English law. The Receivables Purchase Agreement, the Registered Pledge Agreement, the Servicing Agreement and the Registered Pledge Account Agreement will be governed by, and construed in accordance with, Polish law.
Transaction Documents	The Receivables Purchase Agreement, the Servicing Agreement, the Registered Pledge Agreement, the Security Trust Deed, the Corporate Administration Agreement, the Transaction Account Agreement, the Registered Pledge Account Agreement, the Note Trust Deed, the Agency Agreement, the Subordinated Loan Agreement, the Subscription Agreement, the Custody Agreement and any amendments, supplements, terminations or replacements relating to any such documents.

RISK FACTORS

The following is a description of the principal risks associated with an investment in the Notes. These risk factors are material to an investment in the Notes and in the Issuer. Prospective Noteholders should carefully read and consider all the information contained in this Prospectus, including the risk factors set out in this section, prior to making any investment decision.

An investment in the Notes is only suitable for investors experienced in financial matters who are in a position to fully assess the risks relating to such an investment and who have sufficient financial means to suffer any potential loss stemming therefrom.

The Issuer believes that the risks described below are the material 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 any Notes may occur for other reasons and the Issuer does not represent that the statements below regarding the risks relating to the Notes are exhaustive. Additional risks or uncertainties not presently known to the Issuer or that the Issuer currently considers immaterial may also have an adverse effect on the Issuer's ability to pay interest, principal or other amounts in respect of the Notes. Prospective Noteholders should read the detailed information set out in this Prospectus and reach their own views, together with their own professional advisers, prior to making any investment decision.

Credit aspects of the Transaction and other considerations relating to the Notes

Liability under the Notes, limited recourse

The Notes represent obligations of the Issuer only, and do not represent obligations of, and are not guaranteed by, any other person or entity. In particular, the Notes do not represent obligations of, and will not be guaranteed by, any of the Seller, the Servicer (if different), the Back-up Servicer Facilitator, the Note Trustee, the Security Trustee, the Pledgee, the Principal Paying Agent, the Calculation Agent, the Cash Administrator, the Arranger, the Managers, the Listing Agent, the Transaction Account Bank, the Common Safekeeper, the Common Service Provider, the Custodian or any of their respective Affiliates or any Affiliate of the Issuer or any other party (other than the Issuer) to the Transaction Documents or any other third person or entity other than the Issuer. No person other than the Issuer will accept any liability whatsoever to the Noteholders in respect of any failure by the Issuer to pay any amount due under the Notes.

Prior to the delivery by the Note Trustee of an Enforcement Notice, all payment obligations of the Issuer under the Notes constitute exclusive obligations to pay out on each Payment Date the Available Distribution Amount determined as of the Cut-Off Date immediately preceding such Payment Date in accordance with the Pre-Enforcement Priority of Payments. After the delivery by the Note Trustee of an Enforcement Notice, all payment obligations of the Issuer under the Notes constitute exclusive obligations to pay out on each Payment Date the Post-Enforcement Available Distribution Amount as at such Payment Date in accordance with the Post-Enforcement Priority of Payments. If, following enforcement of the Secured Assets, the proceeds of such enforcement prove ultimately insufficient, after payment of all claims ranking in priority to amounts due under the Notes, to pay in full all principal and interest and other amounts whatsoever due in respect of the Notes, any shortfall arising will be extinguished and the Noteholders will neither have any further claim against the Issuer in respect of any such amounts nor have recourse to any other person for the loss sustained. The enforcement of the Secured Assets by the Security Trustee and the Pledgee is the only remedy available to the Noteholders for the purpose of recovering amounts payable in respect of the Notes. The Security Trustee and the Pledgee will not be able to exercise any rights in relation to the Portfolio beyond those which may be exercised by the Issuer. The Issuer's rights in relation to the Portfolio will be limited to the rights which the Seller had under the Loan Contracts and Related Collateral and

applicable law to enforce the Purchased Receivables and Related Collateral. Enforcement against a Debtor can only take place if, among other things, the relevant Purchased Receivable is in default.

Such assets and proceeds will be deemed to be "ultimately insufficient" at such time as no further assets of the Issuer are available and no further proceeds can be realised therefrom to satisfy any outstanding claim of the Noteholders, and neither assets nor proceeds will be so available thereafter.

Non-existence of the Purchased Receivables and/or Related Collateral

Pursuant to the terms of the Receivables Purchase Agreement, the Issuer retains the right to bring indemnification claims against the Seller, but no other person, against the risk that the Purchased Receivables and/or the Related Collateral do not exist or cease to exist without encumbrance. The Seller has agreed in the Receivables Purchase Agreement that, if the Loan Contract relating to a Purchased Receivable and/or the underlying security document in respect of the Related Collateral proves not to have been legally valid as at the Purchase Cut-Off Date, the Seller will pay to the Issuer a Deemed Collection in an amount equal to the Outstanding Principal Amount of such Purchased Receivable (or the affected portion thereof) plus accrued and unpaid interest to the date of payment by the Seller to the Seller Collections Account of, if applicable, the Issuer Collections Account.

Limited resources of the Issuer

The Issuer is a special purpose financing entity with no business operations other than the issue of the Notes and acquiring, owning and collecting and financing the Portfolio.

Therefore, the ability of the Issuer to meet its obligations under the Notes will depend, inter alia, upon its receipt of

- payments of principal and interest and certain other payments received under the Purchased Receivables pursuant to the Servicing Agreement and the Receivables Purchase Agreement;
- Deemed Collections (if due) received from the Seller;
- interest earned on the Issuer Secured Accounts;
- amounts paid by any third party as purchase prices for Defaulted Receivables and any relevant Related Collateral;
- payments (if any) under the other Transaction Documents in accordance with the terms thereof;
- interest payments from the Seller, the Seller Collections Account Bank or the Transaction Account Bank with respect to monies held in the Collections Accounts; and
- amounts, if any, on deposit in the Reserve Account.

Other than the foregoing, the Issuer will have no funds available to meet its obligations under the Notes.

Non-petition

The Security Trustee, the Pledgee and the other Issuer Secured Parties (or any other person acting on behalf of any of them) shall not be entitled to take any action or commence any proceedings (except for those permitted by the Transaction Documents) or petition a court for the liquidation of the Issuer, nor enter into any arrangement, examinership, reorganisation or Insolvency Proceedings in relation to

the Issuer whether under the laws of Ireland or other applicable bankruptcy laws until two years and one day after the payment or extinguishment of all Transaction Secured Obligations of the Issuer.

The Class B Notes will be subject to greater risk because of subordination

The Class B Notes will bear a greater risk of loss than the Class A Notes because no payments of principal will be made on the Class B Notes until all of the Issuer's fees and expenses and interest and principal on the Class A Notes then due are paid in full.

Interest rate risk on the Notes

Payments made to the Seller by any Debtor under a Loan Contract comprise monthly amounts calculated with respect to a floating interest rate which may be different from WIBOR. However, payments of interest on the Class A Notes and the Class B Notes are calculated with respect to WIBOR plus the applicable margin (subject to application of the interest rate cap in the case of the Class B Notes). The Issuer does not intend to enter into any basis swap agreement or other hedging arrangement with respect to such interest. If there is a material discrepancy between the interest payable under the Loan Contracts and the Notes, that may lead to the Issuer not having sufficient funds to meet its obligations to pay interest on the Notes.

Foreign exchange risk

The Notes are denominated in Polish zloty. Any investors that conduct their business in a different currency will need to convert currency into Polish zloty in order to invest in the Notes and such investment will therefore be subject to foreign exchange risk arising from the possibility of fluctuations in the exchange rate between such currency and the Polish zloty. Exchange rate fluctuations could have a detrimental impact on the investor's expected return on the Notes.

Non-availability of subordinated loans or other support payments

After the Note Issuance Date, the Issuer will not be entitled to any further drawings under the Subordinated Loan to fill or re-fill the Reserve Account up to the Required Liquidity Reserve Amount or otherwise to make payments in respect of principal or interest on the Notes. See "**CREDIT STRUCTURE — Subordinated Loan**".

Conflicts of interest

Each Manager will have only those duties and responsibilities expressly agreed to by it in the Transaction Documents to which it is a party and will not, by virtue of its or any of its Affiliates' acting in any other capacity, be deemed to have any other duties or responsibilities or be deemed to be held to a standard of care other than as expressly provided therein. Each Manager may enter into business dealings from which it may derive revenues and profits without any duty to account for them in connection with this transaction. In particular, any or all of the Managers may act as lead manager, arranger, placement agent and/or initial purchaser or investment manager in other transactions involving issues of securities backed by assets similar to those of the Issuer, which may have an adverse effect on the price or value of the Notes. In the ordinary course of business, the Managers and their affiliates may actively trade in and/or otherwise hold long or short positions in the Notes or enter into transactions similar to or referencing or financing the Notes for their own accounts and/or for the accounts of their customers. In connection with any such activity, such Manager will have no obligation to take, refrain from taking or cease taking any action with respect to these transactions and activities based on the potential effect on an investor in the Notes.

Santander Consumer Bank S.A. is acting in a number of capacities in connection with this transaction. Santander Consumer Bank S.A. will have only those duties and responsibilities expressly agreed to by

it in the Transaction Documents to which it is a party and will not, by virtue of its or any of its Affiliates' acting in any other capacity, be deemed to have any other duties or responsibilities or be deemed to be held to a standard of care other than as expressly provided therein. Santander Consumer Bank S.A., in its various capacities in connection with this transaction, may enter into business dealings from which it may derive revenues and profits without any duty to account for them in connection with this transaction.

Elavon Financial Services Limited is acting in a number of capacities in connection with this transaction. Elavon Financial Services Limited will have only those duties and responsibilities expressly agreed to by it in the Transaction Documents to which it is a party and will not, by virtue of its or any of its Affiliates' acting in any other capacity, be deemed to have any other duties or responsibilities or be deemed to be held to a standard of care other than as expressly provided therein. Elavon Financial Services Limited, in its various capacities in connection with this transaction, may enter into business dealings from which it may derive revenues and profits without any duty to account for them in connection with this transaction.

U.S. Bank Trustees Limited is acting in a number of capacities in connection with this transaction. U.S. Bank Trustees Limited will have only those duties and responsibilities expressly agreed to by it in the Transaction Documents to which it is a party and will not, by virtue of its or any of its Affiliates' acting in any other capacity, be deemed to have any other duties or responsibilities or be deemed to be held to a standard of care other than as expressly provided therein. U.S. Bank Trustees Limited, in its various capacities as note trustee for the Noteholders and as transaction security trustee in connection with this transaction, may enter into business dealings from which it may derive revenues and profits without any duty to account for them in connection with this transaction.

Banco Santander, S.A. will have only those duties and responsibilities expressly agreed to by it in the Transaction Documents to which it is a party and will not, by virtue of its or any of its Affiliates' acting in any other capacity, be deemed to have any other duties or responsibilities or be deemed to be held to a standard of care other than as expressly provided therein. Banco Santander, S.A., in its capacity as Back-up Servicer Facilitator in connection with this transaction, may enter into business dealings from which it may derive revenues and profits without any duty to account for them in connection with this transaction.

Structured Finance Management (Ireland) Limited will have only those duties and responsibilities expressly agreed to by it in the Transaction Documents to which it is a party and will not, by virtue of its or any of its Affiliates' acting in any other capacity, be deemed to have any other duties or responsibilities or be deemed to be held to a standard of care other than as expressly provided therein. Structured Finance Management (Ireland) Limited, in its capacity as Corporate Administrator in connection with this transaction, may enter into business dealings from which it may derive revenues and profits without any duty to account for them in connection with this transaction.

The Servicer may hold and/or service claims against the Debtors other than those related to the Portfolio. The interests or obligations of the Servicer in its respective capacities with respect to such other claims may in certain aspects conflict with the interests of the Noteholders.

Ratings of Class A Notes and Class B Notes

Each rating assigned to the Class A Notes and the Class B Notes by the Rating Agencies takes into consideration the structural and legal aspects associated with the Class A Notes and the Class B Notes and the Portfolio, the credit quality of the Portfolio, the extent to which the Debtors' payments under the Purchased Receivables are adequate to make the payments required under the Class A Notes and the Class B Notes, as well as other relevant features of the structure, including, inter alia, the credit situation of the Transaction Account Bank, the Seller and the Servicer (if different). Each Rating Agency's rating reflects only the view of that Rating Agency. In particular, the rating of the Class A

Notes and the Class B Notes by Moody's addresses the expected loss posed to Class A Noteholders and Class B Noteholders by the legal final maturity of the Class A Notes and the Class B Notes. Moody's ratings address only the credit risks associated with the transaction. Other non-credit risks have not been addressed, but may have a significant effect on yield to investors. The rating of the Class A Notes and the Class B Notes by Fitch addresses the likelihood that the Class A Noteholders and the Class B Noteholders will receive all payments to which they are entitled, as described herein, in respect of the Class A Notes and the Class B Notes.

The Issuer has not requested a rating of the Class A Notes or the Class B Notes by any rating agency other than the Rating Agencies. However, rating organisations other than the Rating Agencies may seek to rate the Notes and, if such "shadow ratings" or "unsolicited ratings" are lower than the comparable ratings assigned the Notes by the Rating Agencies, such shadow or unsolicited ratings could have an adverse effect on the value of the Notes. Future events, including events affecting the Transaction Account Bank, the Seller and the Servicer (if different) could also have an adverse effect on the rating of the Class A Notes or the Class B 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 organisation. The ratings assigned to the Class A Notes and the Class B 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 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 Class A Notes or the Class B Notes.

Early redemption of the Notes and effect on yield

The yield to maturity of any Note will depend on, inter alia, the amount and timing of payment of principal and interest on the Purchased Receivables and the price paid by the Noteholder for such Note. The Issuer may, subject to certain conditions, redeem all of the Notes if under applicable law the Issuer is required to make a deduction or withholding for or on account of tax (see Note Condition 5.3 (*Optional redemption for taxation reasons*)). This may adversely affect the yield on the Notes.

Resolutions of Noteholders

The Class A Notes and the Class B Notes provide for resolutions of Noteholders to be passed by vote taken and passed at a Meeting of the Noteholders or by a written resolution. Each Noteholder is subject to the risk of being outvoted. As resolutions properly adopted are binding on all Noteholders of such Class, certain rights of such Noteholders against the Issuer under the Note Conditions may be amended or reduced or even cancelled.

The Seller or any of its Affiliates may from time to time hold Class A Notes and/or Class B Notes and, as such, may exercise voting rights in respect of its holding of such Notes in its or their own interest, which may be different from the interests of the other Noteholders. The Notes and the Note Trust Deed also provide that the Note Trustee, may agree, without the consent of the Noteholders, to certain modifications of the Notes and the Transaction Documents, or the waiver or authorisation of certain breaches or proposed breaches of, the Notes or any of the Transaction Documents.

The Note Trustee will be required, without the consent of the Noteholders, to concur with the Issuer in making any modifications of the Notes and the Transaction (irrespective of whether such transaction modifications may be materially prejudicial to the interests of the Class A Noteholders, the Class B Noteholders or any other parties to any Transaction Document and irrespective of whether the same may also constitute a Reserved Matter) provided that the Servicer has certified in writing to the Issuer and the Note Trustee, that such modifications:

- (a) are necessary to implement new credit rating criteria of one or more Rating Agencies and have been discussed with the relevant Rating Agency or Rating Agencies as being necessary, in each case in order to maintain the credit ratings then assigned to the Class A Notes and the Class B Notes; or
- (b) are necessary in order for the Issuer and to ensure compliance with EMIR or Dodd-Frank Title VII; or
- (c) are necessary in order for the Issuer and the Notes to continue to comply with mandatory provisions of applicable law or regulation; and
- (d) in the case of (a) above, as applicable, (i) implement the new credit rating criteria only to the extent required to maintain the credit ratings then assigned to the Class A Notes and the Class B Notes and (ii) reflect the discussions with the relevant Rating Agency or Rating Agencies to the extent required to maintain the credit ratings then assigned to the Class A Notes and the Class B Notes; or
- (e) in the case of (c) above, ensure the Issuer and the Notes continue to comply with mandatory provisions of applicable law or regulation, as the case may be; and
- (f) in each case have been notified to the Rating Agencies and, based upon such notification, the Servicer or the Issuer (as applicable) is not aware that the then current ratings of the Class A Notes and the Class B Notes would be adversely affected by such proposed amendments,

provided in each case that the Note Trustee shall not be obliged to agree any modification which in the sole opinion of the Note Trustee would have the effect of (a) exposing the Note Trustee to any liability against which it has not been indemnified and/or prefunded and/or secured to its satisfaction, or (b) increasing the obligations or duties or decreasing the protections of the Note Trustee in the Transaction Documents and/or the Note Conditions.

The Issuer and the Note Trustee will each rely without further investigation or liability to any person on any certification provided to it in connection with such modifications.

Enforcement by the Note Trustee, the Security Trustee and the Pledgee

The Note Trustee will act as the representative of the Noteholders and as such is able to claim and enforce or procure the enforcement of the rights of all the Noteholders. A Noteholder will not have an individual right to pursue and enforce its rights under the Note Conditions against the Issuer, except in limited circumstances where (i) a specified percentage of Noteholders instruct the Note Trustee to take any such action and the Note Trustee fails to do so (or fails to so instruct the Security Trustee) within a reasonable period and the failure is continuing or (ii) (as determined by a court of competent jurisdiction in a decision not subject to appeal) applicable law requires that the Noteholders exercise their rights individually and not through the Note Trustee.

Upon enforcement of the security for the Notes by the Security Trustee and the Pledgee, the proceeds of such enforcement may be insufficient, after payment of all other claims ranking in priority to and pari passu with amounts due under the Notes, to pay in full all principal and interest due on the Notes.

Absence of secondary market liquidity and market value of Notes

Although application has been made to the Irish Stock Exchange for the Class A Notes and the Class B Notes to be admitted to the Official List and traded on its regulated market and application may be made for the Class A Notes to be admitted to trading on a regulated market in Poland, there is currently no secondary market for the Class A Notes or Class B Notes. There can be no assurance that

a secondary market for the Class A Notes or the Class B Notes will develop or that a market will develop for the Class A Notes or the Class B Notes or, if it develops, that it will provide Class A Noteholders or Class B Noteholders with liquidity of investment, or that it will continue for the whole life of the Class A Notes or the Class B Notes. Further, the secondary markets are currently experiencing severe 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 is experiencing extremely limited liquidity. These conditions may continue or worsen in the future. Limited liquidity in the secondary market for asset-backed securities has had a severe adverse effect on the market value of asset-backed securities. 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. Consequently, any purchaser of the Class A Notes or the Class B Notes must be prepared to hold such Class A Notes or Class B Notes for an indefinite period of time or until final redemption or maturity of such Class A Notes or Class B Notes. The market values of the Class A Notes and the Class B Notes are likely to fluctuate. Any such fluctuation may be significant and could result in significant losses to investors in the Class A Notes or the Class B Notes. In addition, the forced sale into the market of asset-backed securities held by structured investment vehicles, hedge funds, issuers of collateralised debt obligations and other similar entities that are currently experiencing funding difficulties could adversely affect an investor's ability to sell, and/or the price an investor receives for, the Class A Notes or the Class B Notes in the secondary market. The Managers are under no obligation to assist in the resale of the Notes.

Minimum denomination

The Notes have a minimum denomination of PLN 500,000. The Conditions provide that, for so long as the Class A Notes or the Class B Notes are represented by a Global Note Certificate and Euroclear and Clearstream, Luxembourg (or other relevant clearing system) so permit, the Notes will be tradable in nominal amounts (a) equal to, or integral multiples of, the minimum denomination, and (b) the minimum denomination plus integral multiples of PLN 1,000 in excess thereof.

Definitive Notes will only be issued in respect of the Notes under certain circumstances. If Definitive Notes are issued, they will be issued in respect of all holdings of Notes equal to or greater than the minimum denomination. However, holders of Notes should be aware that Definitive Certificates that have a denomination that is not an integral multiple of the minimum denomination may be illiquid and difficult to trade. Definitive Certificates will in no circumstances be issued to any person holding Notes in an amount lower than the minimum denomination and such Notes will be cancelled and holders will have no rights against the Issuer (including rights to receive principal or interest or to vote) in respect of such Notes.

Euroclear and Clearstream, Luxembourg

The Class A Notes and the Class B Notes will initially be represented by a Note Certificate except in certain limited circumstances described in such Note Certificate.

The Class A Note Certificate and the Class B Note Certificate will be held under the New Safekeeping Structure and registered in the name of a Common Safekeeper for Euroclear and/or Clearstream, Luxembourg. The Class A Note Certificate and the Class B Note Certificate will be deposited on or about the Issue Date with the Common Safekeeper for Euroclear and/or Clearstream, Luxembourg.

Individual Note Certificates evidencing holdings of Notes will only be available in certain limited circumstances. Euroclear and Clearstream, Luxembourg will maintain records of the beneficial interests in each Note Certificate. While the Class A Notes and the Class B Notes are represented by a

Class A Note Certificate and a Class B Note, respectively, investors will be able to trade their beneficial interests only through Euroclear and Clearstream, Luxembourg.

The Issuer will discharge its payment obligations under the Notes by making payments to the Principal Paying Agent. A holder of a beneficial interest in a Class A Note Certificate or a Class B Note Certificate must rely on the procedures of Euroclear and Clearstream, Luxembourg to receive payments under the Notes. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Class A Note Certificate or the Class B Note Certificate.

Holders of beneficial interests in a Class A Note Certificate or a Class B Note Certificate will not have a direct right to vote in respect of the Notes. Instead, such holders will be permitted to act only to the extent that they are enabled by Euroclear and Clearstream, Luxembourg to appoint appropriate proxies.

The Central Securities Depository of Poland

Transactions in the Class A Notes in Poland may be executed through the Central Securities Depository of Poland. The Central Securities Depository of Poland operates links with other central securities depositories, including Clearstream Luxembourg. For Class A Notes being cleared through Euroclear and Clearstream, Luxembourg and bridged via the Central Securities Depository of Poland, Polish investors will generally need to participate via an account with the Central Securities Depository of Poland or have an account with a participant of the Central Securities Depository of Poland. The Central Securities Depository of Poland will, in turn, hold an account with Euroclear or Clearstream, Luxembourg.

Any investor acquiring an interest in the Class A Notes via the Central Securities Depository of Poland, provided that the Central Securities Depository of Poland were able to be "linked" to Euroclear and Clearstream, Luxembourg, should be aware that:

- (a) an investor's interest in the Class A Notes will reflect the position held by the Central Securities Depository of Poland as an accountholder in Euroclear and Clearstream Luxembourg;
- (b) the respective rules and procedures of both (i) Euroclear and Clearstream, Luxembourg (in the first instance) and (ii) the Central Securities Depository of Poland (thereafter) will determine the extent to which, and the manner in which, investors may exercise any rights arising under the Class A Notes and the timing requirements for meeting any deadlines for the exercise of those rights, together with other matters as may be set out in the rules of the various clearing systems such as payments, transfers, notifications and other restrictions; and
- (c) for so long as the Class A Notes are represented by a global note certificate, the Issuer's payment obligations under the Class A Notes will be discharged upon payment to the Principal Paying Agent.

Eurosystem eligibility

The Notes are not intended to be Eurosystem-eligible and, at the date of this Prospectus, are not Eurosystem eligible since they are not denominated in any of US dollars, Japanese yen, pound Sterling or euro. This means that those Notes are not expected to be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem ("**Eurosystem eligible collateral**") at any or all times during their life.

The Issuer gives no representation, warranty, confirmation or guarantee to any investor in any Notes that any of the Notes will, either upon issue, or any or at all times during their life, satisfy all or any requirements for Eurosystem eligibility and be recognised as Eurosystem eligible collateral. Any prospective investor in any of the Notes should consult their professional advisers with respect to whether or not those Notes constitute Eurosystem eligible collateral at any point of time during the life of those Notes.

Economic conditions in the euro-zone

Concerns relating to credit risks (including that of sovereigns and those of entities which are exposed to sovereigns) have intensified. In particular, concerns have been raised with respect to current economic, monetary and political conditions in the Euro-zone. If such concerns persist and/or 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 changes to, including any break-up of, the Euro-zone), then these matters may cause further severe stress in the financial system generally and/or may adversely affect one or more of the parties to the Transaction Documents (including the Seller, the Servicer and/or any Debtor in respect of the Purchased Receivables). Given the current uncertainties and the range of possible outcomes, no assurance can be given as to the impact of any of the matters described above and, in particular, no assurance can be given that such matters 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.

Regulatory initiatives may result in increased regulatory capital requirements and/or decreased liquidity in respect of the Notes

In Europe, the US and elsewhere there is increased political and regulatory scrutiny of the asset-backed securities industry. This has resulted in a raft of measures for increased regulation including, without limitation Articles 405-409 of Regulation (EU) No. 575/2013 referred to as the Capital Requirements Regulation ("**CRR**") (which replaced Article 122a of Directive 2006/48/EC (as amended) (the "**CRD**") as of 1 January 2014), Article 51 of Commission Delegated Regulation (EU) No 231/2013 (the "**AIFM Regulation**") and under Directive 2009/138/EC ("**Solvency II**") which are currently at various stages of implementation and which may have an adverse impact on the regulatory capital charge to certain investors in securitisation exposures and/or the incentives for certain investors to hold asset-backed securities, and may thereby affect the liquidity of such securities. Investors in the Class A Notes and the Class B Notes are responsible for analysing their own regulatory position and none of the Issuer, the Managers, the Seller nor any other party to the Transaction Documents makes any representation to any prospective investor or purchaser of the Notes regarding the regulatory capital treatment of their investment on the Note Issuance Date or at any time in the future.

Investors should be aware of Articles 405-409 of the CRR which apply where credit institutions become exposed to the credit risk of a securitisation position under a new securitisation issued on or after 1 January 2011 and to notes issued under existing securitisations established before that date to the extent that new underlying exposures are added or substituted after 31 December 2014. Articles 405-409 of the CRR restrict an EU regulated credit institution from becoming exposed to the credit risk of a securitisation position unless the originator, sponsor or original lender in respect of the relevant securitisation has explicitly disclosed to the EU regulated credit institution that it will retain, on an ongoing basis, a material net economic interest of not less than 5% in respect of certain specified credit risk tranches or exposures as contemplated by Articles 405-409 of the CRR. Articles 405-409 of the CRR also require an EU regulated credit institution to be able to demonstrate that it has undertaken certain due diligence in respect of, amongst other things, its note position and the underlying exposures and that procedures are established for such activities to be conducted on an ongoing basis, and in particular it has established formal procedures that are appropriate to its trading book and non-trading book and commensurate with the risk profile of its investments in securitised

exposures in order to monitor on an ongoing basis and in a timely manner performance information on the exposures underlying its securitisation positions and to analyse and record certain risk characteristics and information in relation to its securitisation positions. Failure to comply with one or more of the requirements set out in Articles 405-409 of the CRR may result in the imposition of a penal regulatory capital charge on the Notes acquired by the relevant investor.

Articles 405-409 of the CRR came into force as on 1 January 2014. On 17 December 2013 the European Banking Authority ("**EBA**") published the final draft technical standards to be made under the re-case risk retention and due diligence requirements which do not entirely replicate the previous guidelines published by the Committee of European Banking Supervisors ("**CEBS**"). On 13 March 2014 the European Commission published the final draft of the Delegated Regulation supplementing CRR by way of Regulatory Technical Standards ("**RTS**") specifying the requirements for investor, sponsor, original lenders and originator institutions relating to exposures to transferred credit risk. The final RTS will replace the previous CEBS guidelines issued in the context of Article 122a of the CRD. The final RTS do not differ significantly from the version submitted to the European Commission by the EBA, but there are some key additions and changes. Noteholders should take their own advice and/or seek guidance from their regulator on compliance with, and the application of, the provisions of the CRD IV Package and Articles 405-409 of the CRR in particular.

Investors should also be aware of Article 17 of EU Directive 2011/61/EC on Alternative Investment Fund Managers (the "**AIFMD**") and Chapter III, Section 5 of Regulation 231/2013 supplementing the AIFMD (the "**AIFM Regulation**"), the provisions of which introduced risk retention and due diligence requirements (which took effect from 22 July 2013 in general) in respect of alternative investment fund managers ("**AIFMs**") that are required to become authorised under the AIFMD and which assume exposure to the credit risk of a securitisation on behalf of one or more alternative investment funds. While the requirements applicable to AIFMs under Chapter III, Section 5 of the AIFM Regulation are similar to those which apply under Article 405-409 of the CRR, they are not identical and, in particular, additional due diligence obligations apply to AIFMs.

Each of articles 405-409 of the CRR and Chapter III, Section 5 of the AIFM Regulation applies in respect of the Notes, so investors which are EU regulated credit institutions or AIFMs that are required to become authorised under the AIFM should therefore make themselves aware of the requirements of these regulations in addition to any other regulatory requirements applicable to them with respect to their investment in the Notes. Relevant investors are required to independently assess and determine the sufficiency of the information described in this Prospectus and in any Investor Report provided in relation to the transaction for the purpose of complying with any relevant requirements including Articles 405-409 and Chapter III, Section 5 of the AIFM Regulation and none of the Issuer, the Seller, the Managers or any other party to the transaction makes any representation that the information described above is sufficient in all circumstances for such purposes.

The Seller has made certain representations and undertakings in relation to retention of a material economic interest and provision of information in compliance with Articles 405-409 of the CRR (see - "**ARTICLES 405-409 OF THE CAPITAL REQUIREMENTS REGULATION**".) However, aspects of the CRR and Chapter III, Section 5 of the AIFM Regulation and what is required to demonstrate compliance remains unclear. Investors who are uncertain as to the requirements that will need to be complied with in order to avoid the additional regulatory capital charges for non-compliance with Article 405-409 or to avoid being required to take corrective action under Chapter III, Section 5 of the AIFM Regulation should seek guidance from their regulator.

Articles 405-409 of the CRR, Chapter III Section 5 of the AIFM Regulation and any other changes to the regulation or regulatory treatment of the Notes for some or all investors may negatively impact the regulatory position of individual investors and, in addition, have a negative impact on the price and liquidity of the Notes in the secondary market.

Implementation of, and/or amendments to, the Basel II framework may affect the regulatory capital and liquidity treatment of the Notes

The Basel Committee on Banking Supervision (the "**Basel Committee**") approved significant changes to Basel II (being the revised international capital framework of the Basel Committee, published in 2004) regulatory capital and liquidity framework in 2011 (such changes being commonly referred to as "**Basel III**"). In particular, Basel III provides for a substantial strengthening of existing prudential rules, including new requirements intended to reinforce capital standards (with heightened requirements for global systemically important banks) and to establish a leverage ratio "backstop" for financial institutions and certain minimum liquidity standards (referred to as the "Liquidity Coverage Ratio" and the "Net Stable Funding Ratio"). It is intended that member countries will implement the new capital standards and the new Liquidity Coverage Ratio as soon as possible (with provision for phased implementation, meaning that the measure will not apply in full until 1 January 2019) and the Net Stable Funding Ratio from January 2018.

The European authorities have introduced the Basel III framework into EU law through Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directive 2006/48/EC and 2006/49/EC (Capital Requirements Directive "**CRD**") and the Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (Capital Requirements Regulation "**CRR**") known as "**CRD IV Package**" which entered into force in the EU on 1 January 2014. Particularly the CRR has immediate and direct effect, as it does not require to be implemented into national law.

Implementation of Basel III requires national legislation and therefore the final rules and the timetable for their implementation in each jurisdiction may be subject to some level of national variation. The Basel Committee has also published a consultative document setting out certain proposed revisions to the securitisation framework, including proposed new hierarchies of approaches to calculating risk weights and a new risk weight floor of 20 per cent.

Implementation of the Basel II framework (to the extent that it has not already been fully implemented in member countries) and/or of any of the changes put forward by the Basel Committee as described above may have an impact on the capital requirements in respect of the Notes and/or on incentives to hold the Notes for investors that are subject to requirements that follow the relevant framework and, as a result, may affect the liquidity and/or value of the Notes.

There can be no guarantee that the regulatory capital treatment of the Notes for investors will not be affected by any future changes to the Basel II framework or the CRD. The Issuer is not responsible for informing Noteholders of the effects of the changes which will result for investors from revisions to the framework or the CRD.

In general, investors should consult their own advisers as to the regulatory capital requirements in respect of the Notes and as to the consequences for and effect on them of any changes to the Basel II framework (including the changes described above and by the CRD IV Package in particular) and the relevant implementing measures. No predictions can be made as to the precise effects of such matters on any investor or otherwise.

CRA3

Prospective investors should note that the provisions of Regulation 462/2013 (EU) which amends Regulation (EC) 1060/2009 on Credit Rating Agencies (together, "**CRA 3**") require certain additional disclosure to be made in respect of structured finance transactions. The scope, extent and manner in which such disclosure will need to be made will be detailed in the technical standards to be prepared

by the European Securities and Market Authority ("ESMA"). As of the date of this Prospectus, only draft technical standards have been prepared by ESMA and the consultation period for such technical standards concluded on 11 April 2014. In the absence of the final regulatory technical standards, it is unclear what such additional disclosure requirements will encompass and how they will apply to the Notes and the Issuer and, consequently, what impact they may have on the Noteholders and their investment in the Notes.

Certain tax considerations

U.S. foreign account tax compliance withholding

Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986, as amended ("**FATCA**") impose a new reporting regime and potentially a 30% withholding tax with respect to certain U.S.-source payments and "foreign passthru payments" (a term as yet undefined) made to certain non-U.S. financial institutions investors ("**foreign financial institutions**", or "**FFIs**" as defined by FATCA)) that do not become "**Participating FFIs**" by entering into agreements with the U.S. Internal Revenue Service ("**IRS**") to provide the IRS with certain information in respect of their account holders and investors or are not otherwise exempt from or in deemed compliance with FATCA, and any investors (unless otherwise exempt from FATCA) that do not provide information sufficient to determine whether they are U.S. persons or should otherwise be treated as holding United States accounts" of an FFI ("**Recalcitrant Holders**"). The Issuer is likely to be classified as an FFI.

The new withholding regime will commence on 1 July 2014 for payments from sources within the United States and will apply to "foreign passthru payments" no earlier than 1 January 2017. This withholding would potentially apply to payments in respect of the Class A Notes and the Class B Notes (assuming that they qualify as debt for U.S. federal income tax purposes) if they are materially modified on or after the "grandfathering date," which is the date that is six months after the date on which final U.S. Treasury regulations defining the term "foreign passthru payment" are filed with the Federal Register.

The United States and Ireland have entered into an agreement to facilitate the implementation of FATCA (the "**US-Ireland IGA**"). Pursuant to FATCA and the US-Ireland IGA, the Issuer expects to be treated as a "**Reporting FI**" not subject to withholding under FATCA on any payments it receives, and not required to withhold under FATCA or the US-Ireland IGA (or any law implementing the US-Ireland IGA) (any such withholding being "**FATCA Withholding**") from payments it makes. It would, however, still be required to report certain information in respect of its account holders and investors to the Irish tax authorities or to the IRS. There can be no assurance, however, that the Issuer will be treated as a Reporting FI, or that if it is so treated initially it would continue to be so treated during the entire period ending on the Maturity Date, or that it would in the future not be required to deduct FATCA Withholding from payments it makes. The Issuer and financial institutions through which payments on the Notes are made may be required to withhold FATCA Withholding if (i) any FFI through or to which payment on such Notes is made is not a Participating FFI, a Reporting FI, or otherwise exempt from or in deemed compliance with FATCA or (ii) an investor is a Recalcitrant Holder.

FATCA is particularly complex and its application is uncertain at this time. The above description is based in part on U.S. Treasury Regulations, official guidance, the US-Ireland IGA, Irish SI No 33 of 2013, the draft Irish Financial Account Reporting Regulations 2014, and the draft guidance notes on the implementation of FATCA in Ireland, all of which are subject to change. Prospective investors should consult their tax advisers on how these rules may apply to the Issuer and to payments they may receive in connection with the Class A Notes.

Taxation of the Issuer in Poland

The following should be read in conjunction with "**TAXATION — Taxation in Poland**" below.

The key tax issues from the Issuer's and Santander Consumer Bank S.A.'s point of view have been confirmed via tax rulings, issued by the relevant Polish tax authorities and confirming that:

- (a) no Polish transfer tax is due on the transfer of the portfolio to the Issuer (a ruling obtained on the request submitted by the Issuer),
- (b) the transfer of the portfolio to the Issuer is exempt from the Polish VAT (a ruling obtained on the request submitted by Santander Consumer Bank S.A.),
- (c) Santander Consumer Bank's payments to the Issuer should not be qualified as interest for tax purposes and, thus, neither Santander nor any other party is obliged to pay any tax on them (a ruling obtained on the request submitted by Santander Consumer Bank S.A.).

It should be underlined that, in particular, the third issue (the potential Polish withholding tax on payments to the Issuer) was not entirely clear as there is no practice of the tax authorities regarding similar transactions and the tax law does not address this issue directly. Moreover, the tax law does not state directly which entity should pay tax to the Polish tax authority.

The standpoint expressed in the ruling protects the applicant from a risk of the tax authority challenging that standpoint in the future: even if the tax authority claims that the applicant, by acting in line with the ruling, acted incorrectly and has an outstanding tax liability resulting therefrom, the applicant will be exempt from that tax liability. It should be underlined that the ruling protects solely the applicant and does not constitute a law binding on other cases or in the case of other entities.

Moreover, Polish law allows the tax authority to change rulings after they are issued. The Polish tax authorities rarely change issued rulings, but they are entitled to do that. The change of a ruling does not affect the tax settlements of the applicant prior to that change, as the change is effective as from the period following the period the changed ruling is delivered to the applicant.

In view of the above, the change of a ruling regarding the withholding tax cannot be fully ruled out. Such a change would result in the Polish withholding tax levied on payments from Santander Consumer Bank S.A. to the Issuer after the change and could adversely impact the business of the Issuer and the value of the Noteholders' investment.

Changes in Polish Tax Laws

The rulings referred to above are solely an interpretation of the existing law and do not constitute a binding law themselves. Therefore, any changes in the Tax Laws interpreted by the ruling or regarding the regime of the rulings may have an adverse impact on the business of the Issuer and the value of the Noteholders' investment.

EU Savings Directive

Under EC Council Directive 2003/48/EC on the taxation of savings income (the "**Savings Directive**"), each Member State is required to provide to the tax authorities of another Member State details of payments of interest or other similar income paid by a person within its jurisdiction to, or collected by such a person for, an individual resident or certain limited types of entity established in that other Member State; however, for a transitional period, Austria and Luxembourg may instead apply a withholding system in relation to such payments, deducting tax at a rate of 35 per cent. The transitional period is to terminate at the end of the first full fiscal year following agreement by certain non-EU countries to the exchange of information relating to such payments. Luxembourg has

announced it will no longer apply the withholding tax system as from 1 January 2015 and will provide details of payments of interest (or similar income) as from this date.

A number of non-EU countries and certain dependent or associated territories of certain Member States have adopted similar measures (either provision of information or transitional withholding) in relation to payments made by a person within its jurisdiction to, or collected by such a person for, an individual resident or certain limited types of entity established in a Member State. In addition, the Member States have entered into provision of information or transitional withholding arrangements with certain of those dependent or associated territories in relation to payments made by a person in a Member State to, or collected by such a person for, an individual resident or certain limited types of entity established in one of those territories.

The European Council formally adopted a Council Directive amending the Savings Directive on 24 March 2014 (the "**Amending Directive**"). The Amending Directive broadens the scope of the requirements described above. Member States have until 1 January 2016 to adopt the national legislation necessary to comply with the Amending Directive. The changes made under the Amending Directive include the introduction of "look through" requirements to prevent the Savings Directive being circumvented by the use of intermediaries.

Prospective holders of the Notes should consult their own tax advisers in relation to the consequences of the proposed amendments to the Savings Directive associated with subscribing for, purchasing, holding and disposing of the Notes.

EU financial transaction tax

On 14 February 2013, the European Commission issued proposals, including a draft Directive, 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). If these proposals were adopted in their current form, 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 current proposals, the FTT would apply 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.

At this stage, it is too early to say whether the FTT proposals will be adopted and in what form. However, if the FTT is adopted based on the current proposals, then it may operate in a manner giving 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)). Any such 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.

The FTT proposal remains subject to negotiation between the participating member states described above and is the subject of legal challenge. 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.

Changes in Irish Tax Laws

Changes in Irish tax laws may adversely impact the business of the Issuer and the value of the Noteholders' investment.

The Issuer is treated as a securitisation vehicle which is taxed pursuant to Section 110 of the 1997 Act. There is no guarantee that the tax treatment of an Irish securitisation company will not change in the future. The tax deductibility of the Issuer's interest costs will depend on the applicability of Section 110 of the 1997 Act and the current practice of the Irish Revenue Commissioners in relation to same. Any change to these rules may have an impact on Noteholders.

Interest payment on the Notes may be subject to Irish withholding tax if there is a change in Irish tax law or if the various exemption conditions set forth under "**TAXATION – Taxation in Ireland – Withholding tax**" are not fulfilled. The Issuer is not obliged to gross up or otherwise compensate Noteholders for withholding taxes incurred. This may, therefore, affect the return that Noteholders receive on the Note.

Legal structure

Notification on assignment

Under Polish law, the assignment of receivables is valid even though the debtors are not notified thereof. However, in case of "silent assignment", any performance of the agreement made by the Debtor in favour of the previous creditor is effective as against the assignee, until the debtor is notified of the assignment. In addition, prior to notification of the assignment, the Debtors will be entitled to set off their claims, pursuant to the Civil Code if both claims are due and payable and may be pursued in court or before another state authority.

After notification of the assignment, the Debtor has the right to set off:

- (a) any claim it had against the Seller at the date the notification on assignment was made,
- (b) against the Seller's claims under assigned receivables,

even if the rights of the Debtors became due and payable after the notification. This does not, however, apply where the claim against the Seller became due and payable after the claim which is the subject of the assignment.

Pursuant to the Civil Code, only receivables which existed at the date the Debtor was notified about the assignment may be set off. In consequence, any change (e.g. an increase of claims amount) after the notification is made to the Debtor may not be subject to set off.

Commingling risk

Prior to remittance, the Seller as Servicer will hold any collections in its accounts. If the Servicer commingles such collections with its own funds, the remittance of the funds required under the Notes could be at risk. This exposes the Issuer to commingling risk upon the insolvency of the Seller.

For so long as a Servicer's Owner Downgrade 1 exists and no Notification Event has occurred, which has not been waived, all Collections paid into the Seller Collections Accounts shall be transferred by the Servicer to the Transaction Account within one day which is both a London Banking Day and a Warsaw Banking Day after the date on which such Collections are received in accordance with the provisions of the Servicing Agreement. As at the date of this Prospectus, a Servicer's Owner Downgrade 1 does exist. If no Servicer's Owner Downgrade 1 exists (and no Notification Event has occurred, which has not been waived), the Servicer shall transfer all Collections which have not previously been paid to the Transaction Account from the Seller Collections Accounts to the Transaction Account on a monthly basis. Therefore, cash may be lost should the Servicer default in between those dates. In addition, collections received by the Servicer after its default form part of the insolvency estate of the Servicer thereby causing loss to the Issuer.

Polish law does not recognise trusts, therefore Santander cannot declare a trust over its collection accounts in favour of the Issuer.

Appointment of back-up or replacement servicer

If a Notification Event occurs, the Issuer will, or will require the Servicer to, (a) send notices to the Debtors directing them to make payments on Purchased Receivables to the Issuer Collections Account and no longer to the Seller Collections Account, and (b) the Issuer will, within thirty Business Days, appoint as back-up servicer a person qualified to replace the Seller as Servicer in accordance with the Servicing Agreement.

If a Servicer Termination Event occurs, the Issuer (with the consent of the Note Trustee) or the Note Trustee may terminate the appointment of the Seller as Servicer and appoint a qualified person as replacement Servicer; provided that the termination shall not become effective until the qualified successor servicer has been appointed.

Consumer law and gratuitous credit sanction

Some of the Loan Contracts have been entered into with consumers, therefore they have to meet the requirements imposed by the consumer credit law. The Loan Contracts executed before 18 December 2011 must observe the Former Consumer Credit Act regulations, whereas the Loan Contracts executed on or after 18 December 2011 are subject to the regulations of the Consumer Credit Act.

Both legal acts impose obligations regarding mandatory provisions to be included in the Loan Contract. If the obligatory information is missing, the Debtor upon providing the bank with a written statement, should repay the principal of the loan without interest and other fees for the loan due to the bank.

The written statement mentioned above may be given by the Debtor even after partial repayment of the loan and interest. In such a case, the gratuitous *credit* sanction applies to the entire loan amount, notwithstanding the fact that a part of the loan has already been repaid. Accordingly, the interest which has already been repaid to the bank has to be reimbursed to the Debtor.

There is no prescribed form for the statement. It should, however, clearly express the Debtor's will to take advantage of his or her right under the gratuitous credit sanction.

Apart from the gratuitous credit sanction, the Consumer Credit Act foresees other sanctions connected to the non-compliance by the lender with the statutory regulations. The Loan Contracts contain the obligatory provisions under the penalty of gratuitous credit sanction.

In case the Loan Contract does not specify the terms and dates of the repayment of the loan, the CCA Consumer shall repay the loan in equal monthly instalments. If the Loan Contract does not specify the repayment date, the CCA Consumer is obliged to repay the loan within:

- (a) 5 years - in the case of a loan up to the amount of PLN 80,000; or
- (b) 10 years - in the case of a loan in an amount higher than PLN 80,000.

The Seller has received no claims for gratuitous credit sanction or other sanctions connected with the non-compliance by the lender with the statutory regulations since 2008 in relation to the loan or credit receivables that are included in the Portfolio. In addition, there were no court proceedings instigated against the Seller for such sanctions.

Prepayment

In the case of Loan Contracts governed by the Former Consumer Credit Act, the Debtor has a right to prepay the facilities before the original maturity date, provided that he or she notifies the Seller of such prepayment three days before such prepayment takes place. In addition, the Seller is not entitled to request a prepayment fee from the Debtor.

If the Debtor prepays the loan, he or she was not obliged to pay the interest after the prepayment of the loan, and in case of a loan with no interest, the Debtor was entitled to request from the lender a decrease of the fees and charges proportionally to the period of the loan that was shortened.

In the case of Loan Contracts governed by the Consumer Credit Act, the Debtor is entitled to prepay the facilities as a whole or in part at any time before the original maturity date and the Seller may not require from the Debtor a notification of such prepayment. In the case of prepayment, the total cost of the loan is decreased by the cost for the period of the loan which was shortened, even if the Debtor incurred such cost before the prepayment. In addition, the Seller may reserve the right to a prepayment fee if the prepayment falls within the period of a fixed interest rate and provided that other requirements under the Consumer Credit Act are fulfilled.

Right of withdrawal

According to the Consumer Credit Act, the Consumer is entitled to withdraw from the loan agreement within fourteen days of the execution of the agreement, without giving any justification for his or her decision. If the loan agreement does not contain all the mandatory information, the time limit to take advantage of the right of withdrawal runs from the moment of providing the consumer with all the mandatory information.

The Consumer should not be encumbered with any costs related to the withdrawal, apart from the interest due for the period from the disbursements to the repayment of the loan. The CCA Consumer is obliged to repay the principal of the loan and the interest within thirty days of serving the declaration on withdrawal.

The declaration on withdrawal is effective towards any linked products, such as insurance agreements.

If the CCA Consumer withdraws from the vehicle purchase agreement, such withdrawal is effective towards the loan agreement as well.

Risks resulting from abusive clauses

According to the Civil Code, the provisions of an agreement entered into by a Consumer, which have not been agreed individually and which set forth the rights and obligations of the Consumer in a way

that is contrary to good practice, grossly violating his or her interests, may be qualified as "abusive clauses".

Provisions which are not agreed individually are the provisions on which the Consumer had no actual influence. In case of court proceedings, the burden of proving that a provision has been agreed individually rests on the person who relies on it (i.e. usually the professional party).

The compliance of a provision with good practice is assessed according to the state of affairs at the time the agreement was executed, taking into account its content, the circumstances of its execution, and agreements connected with the agreement containing the assessed provision.

Abusive clauses are not binding on the Consumer. For instance, if a clause on modification of the interest rate is declared as abusive, such modification will not be binding on the consumer. If any contractual provision is qualified as an abusive clause, the parties are bound by the remaining part of the contract.

The principle described above does not apply to provisions setting forth the main obligations of the parties, including payment of price or remuneration, which cannot be declared as abusive, as long as they are expressed in a clear way.

If any of the provisions included in the Loan Contract matches the description set out above, such provision, as already mentioned, is not binding, by virtue of the law. Therefore, the Consumer is not obliged to take any further steps in order to ensure that he or she is not bound by such provision. In particular, the Consumer does not have to apply for a court's decision in this respect.

Whilst the Loan Contract do not have clauses which are the same as clauses previously recognised as abusive, they include provisions that are similar to clauses recognised as abusive. However, in 2012 an investigation was carried out by UOKIK at the Bank in respect of which no proceedings have been brought or notification received to the effect that the contracts contained abusive clauses.

Risks resulting from UOKIK inspections

UOKIK monitors the templates of agreements used, among others, by the banking sector. In case any of the provisions included therein are classified as abusive, UOKIK applies to the Competition and Consumers Protection Court for the recognition of such provision as abusive.

On 15 May 2012, UOKIK notified the Seller of the commencement of an investigation into a potential breach by the Seller of the practices infringing the collective interests of consumers. According to UOKIK, the Seller could potentially have infringed the collective interests of the consumers as it used clauses similar to clauses classified as abusive under no. 1796.

In a response to UOKIK, the Seller has stated that the auto-loan templates brought into question by UOKIK were amended. According to information received from the Seller, the above proceeding has been concluded and UOKIK has not commenced the proceeding on infringement of the collective interests of consumers.

In addition, according to information received from the Seller, UOKIK periodically review the templates of the Loan Contracts and apart from the above reservations, it has not issued any decisions or recommendations as to the auto-loan templates.

Risks resulting from Financial Supervisory Authority audits

The Polish Financial Supervision Authority conducts audits of Polish banks in light of potential infringements of law relating the their activity. A comprehensive audit of the Seller for the status

being at 30 June 2012 was conducted by the Financial Supervisory Authority between 3 September 2012 and 2 October 2012. In consequence, the Seller has amended the respective templates of Loan Contracts. Therefore, the risk that the Loan Contracts that have been already analysed by the Polish Financial Supervision Authority will be challenged in the future is remote.

Risks relating to security in respect of Vehicles and conditional ownership transfer agreements under Polish law

The Seller's rights under ownership transfer agreements relating to certain Purchased Receivables will be assigned by the Seller to the Issuer as part of the Portfolio.

In the case of Partial Ownership Conditional Transfer Agreements, a 49% share in the ownership of the vehicles has been unconditionally transferred to the Seller by the Debtor. The Seller will continue to hold this 49% share in the ownership of the Vehicle after the Note Issuance Date. Pursuant to the Receivables Purchase Agreement, such ownership rights will be transferred to the Issuer if there has been either a Servicer Termination Event or a Debtor Default. The remaining 51% share is subject to a conditional transfer and will be acquired by the Issuer, only in the case of a Debtor Default.

The requirement to give notice of a change of owner applies only on the unconditional transfer of ownership of a Vehicle. In relation to Vehicles secured by way of an Ownership Conditional Transfer Agreement this requirement will arise once the conditions for transfer under the Ownership Conditional Transfer Agreement are satisfied. In relation to Vehicles secured by way of a Partial Ownership Conditional Transfer Agreement, the requirement to give notice will arise (i) following a Servicer Termination Event as a result of the transfer of a 49% share in the ownership of the Vehicle from the Seller to the Issuer and (ii) following a Debtor Default, as a result of the transfer to the Issuer of 100% of the ownership of the Vehicle (49% from the Seller and 51% from the Debtor) or if a Servicer Termination Event has previously occurred, as a result of the transfer to the Issuer of the Debtor's 51% share in the ownership of the Vehicle.

Interests in the underlying Vehicles on enforcement are therefore dependent on the assignment of such rights to the Issuer being effective. There is no obligation under the Civil Code or any other legal norms in Poland, including the Polish Banking Act, expressly requiring a debtor's consent in order to transfer ownership rights under a security transfer agreement. Prospective investors in the Notes should however be aware of a recent judgment made by the Polish Supreme Court (Case No. II CSK 396/12, dated 21 March 2013) in which it held in relation to certain rights in respect of real property that the effective transfer by one party (the "**Transferor**") to another (the "**Transferee**") of its ownership rights in such real property, which arose under a security transfer agreement, was subject to the Transferee also assuming the obligations of the Transferor. Consequently, the consent of the underlying debtor (being the party which transferred its ownership rights in the property to the Transferor under the security transfer agreement) was required for the transfer to be effective. The decision was given in the context of a real estate transaction, which involved the unconditional transfer of full ownership of the property to the transferee with an obligation on the lender to retransfer the property upon repayment of the secured debt. The judgment expressly referred to the extent of the obligations relating to the property that were imposed on the transferee under the security transfer agreement in that case and the Supreme Court's requirement for consent was implied from the "nature" of the security transfer agreement in that transaction. In contrast to the current circumstances, the aforementioned decision of the Supreme Court was issued in relation to another factual situation, namely, a third person assuming rights of a satisfied creditor pursuant to art. 518(1) point 3 of the Civil code (subrogation). According to the above said art. 518(1), point 3 of the Civil Code, the debtor's consent arises directly from this provision. Lack of such consent or its expression in any form other than in writing causes invalidity of the third person's assumption of the rights of the satisfied creditor. The current securitisation is based on art. 509 of the Civil Code according to which: *"A creditor can, without the debtor's consent, transfer a claim to a third party (assignment) unless the same is contrary to the law, a contractual stipulation or the nature of the obligation. The assignment*

of a claim transfers to the assignee all the rights related to the claim, especially a claim for outstanding interest.” Additionally, the Seller's rights in the Vehicles do not relate to an interest in real estate and are limited to a partial and/or conditional transfer of ownership rights. Consequently, the obligations imposed on the Seller as Transferor are less extensive than those arising under the agreements that were the subject of the Supreme Court judgment, however, prospective investors should be aware that an adverse judgement by a court in relation to this issue may adversely affect the ability of the Issuer to enforce its rights in relation to the Vehicles. It should be, however, emphasised that the aforementioned decision of the Supreme Court was issued in a single matter and in accordance with Polish laws and is binding only in the case in which it was issued. The decision is not a source of generally applicable law, and is not binding for any other courts.

Risks resulting from provisions of the Registered Pledge Law

Pursuant to article 21a of the Registered Pledge Law, from the moment of the seizure of the pledged object by the court bailiff or other enforcement authority the Pledgee will not be able to enforce the Registered Pledge by any out-of-court enforcement method set out in the Registered Pledge Agreement, which may result in a delay in time satisfaction of the Noteholders' claims under the Notes.

Risks relating to the Registered Pledge Agreement

Article 7 Section 2 Point 3 of the Registered Pledge Law provides, that it is possible to establish a registered pledge over a collection of movables and rights being an economic entirety of variable composition (*"zbiór rzeczy ruchomych lub praw, stanowiący całość gospodarczą, choćby jego skład był zmienny"*) (a **"Collection of Assets"**).

A Collection of Assets should satisfy the following criteria:

- (a) collection of assets has to be composed of several (more than one) movables and/or rights;
- (b) there has to be economic connection between those movables and/or assets;
- (c) particular movables and/or rights that constitute a Collection of Assets may vary from time to time.

Under the Registered Pledge Law it is possible to establish a registered pledge over a Collection of Assets of variable composition comprised of different movables and/or rights. However, in order to be pledged, movables and rights have to be (i) disposable, (ii) located in Poland, (iii) identifiable and (iv) have some economic value. Additionally, a registered pledge over a Collection of Assets encumbers present assets within the collection, as well as assets that will become a part of the collection in the future.

Pursuant to the Registered Pledge Law, a Collection of Assets may be encumbered with a registered pledge only if the collection constitutes an economic entirety. In order to constitute an economic entirety an economic connection must exist between the assets. An economic connection may exist when the assets serve to obtain some business purpose contemplated by the Issuer, which does not have to be specifically defined.

All of the Polish Secured Assets have been acquired by the Issuer and they are connected with the Issuer's primary business activity, which is the acquisition of the Portfolio and issuance of the Notes to obtain the financing for such acquisition. The Purchased Receivables will serve as the main source of repayment of the Notes, the Related Collaterals will secure the claims under the Loan Contracts and the bank accounts will be used in the process of collection of funds from the Debtors.

However, as the collection of assets is a factual matter, a relevant court may carry out its own investigation of facts and circumstances to establish whether the Polish Secured Assets intended to be encumbered with the Registered Pledge indeed constitute an economic entirety.

Pursuant to the Registered Pledge Law, a Collection of Assets may be encumbered with a registered pledge only if such assets are located in Poland. As the Polish Secured Assets consist of, *inter alia*, rights under the Loan Contracts it is difficult to ascribe their location. The Registered Pledge Agreement is governed by Polish law because Polish law is the governing law of the Loan Contracts and Related Collateral, which form part of the Polish Secured Assets. However, it is possible that a court could take a conflicting view, namely that the Loan Contracts are located in Ireland and should be encumbered by security established under Irish law being the jurisdiction of the seat of the Issuer. If this latter view were to be taken, the Loan Contracts would not be encumbered by the Registered Pledge and the proceeds of enforcement of the Registered Pledge may be adversely affected, which could impact amounts available to be paid to Noteholders.

Risks related to the creation of pledges on the basis of the Parallel Debt

Under Polish law a registered pledge may be established (i) in favour of a single creditor as pledgee, (ii) in favour of a pledge administrator appointed by a group of creditors to act on their behalf or (iii) in favour of a pledge administrator appointed by an issuer of bonds to act on behalf of a group of bondholders.

The Issuer has undertaken in the Security Trust Deed, as a separate and independent obligation, by way of parallel debt, to pay to the Security Trustee amounts equal to the amounts due by the Issuer to the Secured Parties (the "**Parallel Debt**"). A registered pledge securing the Parallel Debt was established pursuant to the Registered Pledge Agreement in favour of the Security Trustee as pledgee.

There is no statutory law or case law available on the concept of parallel debts such as the Parallel Debt and the question whether a parallel debt constitutes a valid basis for the creation of security rights, such as rights of pledge. However, the Issuer has been advised that a parallel debt, such as the Parallel Debt, creates a claim of the Security Trustee thereunder which can be validly secured by a right of pledge such as the rights of pledge created by the Registered Pledge Agreement.

Any payments in respect of the Parallel Debt and any proceeds received by the Security Trustee are, in the case of an insolvency of the Security Trustee, not separated from the Security Trustee's other assets. The Secured Parties therefore have a credit risk on the Security Trustee, which in turn, may cause losses to Noteholders.

Submission to enforcement

Under the Polish Banking Law of 29 August 1997 (unified text: Journal of Laws of 2012, item 1376, as amended) (the "**Banking Law**"), the submission to enforcement, granted by a debtor in a written form mentioned in Article 97 of the Banking Law constitutes, upon attaching an enforcement clause, a banking enforcement title. The granting of such title provides the creditor with a basis of enforcement without a need to participate in court proceedings which lead to the issuance of a court decision constituting an enforcement title. However, the submission to enforcement issued in accordance with Article 97 of the Banking Law, may be used exclusively by banks and provided that the following three conditions are met:

- 1) the debtor must have performed a banking activity directly with a bank;
- 2) the claim which is covered by the submission to enforcement results directly from the banking activity; and

- 3) the debtor grants a submission to enforcement in a form of a written document.

Accordingly, the submission to enforcement cannot be used after the assignment of receivables from the Seller to the Issuer, as the Issuer is not a bank.

In the event that a successor servicer is appointed it is not clear whether the criteria under items 1) and 2) above would be satisfied. Even if the successor servicer was a bank under the Banking Law, it is not certain whether such bank could issue a banking enforcement title based on the submission to enforcement, as the Debtor would not have performed banking activity directly with such bank and there are no court judgments or legal doctrine well developed which could support such an approach. As a result, following a Servicer Termination Event the Secured Parties may not have access to the full range of security that is available to the Servicer as at the date of this prospectus, which could cause losses to Noteholders in an enforcement scenario.

Change of law

The structure of the Receivables Purchase Agreement, the Servicing Agreement, the Registered Pledge Agreement and the Registered Pledge Account Agreement are based on Polish law, in effect as at the date of this Prospectus. No assurance can be given as to the impact of any possible change of Polish law or administrative practice after the date of this Prospectus.

The structure of the Subscription Agreement, the Agency Agreement, the Note Trust Deed, the Notes, the Transaction Account Agreement, the Corporate Administration Agreement and the Security Trust Deed are based on English law and the Notes are governed by English law in effect as at the date of this Prospectus. No assurance can be given as to the impact of any possible change of English law or administrative practice after the date of this Prospectus.

Commercial risks

Reliance on representations and warranties

If the Portfolio does not correspond, in whole or in part, to the representations and warranties made by the Seller in the Receivables Purchase Agreement, the Issuer has certain rights of recourse against the Seller. These rights are not collateralised with respect to the Seller. Consequently, a risk of loss exists in the event that such a representation or warranty is breached. This could potentially cause the Issuer to default under the Notes.

Reliance on administration and collection procedures

The Servicer will carry out the administration, collection and enforcement of the Portfolio in accordance with the Servicing Agreement, the Loan Contracts, the contracts relating to Related Collateral and applicable law. However, Polish law provides that if a Debtor has defaulted under a Purchased Receivable, the Servicer will not be able to enforce such a loan against the Debtor in its own name. Instead, the Issuer or the Security Trustee would be the party which would formally enforce the claim.

Accordingly, the Noteholders are relying on the business judgement and practices of the Servicer when enforcing claims against the Debtors, including taking decisions with respect to enforcement in respect of the Portfolio. See **"OUTLINE OF THE OTHER PRINCIPAL TRANSACTION DOCUMENTS — Servicing Agreement"** and **"CREDIT AND COLLECTION POLICY"**.

Replacement of the Servicer

If the appointment of the Servicer is terminated, the Issuer may appoint a substitute servicer pursuant to the Servicing Agreement. Further, any substitute servicer may charge a servicing fee on a basis different from that of the Servicer. Both the failure to appoint a replacement servicer in the event that the Servicer can no longer perform its agreed function and/or the charging by a substitute servicer of a servicing fee greater than that charged by the Servicer may result in a shortfall in funds available to make payments on the Notes. See "**OUTLINE OF THE OTHER PRINCIPAL TRANSACTION DOCUMENTS — Receivables Purchase Agreement**" and "**OUTLINE OF THE OTHER PRINCIPAL TRANSACTION DOCUMENTS — Servicing Agreement**".

Banco Santander, S.A. will undertake in the Security Trust Deed to act as a back-up servicer facilitator (a "**Back-Up Servicer Facilitator**"), if a Servicer's Owner Downgrade 2 occurs, which will require it to select an entity having the requirements set out in the Servicing Agreement and willing to assume the duties of a successor servicer in the event that a Servicer Termination Notice is delivered.

No independent investigation and limited information

None of the Managers, the Arrangers, the Note Trustee, the Security Trustee nor the Issuer has undertaken or will undertake any investigations, searches or other actions to verify the details of the Portfolio or any value of the Related Collateral or to establish the creditworthiness of any Debtor 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 Purchase Agreement in respect of, *inter alia*, the Purchased Receivables, the Debtors, the Loan Contracts underlying the Purchased Receivables and the Related Collateral, including, without limitation, any security interests in the Vehicles. The monetary benefit of all such representations and warranties given to the Issuer will be assigned by way of security by the Issuer in favour of the Security Trustee under the Registered Pledge Agreement.

The Seller is subject to general bank confidentiality and data protection laws and is under no obligation to, and will not provide the Managers, the Note Trustee the Security Trustee nor the Issuer with financial or other information specific to individual Debtors, underlying Loan Contracts and/or the Related Collateral unless permitted by law.

The Managers, the Note Trustee, the Security Trustee and the Issuer will only be supplied with general information in relation to the aggregate of the Debtors and the underlying Loan Contracts, always subject to applicable bank confidentiality and data protection laws.

Further, none of the Managers, the Arrangers, the Note Trustee, the Security Trustee nor the Issuer will have any right to inspect the internal records of the Seller.

The primary remedy of the Note Trustee and the Issuer for breaches of any warranty with respect to, *inter alia*, the enforceability of the Purchased Receivables, the existence of the Related Collateral, the absence of material litigation with respect to the Seller, the transfer of free title to the Issuer and the compliance of the Purchased Receivables with the Eligibility Criteria will be to require the Seller to pay Deemed Collections in an amount equal to the then Outstanding Principal Amount of such Purchased Receivables (or the affected portion thereof) plus accrued and unpaid interest thereon. With respect to breaches of warranties under the Receivables Purchase Agreement generally, the Seller is obliged to indemnify the Issuer against any Liabilities directly resulting from such breaches.

Risk of losses on the Portfolio

The risk to the Class A Noteholders that they will not receive the maximum amount due to them under the Class A Notes as stated on the cover page of this Prospectus is mitigated by the subordination of the Class B Notes, as well as by the amounts credited to the Reserve Account which

will be available on any Payment Date to meet certain obligations of the Issuer including its obligations under the Class A Notes, in accordance with the Pre- Enforcement Priority of Payments.

The risk to the Class B Noteholders that they will not receive the maximum amount due to them under the Class B Notes as stated on the cover page of this Prospectus is mitigated by the amounts credited to the Reserve Account which will be available on any Payment Date to meet certain obligations of the Issuer including its obligations under the Class B Notes, in accordance with the Pre- Enforcement Priority of Payments.

However, there is no assurance that the Class A Noteholders and the Class B Noteholders will receive for each Class A Note and each Class B Note the total initial Note Principal Amount plus interest as stated in the Note Conditions nor that the distributions and amortisations which are made will correspond to the monthly payments originally agreed upon in the underlying Loan Contracts.

Limited availability of the Liquidity Reserve in respect of interest and principal due on the Class A Notes and Class B Notes

Prior to the delivery by the Note Trustee of an Enforcement Notice, in the event of shortfalls under the Purchased Receivables, amounts from the Reserve Account may only be drawn to reduce shortfalls with respect to interest and principal due under the Class A Notes and Class B Notes in accordance with the Pre-Enforcement Priority of Payments.

Credit risk of the Debtors; sale of Vehicles

If the Seller does not receive the full amount due from the Debtors in respect of the Purchased Receivables, the Noteholders are at risk of receiving less than the face value of their Notes and interest payable thereon. Consequently, the Noteholders are exposed to the credit risk of the Debtors. Neither the Seller nor the Issuer guarantees or warrants the full and timely payment by the Debtors of any sums payable under the Purchased Receivables. The ability of any Debtor to make timely payments of amounts due under the relevant Loan Contract will mainly depend on his or her assets and liabilities as well as his or her ability to generate sufficient income to make the required payments. The Debtors' ability to generate income may be adversely affected by a large number of factors. There is no assurance that the present value of the Purchased Receivables will at any time be equal to or greater than the principal amounts outstanding of the Notes. In addition, there can be no assurance as to the future geographical distribution of the Debtors or the Vehicles within Poland and its effect, in particular, on the rate of amortisation of the Purchased Receivables. Consequently, any deterioration in the economic condition of Poland where Debtors and Vehicles are located could have an adverse effect on the ability of the Debtors to repay the loans and the ability of the Security Trustee to sell the Vehicles and could trigger losses in respect of the Notes or reduce their yield to maturity. Furthermore, although the Debtors are located throughout Poland, these Debtors may be concentrated in certain locations, such as densely populated or industrial areas. Any deterioration in the economic condition of the area in which the Debtors are located (or any deterioration in the economic condition of other areas) may have an adverse effect on the ability of the Debtors to make payments under the Loan Contracts. A concentration of the Debtors in such area may therefore result in a greater risk that the Noteholders will ultimately not receive the full principal amount of the Notes and interest thereon than if such concentration had not been present. The rate of recovery upon a Debtor default may itself be influenced by various economic, tax, legal and other factors such as changes in the value of the Vehicles or the level of interest rates from time to time. There might be various risks involved in the sales of used vehicles which could significantly influence the amount of proceeds generated from the sale, e.g. high damages and mileages, less popular configuration (engine, colour etc.), oversized special equipment, huge numbers of homogeneous types of vehicles in short time intervals, general price volatility in the used vehicles market or seasonal impact on sales.

Risk of early repayment

In the event that the Loan Contracts underlying the Purchased Receivables are prematurely terminated or otherwise settled early, the principal repayment of the Notes may be earlier than expected and, therefore, the yield on the Notes may be adversely affected by a higher or lower than anticipated rate of prepayment of the Loan Contracts. The rate of prepayment of the Loan Contracts cannot be predicted and is influenced by a wide variety of economic and other factors, including prevailing interest rates, the buoyancy of the auto finance market, the availability of alternative financing and local and regional economic conditions. Therefore, no assurance can be given as to the level of prepayment that the Purchased Receivables will experience. Based on assumed rates of prepayment the approximate average lives and principal payment windows of the Class A Notes and the Class B Notes are set out in the section entitled **"Weighted Average Life of the Notes and assumptions"**. However, the actual characteristics and performance of the Purchased Receivables will differ from such assumptions and any difference will affect the percentages of the initial amount outstanding of the notes which are outstanding over time and the weighted average lives of the notes.

Risk of late forwarding of payments received by the Servicer

The Seller, as Servicer, will receive and hold Collections in the Seller Collections Accounts before sending them to the Issuer for deposit to the Transaction Account on each Transfer Date. See **"RISK FACTORS – Distribution of Collections from the Seller to the Issuer – risks in event of the Seller's insolvency"**.

No assurance can be given that the Servicer will promptly forward all amounts collected from Debtors pursuant to the relevant Loan Contracts to the Issuer in respect of a particular Collection Period in accordance with the Servicing Agreement. Except under specific circumstances as provided in the Servicing Agreement, no specific cash reserve will be established to avoid any resulting shortfall in the payments of principal and interest by the Issuer in respect of the Notes on the Payment Date immediately following such Collection Period. Consequently, any Collections that are forwarded late will only be paid to the Noteholders on the subsequent Payment Date. Pursuant to the Servicing Agreement, if the Servicer fails to remit Collections or make any other payment due under the Servicing Agreement at the latest on the third Business Day after its due date, or, in the event no due date has been determined, within three (3) Business Days after the demand for payment, the Issuer may terminate the appointment of the Servicer and appoint a substitute servicer. See **"OUTLINE OF THE OTHER PRINCIPAL TRANSACTION DOCUMENTS – Servicing Agreement"**.

The Liquidity Reserve is designed to mitigate the risk of the Issuer not receiving enough funds to pay interest due under the Notes. The Class A Notes also benefit from the subordination of payments to be made to the Class B Notes.

Creditworthiness of parties to the Transaction Documents

The ability of the Issuer to meet its obligations under the Notes will be dependent on the performance of the duties by each party to the Transaction Documents.

No assurance can be given that the creditworthiness of the parties to the Transaction Documents, in particular the Servicer, will not deteriorate in the future. This may affect the performance of their respective obligations under the respective Transaction Documents. In particular, it may affect the administration, collection and enforcement of the Purchased Receivables by the Servicer in accordance with the Servicing Agreement.

Sharing with other creditors

The proceeds of enforcement and collection of the Secured Assets created by the Issuer in favour of the Security Trustee will be used in accordance with the Post-Enforcement Priority of Payments to

satisfy claims of all Issuer Secured Parties thereunder. The claims of certain creditors will be settled ahead of those of the Noteholders in accordance with the Post-Enforcement Priority of Payments.

Preferred creditors under Irish law

Under Irish law, upon the insolvency of an Irish incorporated company such as the Issuer, when applying the proceeds of assets subject to fixed security which may have been realised in the course of a liquidation or receivership, the claims of a limited category of preferential creditors will take priority over the claims of creditors holding the relevant fixed security. These preferred claims include the remuneration, costs and expenses properly incurred by an examiner of the company (which may include any borrowing made by any examiner to fund the Issuer's requirements for the duration of this appointment) which have been approved by the Irish courts. See "**Examinership**".

The holder of a fixed security over the book debts of an Irish tax resident company (which would include the money standing to the credit of the accounts of the Issuer) may be required by the Irish Revenue Commissioners, by notice in writing from the Irish Revenue Commissioners, to pay to them sums equivalent to those which the holder of the fixed security thereafter receives in payment of debts due to it by the company. Where the holder of the security has given notice to the Irish Revenue Commissioners of the creation of the security within 21 days of its creation, the holder's liability is limited to the amount of certain outstanding Irish tax liabilities of the company (including liabilities in respect of value added tax) arising after the issuance of a notice by the Irish Revenue Commissioners to the holder of fixed security.

The Irish Revenue Commissioners may also attach any debt due to an Irish tax resident company by another person in order to discharge any liabilities of the company in respect of outstanding tax whether the liabilities are due on its own account or as an agent or trustee. The scope of this right of the Irish Revenue Commissioners has not yet been considered by the Irish courts and it may override the rights of holders of security (whether fixed or floating) over the debt in question.

In relation to the disposal of assets of an Irish tax resident company which are subject to security, a person entitled to the benefit of the security may be liable for tax in relation to any capital gains made by the company on a disposal of those assets on exercise of the security.

The essence of a fixed charge is that the person creating the charge does not have liberty to deal with the assets which are the subject matter of the security in the sense of disposing of such assets or expending or appropriating the moneys or claims constituting such assets and accordingly, if and to the extent that such liberty is given to the Issuer any security constituted by the Security Trust Deed and the Registered Pledge Agreement may operate as a floating, rather than a fixed charge.

In particular, the Irish courts have held that in order to create a fixed charge on Receivables it is necessary to oblige the chargor to pay the proceeds of collection of the Receivables into a designated bank account and to prohibit the chargor from withdrawing or otherwise dealing with the monies standing to the credit of such account without the consent of the chargee.

Depending on the level of control actually exercised by the chargor, it is possible that security created by the Issuer under the Security Trust Deed and the Registered Pledge Agreement would be regarded by the Irish courts a floating charge. Under Irish law, floating charges have certain weaknesses including the following:

- (a) they rank after certain preferential creditors, such as claims of employees and certain taxes on winding up;
- (b) they rank after certain insolvency remuneration expenses and liabilities;

- (c) the examiner of a company has certain rights to deal with the property covered by the floating charges; and
- (d) they rank after fixed charges.

Examinership

Examination is a court procedure available under the Companies (Amendment) Act 1990, as amended (the "**1990 Act**") to facilitate the survival of Irish companies in financial difficulties.

The Issuer, the directors of the Issuer, a contingent, prospective or actual creditor of the Issuer, or shareholders of the Issuer holding, at the date of presentation of the petition, not less than one-tenth of the voting share capital of the Issuer are each entitled to petition the court for the appointment of an examiner. The examiner, once appointed, has the power to set aside contracts and arrangements entered into by the company after this appointment and, in certain circumstances, can avoid a negative pledge given by the company prior to this appointment. Furthermore, the examiner may sell assets, the subject of a fixed charge. However, if such power is exercised the examiner must account to the holders of the fixed charge for the amount realised and discharge the amount due to the holders of the fixed charge out of the proceeds of the sale.

During the period of protection, the examiner will formulate proposals for a compromise or scheme of arrangement to assist the survival of the company or the whole or any part of its undertaking as a going concern. A scheme of arrangement may be approved by the Irish High Court when at least one class of creditors has voted in favour of the proposals and the Irish High Court is satisfied that such proposals are fair and equitable in relation to any class of members or creditors who have not accepted the proposals and whose interests would be impaired by implementation of the scheme of arrangement.

In considering proposals by the examiner, it is likely that secured and unsecured creditors would form separate classes of creditors. In the case of the Issuer, if the Security Trustee represented the majority in number and value of claims within the secured creditor class (which would be likely given the restrictions agreed to by the Issuer in the Note Conditions), the Security Trustee would be in a position to reject any proposal not in favour of the Noteholders. The Security Trustee would also be entitled to argue at the Irish High Court hearing at which the proposed scheme of arrangement is considered that the proposals are unfair and inequitable in relation to the Noteholders, especially if such proposals included a writing down to the value of amounts due by the Issuer to the Noteholders or resulted in Noteholders receiving less than they would have if the Issuer was wound up. The primary risks to the holders of Notes if an examiner were appointed to the Issuer are as follows:

- (a) the potential for a compromise or scheme of arrangement being approved involving the writing down or rescheduling of the debt due by the Issuer to the Noteholders as secured by the Security Documents;
- (b) the potential for the examiner to seek to set aside any negative pledge in the Transaction Documents prohibiting the creation of security or the incurring of borrowings by the Issuer to enable the examiner to borrow to fund the Issuer during the protection period; and
- (c) in the event that a scheme of arrangement is not approved and the Issuer subsequently goes into liquidation, the examiner's remuneration and expenses (including certain borrowings incurred by the examiner on behalf of the Issuer and approved by the Irish High Court) will take priority over the monies and liabilities which from time to time are or may become due, owing or payable to each of the Noteholders under the Notes or the other Transaction Documents and which are secured by the security granted pursuant to the Security Documents.

Not a bank deposit

Any investment in the Notes does not have the status of a bank deposit in Ireland and is not within the scope of the deposit protection scheme operated by the Central Bank of Ireland or any other guarantee scheme operated in Ireland or elsewhere. The Issuer is not regulated by the Central Bank of Ireland by virtue of the issue of the Notes.

Other risks

The Issuer believes that the risks described above are the principal risks inherent in the transaction for the Noteholder, 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 risk of holding the Notes are exhaustive. Although the Issuer believes that the various structural elements described in this Prospectus lessen some of these risks for the 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.

CREDIT STRUCTURE

Purchased Receivable interest rates

The Purchased Receivables include: (i) Finance Agreements, and (ii) HP Agreements.

Cash collection arrangements

Payments by the Debtors under the Purchased Receivables are due on a monthly basis on the same day each month (subject to business day adjustment). The Debtor may choose the date of the month on which payments are to be made. This date is fixed throughout the lifetime of the contract.

The majority of Debtors have payment dates falling throughout the month. With the most popular payment dates for auto-loans falling on the tenth, fifteenth, twentieth and twenty-fifth of the month. For hire purchase agreements there are no particular dates more popular than the other ones.

Following the purchase of the Portfolio by the Issuer, the Debtors will continue to make payments on the Purchased Receivables into the Seller Collections Accounts until they are otherwise instructed. The Servicer will, not later than the Warsaw Banking Day following each Warsaw Banking Day when any payments are received and credited to any Seller Collections Account, identify the portion, if any, of those payments that constitute Collections. For so long as a Servicer's Owner Downgrade 1 exists and no Notification Event has occurred, which has not been waived, all Collections paid into the Seller Collections Accounts shall be transferred by the Servicer to the Transaction Account within one Warsaw Banking Day after the date on which such Collections are received in accordance with the provisions of the Servicing Agreement.

As at the date of this Prospectus, the Servicer's Owner's short-term and long-term unsecured, unsubordinated and unguaranteed indebtedness is rated "P-2" and "Baa1" respectively by Moody's and "F2" and "A-" respectively by Fitch, therefore, a Servicer's Owner Downgrade 1 has occurred. As a consequence, any and all Collections received from time to time in the Seller Collections Account will be transferred to the Transaction Account as described above.

The Servicing Agreement will further provide that, on the occurrence of a Notification Event, the Issuer (or another person on its behalf) will, or will require the Servicer to, direct the Debtors to make payments on Purchased Receivables to the Issuer Collections Account at the Transaction Account Bank. On each Transfer Date, the Servicer will transfer the amounts on deposit in the Issuer Collections Account to the Transaction Account.

The Servicer will keep ledgers which, among other things, identify all amounts paid into the Transaction Account and the Reserve Account.

If at any time a Ratings Downgrade has occurred with respect to the Transaction Account Bank and no action has been taken (including, without limitation, the provision of a guarantee in relation to the obligations of the Transaction Account Bank) in respect of which the relevant Rating Agency has confirmed (by way of public statement or otherwise) that the rating of the Notes in effect immediately prior to the relevant Ratings Downgrade will not be adversely affected thereby, the Issuer will be required, within thirty (30) calendar days after the Ratings Downgrade, to transfer any amounts credited to the Issuer Secured Accounts, at no cost to the Issuer, to an alternative bank with at least the Required Ratings. The alternative bank will need to (i) enter into a Transaction Account Agreement prior to the transfer and (ii) accede to the Security Trust Deed.

"Ratings Downgrade" shall mean, at any time, with respect to any person, either (a) any of the ratings assigned by the Rating Agencies to the debt obligations of that person have been downgraded

or withdrawn so that that person no longer has the Required Ratings or (b) such debt obligations are no longer rated by any of the Rating Agencies.

"Required Ratings" shall mean:

- (a) the short-term unsecured, unsubordinated and unguaranteed debt obligations of that person are assigned a rating of at least "F-1" (or its equivalent) by Fitch and "P-1" (or its equivalent) by Moody's or in either case such other rating which is consistent with the then current rating methodology of the applicable Rating Agency; and
- (b) the long-term unsecured, unsubordinated and unguaranteed debt obligations of that person are assigned a rating of at least "A" (or its equivalent) by Fitch and "A2" (or its equivalent) by Moody's or in either case such other rating which is consistent with the then current rating methodology of the applicable Rating Agency.

Available Distribution Amount

The Available Distribution Amount will be calculated as at each Cut-Off Date with respect to the Collection Period ending on such Cut-Off Date for the purpose of determining, *inter alia*, the amount to be applied under the Pre-Enforcement Priority of Payments on the immediately following Payment Date.

The amounts to be applied under the Pre-Enforcement Priority of Payments will vary during the life of the transaction as a result of possible variations in the amount of Collections and certain costs and expenses of the Issuer.

The amount of Collections received by the Issuer under the Receivables Purchase Agreement will vary during the life of the Notes as a result of the level of delinquencies, defaults, repayments and prepayments in respect of, *inter alia*, the Purchased Receivables. The effect of such variations could lead to drawings, and the replenishment of such drawings, from the Reserve Account.

Pre-Enforcement Priority of Payments

The Available Distribution Amount will, pursuant to the Note Conditions and Security Trust Deed, be applied as of each Payment Date in accordance with the Pre-Enforcement Priority of Payments as set out in Note Condition 2.3 (*Pre-Enforcement Priority of Payments*).

The amount of interest and principal payable under the Notes on each Payment Date will depend primarily on the amount of Collections received by the Issuer during the Collection Period immediately preceding such Payment Date and certain costs and expenses of the Issuer. See **"NOTE CONDITIONS — Status, Security and Priority — Pre-Enforcement Priority of Payments"**.

Payments to satisfy amounts due to third parties (other than pursuant to the Transaction Documents) and payable in connection with the Issuer's business may be made from the Transaction Account and the Reserve Account other than on a Payment Date.

Residual payment to the Seller

On each Payment Date, the difference (if any) between the Available Distribution Amount and the sum of all amounts payable or to be applied (as the case may be) by the Issuer under all items (except the last) of the Pre-Enforcement Priority of Payments with respect to the Cut-Off Date immediately preceding such Payment Date shall be disbursed to the Seller as residual payment in accordance with and subject to the Pre-Enforcement Priority of Payments.

Post-Enforcement Priority of Payments

Following the delivery by the Note Trustee of an Enforcement Notice and prior to the full discharge of all Transaction Secured Obligations, any amounts payable by the Issuer or, in the case of enforcement of the Secured Assets, by the Security Trustee will be paid to, or to the order of, the Note Trustee to be applied in accordance with the Post-Enforcement Priority of Payments set out in Note Condition 2.4 (*Post-Enforcement Priority of Payments*).

Reserve Account

The Issuer will establish and maintain the Reserve Account for the purpose of holding a liquidity reserve in an amount up to the Required Liquidity Reserve Amount (the "**Liquidity Reserve**"), designed to cover temporary shortfalls in Collections available to pay senior expenses and interest on the Class A Notes and Class B Notes.

On the Note Issuance Date, an amount of PLN 27,340,000 will be credited to the Reserve Account (such amount being the initial Required Liquidity Reserve Amount) by the making of a drawing under the Subordinated Loan. See "**CREDIT STRUCTURE — Subordinated Loan**".

Prior to delivery by the Note Trustee of an Enforcement Notice:

- (a) the Liquidity Reserve as of the Cut-Off Date immediately preceding any Payment Date will be available to meet items (a) to (g) (inclusive) of the Pre-Enforcement Priority of Payments; and
- (b) if and to the extent that the Available Distribution Amount on any Payment Date exceeds the amounts required to meet the items ranking higher than item (h) in the Pre-Enforcement Priority of Payments, the excess amount will be applied to credit to the Reserve Account, if necessary, in an amount, up to the Required Liquidity Reserve Amount as at the immediately preceded Cut-Off Date.

Pursuant to the Note Conditions, the Standard Required Liquidity Reserve Amount will be:

- (a) on the Note Issuance Date, PLN 27,340,000;
- (b) as at each Cut-Off Date prior to (but excluding) the Amortisation Threshold Date, an amount equal to 2% of the Initial Aggregate Note Principal Amount;
- (c) on the Cut-Off Date falling on the Amortisation Threshold Date and as at each Cut-Off Date following the Amortisation Threshold Date, an amount equal to two times 2% of the Aggregate Note Principal Amount as at such Cut-Off Date; and
- (d) zero following the earliest of:
 - (i) repayment in full of interest and principal due in respect of the Class A Notes and the Class B Notes;
 - (ii) the Cut-Off Date on which the Aggregate Outstanding Loan Principal Amount is zero but the Class A Notes and the Class B Notes have not been redeemed in full; and
 - (iii) the Maturity Date;

provided that, in the case of (a), (b) and (c) above, the Required Liquidity Reserve Amount shall not be less than 0.5% of the Initial Aggregate Note Principal Amount.

In the event of any reduction of the Standard Required Liquidity Reserve Amount from time to time, an amount which is equal to the difference between (A) the Standard Required Liquidity Reserve Amount as of a particular Cut-Off Date and (B) the Standard Required Liquidity Reserve Amount on the immediately preceding Cut-Off Date, may, subject to there being a sufficient Available Distribution Amount, be applied by the Issuer to pay outstanding principal under the Subordinated Loan in accordance with limb (k) of the Pre-Enforcement Priority of Payments.

Credit enhancement

As, on the Note Issuance Date, the average interest rate under the Loan Contracts exceeds the average interest rate of the Class A Notes and the Class B Notes (the "**Excess Spread**"), it is expected that the Available Distribution Amount on each Payment Date will exceed the amounts required to pay Class A Notes Interest and Class B Notes Interest and the items ranking higher than Class A Notes Interest and Class B Notes Interest in the Pre-Enforcement Priority of Payments and that over the life of the Transaction the sum of the Available Distribution Amounts will exceed the amounts needed to pay items (a) to (e) in the Pre-Enforcement Priority of Payments, to pay the Class A Notes Interest, to repay the Class A Principal Amount in full, to pay the Class B Notes Interest and to repay the Class B Principal Amount in full.

Prior to the delivery by the Note Trustee of an Enforcement Notice, the Class A Notes benefit from credit enhancement through subordination of principal payments on the Class B Notes and interest and principal on the Subordinated Loan as well as, in certain circumstances, Excess Spread (if any). Prior to the delivery by the Note Trustee of an Enforcement Notice, the Class B Notes benefit from credit enhancement through subordination of interest and principal on the Subordinated Loan as well as, in certain circumstances, Excess Spread (if any).

Following the delivery by the Note Trustee of an Enforcement Notice, the Class A Notes have the benefit of credit enhancement provided through the subordination, both as to payment of interest and principal and on enforcement of the Secured Assets, of the Class B Notes and the Subordinated Loan. Following the delivery by the Note Trustee of an Enforcement Notice, the Class B Notes have the benefit of credit enhancement provided through the subordination, both as to payment of interest and principal and on enforcement of the Secured Assets, of the Subordinated Loan. Following the delivery by the Note Trustee of an Enforcement Notice, the Liquidity Reserve will be included in the Available Distribution Amount and applied on the next Payment Date in accordance with the Post-Enforcement Priority of Payments.

Subordinated Loan

The Subordinated Loan Provider has made available to the Issuer on or prior to the Purchase Date an advance in the principal amount of PLN 411,776,438.43 which has been utilised to (i) pay the part of the purchase price of the Portfolio not covered by the Initial Aggregate Note Principal Amount, and (ii) for the purpose of funding the Reserve Account (up to the amount of the Required Liquidity Reserve Amount).

The obligations of the Issuer under the Subordinated Loan are subordinated to the obligations of the Issuer under the Class A Notes and the Class B Notes and, following the delivery by the Note Trustee of an Enforcement Notice, rank against the Class A Notes, the Class B Notes and all other obligations of the Issuer in accordance with the Post-Enforcement Priority of Payments.

Prior to the delivery by the Note Trustee of an Enforcement Notice, interest under the Subordinated Loan will be payable by the Issuer monthly in arrear on each Payment Date, subject to and in accordance with the Pre-Enforcement Priority of Payments. The principal amount outstanding and unpaid on the Subordinated Loan will be repaid by the Issuer out of reductions in the amount of the Required Liquidity Reserve Amount in accordance with the Pre-Enforcement Priority of Payments.

See "OUTLINE OF THE OTHER PRINCIPAL TRANSACTION DOCUMENTS — Subordinated Loan Agreement".

NOTE CONDITIONS

The floating rate secured notes of SC Poland Auto 2014-1 Limited (the "**Issuer**") will be issued on or about 27 June 2014 (the "**Note Issuance Date**") and consist of the PLN 1,158,000,000 Class A Floating Rate Secured Notes due June 2025 (the "**Class A Notes**") and the PLN 209,000,000 Class B Floating Rate Secured Notes due June 2025 (the "**Class B Notes**"), and each being a "**Class of Notes**" and together referred to as the "**Notes**").

Application has been made to the Irish Stock Exchange for the Class A Notes and the Class B Notes to be admitted to the Official List and trading on its regulated market. Application may also be made for the Class A Notes to be admitted to listing and/or trading on a regulated market in Poland.

The Notes are constituted by a note trust deed dated the Note Issuance Date (the "**Note Trust Deed**" as amended or supplemented from time to time) between the Issuer and U.S. Bank Trustees Limited as note trustee (the "**Note Trustee**", which expression includes all persons for the time being trustee or trustees appointed under the Note Trust Deed). The Notes will have the benefit of an agency agreement dated the Note Issuance Date (the "**Agency Agreement**" as amended or supplemented from time to time) between the Issuer and the Note Trustee with Elavon Financial Services Limited as principal paying agent, calculation agent and cash administrator (the "**Principal Paying Agent**", "**Calculation Agent**" and the "**Cash Administrator**" and together with the Principal Paying Agent, the Calculation Agent and the Cash Administrator, the "**Agents**", which expression includes any successor, principal paying agent or calculation agent or cash administrator appointed from time to time in connection with the Notes).

These conditions (the "**Note Conditions**") include summaries of, and are subject to, the detailed provisions of the following agreements, dated the Note Issuance Date and as amended and supplemented from time to time: the Note Trust Deed (which includes the forms of the Notes), the Agency Agreement, an English law security trust deed (the "**Security Trust Deed**") between, inter alios, the Issuer and U.S. Bank Trustees Limited as security trustee (the "**Security Trustee**", which expression includes, where the context permits, U.S. Bank Trustees Limited in its capacity as Pledgee under the Registered Pledge Agreement (as defined below)) and a Polish registered pledge agreement between the Issuer and the Pledgee (the "**Registered Pledge Agreement**"). Copies of the Note Trust Deed, the Security Trust Deed, the Agency Agreement, the Registered Pledge Agreement and the other Transaction Documents (but excluding the Subscription Agreement) are available for inspection during usual business hours at the specified office of the Principal Paying Agent.

The holders of the Notes (the "**Noteholders**") and, to the extent Definitive Notes are issued, the holders (the "**Receiptholders**") of the related principal receipts (the "**Receipts**"), and the holders of the interest coupons (the "**Couponholders**" and the "**Coupons**" (and the talons for further coupons, the "**Talons**") respectively) are entitled to the benefit of the Note Trust Deed and are bound by, and are deemed to have notice of, the provisions of the Note Trust Deed, the Security Trust Deed, the Agency Agreement and the Registered Pledge Agreement.

1. FORM, DENOMINATION AND TITLE

1.1 Form

- (a) The Class A Notes and the Class B Notes will be initially represented by separate temporary global note certificates in bearer form (the "**Class A Temporary Global Note**" and the "**Class B Temporary Global Note**" and together, the "**Temporary Global Notes**") without Coupons or Receipts attached. The Temporary Global Notes will be exchangeable for separate permanent global notes in bearer form which are recorded in the records of Euroclear and Clearstream (the "**Class A Permanent Global Note**", together with the Class A Temporary Global Note, the "**Class A Note Certificates**" and the "**Class B Permanent**

Global Note", together with the Class B Temporary Global Note, the **"Class B Note Certificates"**) without Coupons or Receipts attached. The Temporary Global Notes will be exchangeable not earlier than 40 calendar days and not later than 180 calendar days after the Note Issuance Date, upon certification of non-U.S. beneficial ownership, for interests in a Permanent Global Note. The Class A Note Certificates and the Class B Note Certificates will be deposited with a common safekeeper for Euroclear and Clearstream Luxembourg on or before the Note Issuance Date and recorded in the records of Euroclear and Clearstream Luxembourg. The Class A Notes and the Class B Notes shall be effectuated by the Common Safekeeper.

- (b) The Class A Notes and the Class B Notes are issued in a new global note ("**NGN**") form and kept in custody with the Common Safekeeper for the Class A Notes and the Class B Notes until all obligations of the Issuer under the Class A Notes and the Class B Notes have been satisfied. For so long as any Class A Notes or Class B Notes are represented by global notes, transfers and exchanges of beneficial interests in the global notes will be effected subject to and in accordance with the rules and procedures from time to time of Euroclear or Clearstream Luxembourg, as appropriate.
- (c) Each of the Class A Note Certificates and the Class B Note Certificates will be exchangeable, free of charge to the holder in whole but not in part, for a Note in definitive form ("**Definitive Notes**") if:
 - (i) either Euroclear or Clearstream, Luxembourg 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 has in fact done so and no successor clearing system acceptable to the Note Trustee is available; or
 - (ii) any of the circumstances described in Note Condition 12 (*Events of Default*) occurs; or
 - (iii) as a result of any amendment to, or change in (A) the laws or regulations of Ireland or the United Kingdom (or of any political sub-division thereof) or of any authority therein or thereof having power to tax or (B) the interpretation or administration of such laws or regulations, which becomes effective on or after the Note Issuance Date, the Issuer or the Principal Paying Agent is or will be required to make any deduction or withholding for or on account of tax from any payment in respect of the Notes which would not be required were the Notes in definitive form,

If any of the above events occurs, then the Issuer will, within 30 days of the occurrence of the relevant event, issue serially numbered note certificates, where applicable, in definitive form in exchange for the whole outstanding interest in the relevant Note Certificate.

In such circumstances, the relevant Note Certificate shall be exchanged in full for individual certificates and the Issuer will, at the cost of the Issuer (but against such indemnity as the Principal Paying Agent may require in respect of any tax or other duty of whatever nature which may be levied or imposed in connection with such exchange), cause sufficient individual certificates to be executed and delivered to the Principal Paying Agent for completion, authentication and despatch to the relevant Noteholders. A person having an interest in a Note Certificate must provide the Principal Payment Agent with a written order containing instructions and such other information as the Issuer and the Principal Payment Agent may require to complete, execute and deliver such individual certificates.

- (d) The aggregate nominal amount of the Class A Notes and the Class B Notes represented by the Class A Note Certificates and the Class B Note Certificates shall be the aggregate amount from time to time entered in the records of both Euroclear and Clearstream, Luxembourg. Absent manifest errors, the records of Euroclear and Clearstream, Luxembourg (meaning the records that each Euroclear and Clearstream, Luxembourg holds for its customers which reflect the amount of such customer's interest in the Class A Notes and the Class B Notes) shall be conclusive evidence of the aggregate nominal amount of the Class A Notes and the Class B Notes represented by the Class A Note Certificate and the Class B Note Certificate, respectively, and, for these purposes, a statement issued by Euroclear or Clearstream, Luxembourg, as applicable, stating the aggregate nominal amount of the Notes so represented at any time shall be conclusive evidence of the records of Euroclear and Clearstream, Luxembourg (as applicable) at that time.
- (e) On any redemption or payment of interest being made in respect of any of the Class A Notes or the Class B Notes, the Issuer shall procure that details of any such redemption or payment (as the case may be) shall be entered *pro rata* in the records of Euroclear and Clearstream, Luxembourg and, upon any such entry being made, the aggregate nominal amount of the Class A Notes and the Class B Notes recorded in the records of Euroclear and Clearstream, Luxembourg and represented by the applicable Class A Note Certificate and Class B Note Certificate shall be reduced by the aggregate nominal amount of the Class A Notes and the Class B Notes (respectively) so redeemed.

1.2 Denomination

The Class A Notes and the Class B Notes will be issued in the denomination of PLN 500,000 and integral multiples of PLN 1,000.

1.3 Title

Title to any Note, Receipt or Coupon shall pass by delivery. The holder of any Note, Receipt or Coupon shall (except as otherwise required by law) be treated as its absolute owner for all purposes (including the making of a payment whether or not any payment is overdue and regardless of any notice of ownership, trust or any other interest therein, any writing thereon or any notice of any previous loss or theft thereof) and no person shall be liable for so treating such holder.

2. STATUS, SECURITY AND PRIORITY

2.1 Status

The Notes constitute direct, secured and (subject to Note Condition 2.5 (*Limited recourse and non-petition*)) unconditional obligations of the Issuer. The obligations of the Issuer under the Class A Notes rank *pari passu* amongst themselves without priority or preference. Following the delivery by the Note Trustee of an Enforcement Notice (as defined in Note Condition 12 (*Events of Default*)), the obligations of the Issuer under the Class A Notes rank against all other current and future obligations of the Issuer in accordance with the Post-Enforcement Priority of Payments. The obligations of the Issuer under the Class B Notes rank *pari passu* amongst themselves without priority or preference. Following the delivery by the Note Trustee of an Enforcement Notice (as defined in Note Condition 12 (*Events of Default*)), the obligations of the Issuer under the Class B Notes rank against all other current and future obligations of the Issuer in accordance with the Post-Enforcement Priority of Payments.

2.2 Security

As security for the payment and discharge of the Transaction Secured Obligations, the Issuer has:

- (a) pursuant to the Registered Pledge Agreement, pledged to the Pledgee the Issuer's rights in respect of a collection of movables and rights being an economic entirety in Poland (the "**Polish Secured Assets**"); and
- (b) pursuant to the Security Trust Deed, granted (i) an assignment with full title guarantee of all of its rights under the Assigned Documents, (ii) a first fixed charge over all of the Issuer's rights, amounts, benefits and securities standing to the credit, or deposited in, Issuer Secured Accounts and the indebtedness represented by them and (iii) a first floating charge with full title guarantee over the whole of the Issuer's undertaking and all of its property, assets and rights whatsoever and wheresoever present and future (other than amounts standing to the credit of the Share Capital Account) from time to time (collectively the "**English Secured Assets**" and together with the Polish Secured Assets and the Registered Pledge Agreement, the "**Secured Assets**").

2.3 Pre-Enforcement Priority of Payments

On each Payment Date prior to the delivery by the Note Trustee of an Enforcement Notice in accordance with Note Condition 12, the Available Distribution Amount as of the Cut-Off Date immediately preceding such Payment Date will be applied in accordance with the following order of priorities:

- (a) to pay any obligation of the Issuer which is due and payable with respect to corporation and trade tax under any applicable law (if any);
- (b) *pro rata* and *pari passu* to pay any fees, costs, taxes (excluding, for the avoidance of doubt, any income taxes or other general taxes due and payable in the ordinary course of business), expenses and other amounts due and payable to the Note Trustee, Security Trustee and Pledgee under the Transaction Documents;
- (c) to pay *pari passu* with each other on a *pro rata* basis (according to the respective amounts due and payable) any fees, costs, taxes (excluding, for the avoidance of doubt, any income taxes or other general taxes due and payable in the ordinary course of business), expenses and other amounts due and payable to the Corporate Administrator under the Corporate Administration Agreement and the Transaction Account Bank under the Transaction Account Agreement, any amounts due and payable by the Issuer in connection with the establishment of the Issuer, and any other amounts due and payable or which are expected to fall due and payable by the Issuer in connection with the liquidation or dissolution (if applicable) of the Issuer or any annual return, filing, stock exchange announcement and registered office or other company, licence or statutory fee in Ireland and a reserved profit of the Issuer of up to EUR 1,000 annually;
- (d) to pay *pari passu* with each other on a *pro rata* basis any fees, costs, taxes (excluding, for the avoidance of doubt any income taxes or other general taxes due in the ordinary course of business), indemnity payments, expenses and other amounts due and payable to the legal advisers or auditors of the Issuer, the Rating Agencies (including any on-going monitoring fees), the Principal Paying Agent, the Cash Administrator and the Calculation Agent under the Agency Agreement, the Arrangers and Managers under the Subscription Agreement, the relevant stock exchange on which the Notes may be listed, any listing agent, any intermediary

between the Issuer, the Noteholders and the relevant stock exchange, the Common Safekeepers and any other relevant party with respect to the issue of the Notes;

- (e) to pay *pari passu* with each other on a *pro rata* basis any fees, costs, taxes (excluding, for the avoidance of doubt, any income taxes or other general taxes due in the ordinary course of business), expenses and other amounts due and payable to the Servicer under the Servicing Agreement or otherwise, and any such amounts due and payable to any substitute servicer or back-up servicer (including any expenses, costs and fees incurred in the course of replacement) for the Purchased Receivables and the related collateral which may be appointed from time to time in accordance with the Receivables Purchase Agreement or the Servicing Agreement;
- (f) to pay Class A Notes Interest due and payable on such Payment Date *pro rata* on each Class A Note;
- (g) to pay Class B Notes Interest due and payable on such Payment Date *pro rata* on each Class B Note;
- (h) until (but not including) the Payment Date on which each of the Class A Principal Amount and the Class B Principal Amount is reduced to zero, to credit the Reserve Account so that the amount on deposit in the Reserve Account in respect of the Liquidity Reserve will equal the Required Liquidity Reserve Amount as of the immediately preceding Cut-Off Date;
- (i) to pay any Class A Notes Principal as of such Cut-Off Date, *pro rata* on each Class A Note, but only until the Class A Principal Amount following such payment is equal to the Class A Target Principal Amount;
- (j) after the Class A Notes have been redeemed in full, to pay any Class B Notes Principal as of such Cut-Off Date, *pro rata* on each Class B Note, but only until the Class B Principal Amount following such payment is equal to the Class B Target Principal Amount;
- (k) unless the Payment Date falls on a Servicer Disruption Date, to pay *first*, interest (including accrued interest) due and payable under the Subordinated Loan and *second*, outstanding principal under the Subordinated Loan in the event of any reduction of the Standard Required Liquidity Reserve Amount from time to time (if any) in accordance with the provisions of the Subordinated Loan Agreement, in an amount (if any) which is equal to the difference between (A) the Standard Required Liquidity Reserve Amount as of the Cut-Off Date immediately preceding such Cut-Off Date and (B) the Standard Required Liquidity Reserve Amount as of such Cut-Off Date, but in no event more than the difference between the actual credit then standing to the Reserve Account as of such Cut-Off Date and the Required Liquidity Reserve Amount as of such Cut-Off Date (and if such difference is negative it shall be deemed to be zero) and *third* only after all of the Class A Notes and the Class B Notes have been redeemed in full, the outstanding principal on the Subordinated Loan;
- (l) unless the Payment Date falls on a Servicer Disruption Date, to pay any amounts owed by the Issuer to the Seller due and payable under the Receivables Purchase Agreement in respect of (i) any valid return of a direct debit, if any (to the extent such returns do not reduce the Collections for the Collection Period ending on such Cut-Off Date), (ii) any tax credit relief, remission or repayment received by the Issuer on account of any tax or additional amount paid by the Seller or (iii) any Deemed Collection paid by the Seller for a Disputed Receivable which proves subsequently with *res judicata* to be an enforceable Purchased Receivable, or otherwise (including, for the avoidance of doubt, any claims of the Seller against the Issuer for breach of obligation) under the Receivables Purchase Agreement or other Transaction Documents; and

- (m) unless the Payment Date falls on a Servicer Disruption Date, to pay, prior to the occurrence of a Servicer Termination Event any remaining amount to the Seller in accordance with the Receivables Purchase Agreement.

When amounts are due to be paid on a "*pro rata*" or "*pari passu*" basis and the recipients are owed amounts denominated in PLN and other currencies, for the purposes of calculating each recipient's share of the total amount, all such amounts that are denominated in such other currencies shall be converted into PLN using the Spot Rate.

2.4 Post-Enforcement Priority of Payments

Following the delivery by the Note Trustee of an Enforcement Notice in accordance with Note Condition 12, on any Payment Date the Post Enforcement Available Distribution Amount will be applied in the following order towards fulfilling the payment obligations of the Issuer, in each case only to the extent payments of a higher priority have been made in full:

- (a) (i) if the Issuer is declared insolvent within the meaning of the Insolvency and Restructuring Law, to pay the costs and satisfy claims required by provisions of the Insolvency and Restructuring Law, (ii) if court enforcement proceedings have been commenced under the Polish Civil Procedure Code, to pay the costs in connection with such enforcement proceedings up to the amounts obtained as a result of such enforcement proceedings or (iii) if out-of-court proceedings have been commenced in accordance with the Registered Pledge Law, to pay costs connected with the out-of-court enforcement proceedings under the Registered Pledge Law up to the amounts obtained as a result of such out-of-court enforcement proceedings;
- (b) to pay any obligation of the Issuer with respect to corporation and trade tax under any applicable law (if any) which is due and payable;
- (c) to pay *pro rata* and *pari passu* any fees, costs, taxes (excluding, for the avoidance of doubt, any income taxes or other general taxes due and payable in the ordinary course of business), expenses and other amounts due and payable to the Note Trustee, Security Trustee and Pledgee under the Transaction Documents and any Receiver or manager or administrative receiver under the Transaction Documents appointed in respect of the Issuer;
- (d) to pay *pari passu* with each other on a *pro rata* basis any fees, costs, taxes (excluding, for the avoidance of doubt, any income taxes or other general taxes due in the ordinary course of business), expenses and other amounts due and payable to the Corporate Administrator under the Corporate Administration Agreement, and the Transaction Account Bank under the Transaction Account Agreement, and any amounts due and payable or which are expected to fall due and payable by the Issuer in connection with the liquidation or dissolution (if applicable) of the Issuer or any annual return, filing, registration, stock exchange announcement and registered office or other company licence or statutory fees in Ireland;
- (e) to pay *pari passu* with each other on a *pro rata* basis any fees, costs, taxes (excluding, for the avoidance of doubt any income taxes or other general taxes due in the ordinary course of business), indemnity payments, expenses and other amounts due and payable to legal advisers or auditors of the Issuer, the Rating Agencies (including any on-going monitoring fees), the Principal Paying Agent the Cash Administrator, the Calculation Agent under the Agency Agreement, the Arrangers and Managers under the Subscription Agreement, the relevant stock exchange on which the Notes may be listed, any listing agent, any intermediary between the Issuer, the Noteholders and the relevant stock exchange, the Common Safekeepers and any other relevant party with respect to the issue of the Notes;

- (f) to pay *pari passu* with each other on a *pro rata* basis any fees, costs, taxes (excluding, for the avoidance of doubt, any income taxes or other general taxes due in the ordinary course of business), expenses and other amounts due and payable to the Servicer under the Servicing Agreement or otherwise, and any such amounts due to any substitute servicer or back-up servicer (including any expenses, costs and fees incurred in the course of replacement) of the Purchased Receivables and the Related Collateral which may be appointed from time to time in accordance with the Receivables Purchase Agreement or the Servicing Agreement and any such costs and expenses incurred by or on behalf of the Issuer in the event that the Issuer collects and/or services the Purchased Receivables or the Related Collateral during the process of the replacement of the Servicer;
- (g) to pay Class A Notes Interest due and payable on such Payment Date, *pro rata* on each Class A Note;
- (h) to pay any Class A Notes Principal as of such Payment Date, *pro rata* on each Class A Note until the Class A Principal Amount has been reduced to zero;
- (i) after the Class A Notes have been redeemed in full, to pay Class B Notes Interest due and payable on such Payment Date, *pro rata* on each Class B Note;
- (j) to pay any Class B Notes Principal as of such Payment Date, *pro rata* on each Class B Note until the Class B Principal Amount has been reduced to zero;
- (k) after the Class B Notes have been redeemed in full, to pay interest (including accrued interest) due and payable under the Subordinated Loan;
- (l) to pay any amounts owed by the Issuer to the Seller due and payable under the Receivables Purchase Agreement in respect of (i) any valid return of a direct debit, if any (to the extent such returns do not reduce the collections received under the Receivables for the collection period ending on the Cut-Off Date immediately preceding such Payment Date), (ii) any tax credit, relief, remission or repayment received by the Issuer on account of any tax or additional amount paid by the Seller or (iii) any Deemed Collection paid by the Seller for a Disputed Receivable which proves subsequently with *res judicata* to be an enforceable Purchased Receivable, or otherwise (including, for the avoidance of doubt, any claims of the Seller against the Issuer for breach of obligation) under the Receivables Purchase Agreement or other Transaction Documents;
- (m) to repay outstanding principal due and payable under the Subordinated Loan; and
- (n) to pay any remaining amount in accordance with Article 1025 of the Polish Civil Procedure Code (or any other provision which would replace it) or, if Article 1025 of the Polish Civil Procedure Code is not applicable, to the Seller.

When amounts are due to be paid on a *pro rata* or *pari passu* basis and the recipients are owed amounts denominated in PLN and other currencies, for the purposes of calculating each recipient's share of the total amount, all such amounts that are denominated in such other currencies shall be converted into PLN using the Spot Rate.

If any amount payable by the Issuer under items (b), (c), (d) and (e) of the Post-Enforcement Priority of Payments is denominated in a currency other than PLN, the Transaction Account Bank shall convert funds in the Transaction Account into the relevant currency using the spot rate for such currency as at the date immediately preceding the date of such calculation.

2.5 Limited recourse and non-petition

- (a) All payment obligations of the Issuer under the Notes constitute limited recourse obligations to pay solely of the Issuer and therefore the Noteholders will have a claim under the Notes against the Issuer only to the extent of the Available Distribution Amount or the Post-Enforcement Available Distribution Amount which includes, inter alia, amounts received by the Issuer on the Portfolio and under Transaction Documents. Such funds will be generated by, and limited to, the lesser of (i) the nominal amount of such payment which would be due and payable at such time in accordance with the applicable Priority of Payments or the Notes or the relevant Transaction Documents, as applicable, and (ii) the actual amount received or recovered, at such time, by or on behalf of the Issuer in respect of the Collections and the other Secured Assets and which the Issuer is entitled, at such time, to apply, in accordance with the applicable Priority of Payments, in satisfaction of such payment. Upon and after the enforcement of the Security and realisation of all the Secured Assets, to the extent that the actual amounts received or recovered as per (ii) above are less than the nominal amounts due and payable as per (i) above, the Issuer's obligations in respect to the unpaid amount shall be automatically extinguished and the Issuer Secured Parties shall have no further claim against the Issuer. Provided that, prior to the delivery by the Note Trustee of an Enforcement Notice, the Available Distribution Amount shall be applied in accordance with the Pre-Enforcement Priority of Payment (Note Condition 2.3 (*Pre-Enforcement Priority of Payments*)) and following the delivery by the Note Trustee of an Enforcement Notice, the Post-Enforcement Available Distribution Amount shall be applied in accordance with the Post-Enforcement Priority of Payments (Note Condition 2.4 (*Post-Enforcement Priority of Payments*)). The Notes shall not give rise to any payment obligation in excess of the foregoing and recourse shall be limited accordingly.
- (b) The Transaction Account Bank, as banker, shall hold all monies paid to it in the Transaction Account and the Reserve Account.
- (c) The Issuer shall exercise all of its rights and obligations under the Transaction Documents with due care such that obligations under the Notes may be performed to the fullest extent possible.
- (d) None of the Note Trustee, the Security Trustee nor the Noteholders shall be entitled to institute against the Issuer any action or commence any proceedings against the Issuer to recover any amounts due and payable by the Issuer under the Transaction Documents except as permitted by the provisions in the Transaction Documents or take any action or commence any proceedings or petition a court for the liquidation of the Issuer or enter into any arrangement, examinership, reorganisation or Insolvency Proceedings in relation to the Issuer whether under the laws of Ireland or other applicable bankruptcy laws until two years and one day after the payment or extinguishment of all Transaction Secured Obligations of the Issuer.

2.6 Enforcement of the Security

- (a) The Notes are secured by the Security.
- (b) The Security will become enforceable upon delivery by the Note Trustee of an Enforcement Notice in accordance with Note Condition 12 (*Events of Default*) subject to the matters referred to in Note Condition 13 (*Proceedings*).
- (c) If the Security has become enforceable, subject to the Security Trustee and the Pledgee being indemnified and/or secured and/or pre-funded to its satisfaction, each of the Security Trustee and the Pledgee shall take such action as instructed in writing by the Note Trustee to enforce the Security and/or its rights under the Security Documents.

- (d) Only the Security Trustee and the Pledgee (acting on the instructions of the Note Trustee) may pursue the remedies available under the Security Documents to enforce the Security and no Noteholder is entitled to proceed against the Issuer unless (i) the Note Trustee, having become bound to do so, fails to take action against the Issuer, or fails to instruct the Security Trustee and the Pledgee to enforce any of the Security, within a reasonable time and such failure is continuing or (ii) (as determined by a court of competent jurisdiction in a decision not subject to appeal) Polish law requires that the Noteholders exercise their rights individually and not through the Note Trustee.
- (e) Having realised the Security and the Note Trustee and/or the Security Trustee and/or the Pledgee having distributed the net proceeds in accordance with this Note Condition 2, none of the Security Trustee, the Pledgee, the Note Trustee or the Noteholders may take any further steps against the Issuer to recover any sums still unpaid and any such liability shall be extinguished.

2.7 Obligations of the Issuer only

The Notes represent obligations of the Issuer only and do not represent an interest in or obligation of the Security Trustee, the Note Trustee, any other party to the Transaction Documents or any other third party.

3. GENERAL COVENANTS OF THE ISSUER

As long as any Notes are Outstanding, the Issuer shall not be entitled, without the prior written consent of the Note Trustee, to engage in or undertake any of the activities or transactions specified in Clause 6 (*Negative pledge, disposals and security interests*) and Clause 7 (*Other covenants of general application*) of the Security Trust Deed, and in particular the Issuer agrees not to:

- (a) at any time prior to the Discharge Date, create or permit to subsist any Security Interest over any Secured Asset other than pursuant to and in accordance with the Transaction Documents;
- (b) at any time prior to the Discharge Date, dispose of (or agree to dispose of) any Secured Asset except as expressly permitted by the Transaction Documents;
- (c) except with respect to any dividends payable to the Share Trustee arising from the Issuer's reserved profit of €1,000 per year (net of corporation tax), pay any dividend or make any other distribution or return or repay any equity capital to any shareholders, or increase its share capital save as required by applicable law;
- (d) have any subsidiaries or any employees or premises
- (e) incur any indebtedness in respect of borrowed money whatsoever or give any guarantee in respect of indebtedness or of any obligation of any person, save as provided in the Transaction Documents
- (f) consolidate or merge with any other person or convey or transfer all or substantially all of its properties or assets to any other person
- (g) amend, terminate, discharge, or exercise any powers of consent or waiver pursuant to the terms of any of the other 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 thereunder

In giving any consent to the foregoing, the Note Trustee may require the Issuer to make such modifications or additions to the provisions of any of the Transaction Documents or may impose such other conditions or requirements as the Note Trustee may determine.

The Note Trustee shall not be responsible for monitoring, nor liable for any failure to monitor compliance by the Issuer with the above covenants and will be entitled to rely upon certificates signed on behalf of the Issuer as to compliance.

4. INTEREST

4.1 Interest calculation

Subject to the limitations set forth in Note Condition 2.5 (*Limited recourse and non-petition*) and, in particular, subject to the Pre-Enforcement Priority of Payments and, following the delivery by the Note Trustee of an Enforcement Notice, the Post-Enforcement Priority of Payments, each Note shall bear interest on its Note Principal Amount from (and including) the Note Issuance Date until (but excluding) the day on which such Note has been redeemed in full.

4.2 Payment Dates

Interest shall become due and payable monthly in arrear on the twentieth day of each calendar month or, if such day is not a Business Day, on the next succeeding Business Day, commencing in July 2014 (each such day, a "**Payment Date**").

4.3 Interest Amount

The amount of interest payable by the Issuer in respect of the Notes on any Payment Date (the "**Interest Amount**") shall be calculated by applying the relevant Interest Rate (as defined in Note Condition 4.5 (*Interest Rate*)), for the relevant Interest Period (as defined in Note Condition 4.4 (*Interest Period*)) to the Note Principal Amount of the Notes immediately prior to the relevant Payment Date and multiplying the result by the actual number of days in the relevant Interest Period divided by 365 rounding the result to the nearest PLN 0.01 (with PLN 0.005 being rounded upwards). "**Class A Notes Interest**" means the aggregate Interest Amount payable (including any Interest Shortfall) in respect of all Class A Notes on any date and "**Class B Notes Interest**" means the aggregate Interest Amount payable (including any Interest Shortfall) in respect of all Class B Notes on any date.

4.4 Interest Period

"**Interest Period**" shall mean, in respect of the first Payment Date, the period commencing on (and including) the Note Issuance Date and ending on (but excluding) the first Payment Date (the "**Initial Interest Period**") and in respect of any subsequent Payment Date, the period commencing on (and including) a Payment Date and ending on (but excluding) the immediately following Payment Date.

4.5 Interest Rate

The interest rate payable on any Note for each Interest Period (the "**Interest Rate**") shall be:

- (a) in the case of the Class A Notes, WIBOR plus 0.75% per annum (the "**Class A Interest Margin**"), *provided that* in respect of the Initial Interest Period an interpolated interest rate based on interest rates for 2 week and 1 month deposits in PLN will replace WIBOR for 1 month deposits. and

- (b) in the case of the Class B Notes, WIBOR plus 0.95% per annum (the "**Class B Interest Margin**"), *provided that* in respect of the Initial Interest Period an interpolated interest rate based on interest rates for 2 week and 1 month deposits in PLN will replace WIBOR for 1 month deposits, *provided further that* the Interest Rate payable on the Class B Notes, shall not exceed 7 per cent per annum.

This Note Condition 4.5 shall be without prejudice to the application of any higher interest under applicable mandatory law.

4.6 Determinations

The Calculation Agent shall, as soon as practicable on or after each WIBOR Determination Date and in accordance with the relevant provisions of the Agency Agreement, determine the relevant Interest Period, any Interest Shortfall, Interest Rate, Interest Amount and Payment Date with respect to each Note and shall notify such determinations to the Principal Paying Agent.

4.7 Interest Shortfall

Accrued interest not distributed on any Payment Date related to the Interest Period in which it accrued, will be an "**Interest Shortfall**" with respect to the relevant Note. Interest shall not accrue on Interest Shortfalls at any time.

5. REDEMPTION

5.1 Amortisation

Subject to the limitations set forth in Note Condition 2.5 (*Limited recourse and non-petition*), on each Payment Date prior to the delivery of an Enforcement Notice, the Notes will be subject to redemption in accordance with the Pre-Enforcement Priority of Payments sequentially in the following order: *first* the Class A Notes, but only until the Class A Principal Amount following such payment is equal to the Class A Target Principal Amount as of the Cut-Off Date immediately preceding that Payment Date and *second*, after the Class A Notes have been redeemed in full, the Class B Notes, but only until the Class B Principal Amount following such payment is equal to the Class B Target Principal Amount as of the Cut-Off Date immediately preceding that Payment Date, provided that each Note of a particular Class shall be redeemed on each Payment Date in an amount equal to the redemption amount allocated to such Class divided by the number of Notes in such Class.

Following the delivery by the Note Trustee of an Enforcement Notice and subject to the limitations set forth in Note Condition 2.5 (*Limited recourse and non-petition*) and the Post-Enforcement Priority of Payments, the Class A Notes and after the Class A Notes have been redeemed in full, the Class B Notes, in this order sequentially, shall be redeemed on each Payment Date. Each Note of a particular Class shall be redeemed on each Payment Date in an amount equal to the redemption amount allocated to such Class divided by the number of Notes in such Class.

5.2 Maturity Date

On the Payment Date falling in June 2025 (the "**Maturity Date**"), each Class A Note shall, unless previously redeemed or purchased and cancelled, be redeemed in full at its Note Principal Amount and after all Class A Notes have been redeemed in full, each Class B Note shall, unless previously redeemed or purchased and cancelled, be redeemed in full at its Note

Principal Amount subject (in each case) to the limitations set forth in Note Condition 2.5 (*Limited recourse and non-petition*).

5.3 Optional redemption for taxation reasons

If the Issuer is or becomes at any time required by law to deduct or withhold, in respect of any payment under the Notes, current or future taxes, levies or governmental charges, regardless of their nature, which are imposed under any applicable system of law or in any country which claims fiscal jurisdiction by, or for the account of, any political subdivision thereof or government agency therein authorised to levy taxes, the Issuer shall immediately inform the Note Trustee accordingly in writing and shall determine within 20 calendar days of such circumstance occurring whether it would be practicable to arrange for the substitution of the Issuer in accordance with Note Condition 11 (*Substitution of the Issuer*) or to change its tax residence to another jurisdiction approved by the Note Trustee and thereby avoid such withholding or deduction. The Note Trustee shall not give such approval unless it has received a certificate (upon which certificate the Note Trustee shall rely absolutely and without liability) from the chairman of the board of directors or the sole director of the Issuer (as applicable) stating that the obligation to make such a deduction or withholding of tax or the suffering by the Issuer of such deduction or withholding of tax will apply on the next Payment Date and cannot be avoided by the Issuer taking reasonable endeavours. If the Issuer determines that any of such measures would be practicable, it shall (i) provide the Note Trustee with legal opinions in respect of such substitution or, as the case may be, such change of tax residence, in form and substance satisfactory to the Note Trustee; and (ii) effect such substitution in accordance with Note Condition 11 (*Substitution of the Issuer*) or (as relevant) such change of tax residence within 60 calendar days from such determination. If, however, it determines within 20 calendar days of such circumstance occurring that none of such measures would be practicable or if, having determined that any of such measures would be practicable (and having notified the Note Trustee of such determination), it is unable so to avoid such deduction or withholding within such further period of 60 calendar days, then the Issuer shall be entitled at its option (but shall have no obligation) to fully redeem all (but not some only) of the Notes, upon not more than 60 calendar days' nor less than 30 calendar days' written notice of redemption given to the Note Trustee, to the Principal Paying Agent and the Noteholders, in accordance with Note Condition 17 (*Notices to Noteholders*), at their then aggregate Outstanding Note Principal Amounts, together with accrued but unpaid interest (if any) to the date (which must be a Payment Date) fixed for redemption. Any such notice shall be irrevocable, must specify the date fixed for redemption and must set forth a statement in summary form of the facts constituting the basis for the right of the Issuer so to redeem.

6. NOTIFICATIONS

The Principal Paying Agent shall notify the Issuer, the Note Trustee, the Corporate Administrator, the Cash Administrator and the Noteholders in accordance with Note Condition 17 (*Notices to Noteholders*) and for so long as any of the Notes are listed on the Official List and traded on the regulated market of the Irish Stock Exchange, the Irish Stock Exchange:

- (a) with respect to each Payment Date and each Class A Note and each Class B Note, of:
 - (i) the Interest Amount pursuant to Note Condition 4.1 (*Interest calculation*);
 - (ii) the Interest Period pursuant to Note Condition 4.4 (*Interest Period*);
 - (iii) the Interest Rate pursuant to Note Condition 4.5 (*Interest Rate*); and

- (iv) the amount of any Interest Shortfall pursuant to Note Condition 4.7 (*Interest Shortfall*);
- (b) with respect to each Payment Date, of the amount of principal of each Class A Note and each Class B Note to be paid on such Payment Date pursuant to Note Condition 5 (*Redemption*);
- (c) with respect to each Payment Date, of the Note Principal Amount of each Class A Note and each Class B Note, and the Class A Principal Amount and the Class B Principal Amount, as from such Payment Date; and
- (d) in the event the payments to be made on a Payment Date constitute the final payment with respect to the Notes pursuant to Note Condition 5.2 (*Maturity Date*) or Note Condition 5.3 (*Optional redemption for taxation reasons*), of the fact that such is the final payment.

In each case, such notification shall be given by the Principal Paying Agent no later than the close of the first Business Day following the WIBOR Determination Date preceding the relevant Payment Date.

7. AGENTS

7.1 Appointment of Agents

The Issuer has appointed the Agents pursuant to the Agency Agreement.

7.2 Replacement of the Agents

The Issuer shall procure that for as long as any Notes are Outstanding there shall always be a Principal Paying Agent, a Calculation Agent and a Cash Administrator to perform the functions assigned to it in these Note Conditions. The replacement of any such Agents must be carried out in accordance with Note Condition 7.5 (*Variation or termination of appointment*).

7.3 Calculations binding

All Interest Rates and Interest Amounts determined and other calculations and determinations made by the Principal Paying Agent and the Calculation Agent for the purposes of these Note Conditions shall, in the absence of manifest error, be final and binding.

7.4 Relationship of the Agents

In acting under the Agency Agreement and in connection with the Notes, the Agents act solely as agents of the Issuer and (to the extent provided therein) the Note Trustee and do not assume any obligations towards or relationship of agency or trust for or with any of the Noteholders or any other person.

7.5 Variation or termination of appointment

The initial Agents and their initial Specified Offices are listed below. The Issuer reserves the right (with the prior written approval of the Note Trustee) to vary or terminate the appointment of any Agent and to appoint successor agents, at any time, having given not less than 30 calendar days prior written notice to such Agent and providing notice thereof to the Noteholders in accordance with Note Condition 17 (*Notices to Noteholders*).

8. PAYMENTS IN RESPECT OF THE NOTES

8.1 Payments and discharge

- (a) Payments of principal and interest in respect of the Class A Notes and the Class B Notes shall be made by the Issuer, through the Principal Paying Agent, on each Payment Date to, or to the order of the Clearing Systems, as relevant, for credit to the relevant participants in the Clearing Systems for subsequent transfer to the Class A Noteholders and the Class B Noteholders.
- (b) All payments made by the Issuer in respect of the Class A Notes and the Class B Notes to, or to the order of the Clearing Systems shall discharge the liability of the Issuer under the relevant Notes to the extent of the sums so paid. Any failure to make the entries in the records of the Clearing Systems in respect of the Class A Notes and the Class B Notes shall not affect the discharge referred to in the preceding sentence.
- (c) Payments of principal in respect of Definitive Notes shall be made only against:
 - (i) (in the case of final redemption, provided that payment is made in full) presentation and surrender of the relevant Definitive Notes; and
 - (ii) in respect of any Note Principal Payment which becomes due on a Payment Date, presentation and (in the case of payment in full) surrender of the appropriate Receipts, at the Specified Office of the Principal Paying Agent.
- (d) Payments of interest in respect of Definitive Notes shall, subject to Note Condition 8.5 *Cancellation of Coupons*, be made only against presentation and (provided that payment is made in full) surrender of the appropriate Coupons at the Specified Office of the Principal Paying Agent in the manner described above.

8.2 Subject to law

All payments in respect of the Notes are subject in each case to any applicable fiscal or other laws and regulations. No commissions or expenses shall be charged to the Noteholders in respect of such payments.

8.3 Payment on a non-Business Day

If any date for payment in respect of a Note, Receipt or Coupon is on a day which is not a Business Day in the place of presentation, payment shall not be made on such day but on the next succeeding Business Day in such place and no further interest or other payment in respect of any such delay shall be due in respect of such Note.

8.4 Cancellation of Receipts

On the due date for final redemption of any Definitive Note pursuant to Note Condition 5.2 (*Maturity Date*) or early redemption of such Note pursuant to Note Condition 5.3 (*Optional redemption for taxation reasons*), or Note Condition 12 (*Events of Default*), all unmatured Receipts relating thereto (whether or not still attached) shall become void, any later scheduled interest payments will be cancelled and no payment will be made in respect thereof.

8.5 Cancellation of Coupons

On the due date for final redemption of any Definitive Note pursuant to Note Condition 5.2 (*Maturity Date*) or early redemption of such Note pursuant to Note Condition 5.3 (*Optional redemption for taxation reasons*), or Note Condition 12 (*Events of Default*) all unmatured Coupons relating thereto (whether or not still attached) shall become void, any scheduled payments of interest will be cancelled and no payment will be made in respect thereof.

8.6 Payments on un-matured Coupons

Payments of interest other than in respect of matured Coupons shall be made only against presentation of the relevant Definitive Notes at the Specified Office of the Principal Paying Agent.

8.7 Partial payment

If the Principal Paying Agent makes a partial payment in respect of any Note, Coupon or Receipt presented to it for payment, the Principal Paying Agent will endorse on such Note Certificate, Coupon or Receipt a statement indicating the amount and date of such payment.

8.8 Record Date

Each payment in respect of a Class A Note or a Class B Note will be made to the persons shown as the holder in the register at the close of business in the place of the Clearing Systems on the day before the due date for such payment (the "**record date**").

8.9 Coupons after payment

On or after the Payment Date of the final Coupon which is (or was at the time of issue) part of a Coupon sheet, the Talon forming part of such Coupon sheet may be exchanged at the Specified Office of the Principal Paying Agent for a further Coupon sheet (including a further Talon but excluding any Coupons in respect of which claims have already become void pursuant to Note Condition 9 (*Prescription*)). Upon the due date for redemption of any Definitive Note, any unexchanged Talon relating to such Note shall become void and no Coupon will be delivered in respect of such Talon.

9. PRESCRIPTION

Claims for principal and interest shall become void unless presented for payment within a period of 10 years from the Relevant Date in respect of payment of principal and five years in respect of payment of interest. After the date on which a Note becomes void in its entirety, no claim may be made in respect thereof. In this Note Condition 9, the "**Relevant Date**" in respect of a Note is the date on which a payment in respect thereof first becomes due or (if the full amount of the monies payable in respect of all the Notes due on or before 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 so received, notice to that effect is duly given to the Noteholders in accordance with Note Condition 17 (*Notices to Noteholders*).

10. TAXES

10.1 Payments shall only be made by the Issuer after the deduction and withholding of current or future taxes, levies or governmental charges, regardless of their nature, which are imposed, levied or collected (collectively, "**Taxes**") under any applicable system of law or in any

country which claims fiscal jurisdiction by, or for the account of, any political subdivision thereof or government agency therein authorised to levy taxes, to the extent that such deduction or withholding is required by law. The Issuer shall account for the deducted or withheld taxes with the competent government agencies and shall, upon request of a Noteholder, provide proof thereof. The Issuer is not obliged to pay any additional amounts as compensation for taxes.

- 10.2** Each Noteholder agrees or is deemed to agree that the Issuer and any other relevant party to the Transaction Documents may (1) provide any information or documentation collected from an investor and any other information concerning any investment in the Notes to the US Internal Revenue Service and any other relevant tax authority, and (2) take such other steps as they deem necessary or helpful to comply with FATCA and the inter-governmental agreement between the governments of the United States and Ireland (the "**US-Ireland IGA**"). Notwithstanding any other provision in these Note Conditions, the Issuer and any Paying Agent or other party shall be permitted to withhold or deduct any amounts required by FATCA, pursuant to any inter-governmental agreement, or implementing legislation adopted by another jurisdiction in connection with these provisions, or pursuant to any agreement with the US Internal Revenue Service ("**FATCA withholding**"). The Issuer will have no obligation to pay additional amounts or otherwise indemnify a holder for any FATCA withholding deducted or withheld by the Issuer, a Paying Agent or any other party as a result of any person not being entitled to receive payments free of FATCA withholding.

The Issuer may hire advisors, such advisors and Persons to be paid in accordance with the Priority of Payments (including legal advisors and an accounting firm) or other Persons experienced in such matters to assist the Issuer in complying with the terms of the US-Ireland IGA and with FATCA. The Issuer will take all reasonable actions consistent with the law and its obligations under this Note Condition to insure that the Issuer satisfies any and all obligations under the US-Ireland IGA and any future local implementing legislation.

11. SUBSTITUTION OF THE ISSUER

11.1 Substitution of the Issuer

If, in the determination of the Issuer, as a result of any enactment of or supplement or amendment to, or change in, the laws of any relevant jurisdiction or as a result of an official communication of previously not existing or not publicly available official interpretation, or a change in the official interpretation, implementation or application of such laws that becomes effective on or after the Note Issuance Date:

- (a) any of the Issuer, the Seller or the Servicer would, for reasons beyond its control, and after taking reasonable measures (such measures not involving any material additional payment or other expenses), be materially restricted from performing any of its obligations under the Notes or the other Transaction Documents to which it is a party; or
- (b) any of the Issuer, the Seller or the Servicer would, for reasons beyond its control, and after taking reasonable measures (such measures not involving any material additional payment or other expenses), (x) be required to make any tax withholding or deduction in respect of any payments on the Notes and/or the other Transaction Documents to which it is a party or (y) would not be entitled to relief for tax purposes for any amount which it is obliged to pay, or would be treated as receiving for tax purposes an amount which it is not entitled to receive, in each case under the Notes or the other Transaction Documents,

then, without prejudice to the Note Condition 5.3 (*Optional redemption for taxation reasons*) the Issuer shall inform the Note Trustee in writing accordingly and shall, in order to avoid the

relevant event described in paragraph (a) or, if it determines it would be practicable as provided in Note Condition 5.3 (*Optional redemption for taxation reasons*), to avoid the event in paragraph (b), arrange the substitution of the Issuer with a company incorporated in another jurisdiction in accordance with the terms of the Note Trust Deed.

11.2 New Issuer

The Note Trustee may, without the consent of the Noteholders, the Receiptholders, the Couponholders or any other Issuer Secured Party, subject to the conditions specified in the Note Trust Deed, concur with the Issuer to the substitution of a new issuer in place of the Issuer as the principal debtor in respect of the Transaction Documents, the Notes, the Receipts, the Coupons and the other Transaction Secured Obligations.

11.3 Notice of Substitution of Issuer

Not later than fourteen days after the execution of any documents required to be executed pursuant to Clause 11 (*Substitution*) of the Note Trust Deed and after compliance with any requirements under this Note Condition 11 and/or Clause 11 (*Substitution*) of the Note Trust Deed, the new issuer shall cause notice thereof to be given to the Noteholders and the other Issuer Secured Parties in accordance with Note Condition 17 (*Notices to Noteholders*) and the relevant Transaction Documents.

11.4 Change of law

In connection with any proposed substitution of the Issuer or any previous substitute, the Note Trustee may, in its absolute discretion and without the consent of the Noteholders or the other Issuer Secured Parties, agree to a change of the law from time to time governing the Notes, the Coupons, the Receipts and/or the Note Trust Deed and/or the Security Trust Deed provided that such change of law, in the opinion of the Note Trustee, would not be materially prejudicial to the interests of the holders of the Senior Class of Notes.

11.5 No indemnity

No Noteholder shall, in connection with any such substitution, be entitled to claim from the Issuer any indemnification or payment in respect of any tax consequence of any such substitution upon such individual Noteholder.

12. EVENTS OF DEFAULT

12.1 Events of Default

Subject to the other provisions of this Condition, each of the following events shall be treated as an "**Event of Default**":

- (a) *Non-payment*: the Issuer fails to pay any amount of principal in respect of the Senior Class of Notes within five (5) days of the due date for payment of such principal or fails to pay any amount of interest in respect of the Senior Class of Notes within five (5) days of the due date for payment of such interest;
- (b) *Breach of other obligations*: the Issuer defaults in the performance or observance of any of its other obligations under or in respect of the Senior Class of Notes or the Transaction Documents, and such default is in the opinion of the Note Trustee (a) incapable of remedy or (b) if capable of remedy, remains unremedied for thirty (30) days or such longer period as the

Note Trustee may agree after the Note Trustee has given written notice of such default to the Issuer;

- (c) *Insolvency*: the Issuer becomes subject to Insolvency Proceedings; and
- (d) *Unlawfulness*: it is or will become unlawful for the Issuer to perform or comply with any of its obligations under or in respect of the Notes or the Transaction Documents.

12.2 Delivery of Enforcement Notice

If an Event of Default occurs and is continuing, the Note Trustee may at its discretion and shall:

- (a) if so requested in writing by the holders of at least fifty (50) per cent. of the aggregate Note Principal Amount of the Senior Class of Notes; or
- (b) if so directed in writing by an Extraordinary Resolution of the holders of the Senior Class of Notes,

deliver an Enforcement Notice to the Issuer copied to the Security Trustee and the Principal Paying Agent.

12.3 Conditions to delivery of Enforcement Notice

Notwithstanding Condition 12.2 (*Delivery of Enforcement Notice*) the Note Trustee shall not be obliged to deliver an Enforcement Notice unless:

- (a) in the case of the occurrence of any of the events mentioned in Condition 12.1(b) (*Breach of other obligations*), the Note Trustee shall have certified in writing that the happening of such event is in its opinion materially prejudicial to the interests of the holders of the Senior Class of Notes; and
- (b) it shall have been indemnified, prefunded and/or secured to its satisfaction against all Liabilities to which it may thereby become liable or which it may incur by so doing.

12.4 Consequences of delivery of Enforcement Notice

Upon the delivery of an Enforcement Notice, the Notes of each Class shall become immediately due and payable without further action or formality at their Note Principal Amount then Outstanding together with any accrued but unpaid interest.

13. PROCEEDINGS

The Note Trustee may at its discretion and without notice (i) institute such proceedings against the Issuer as it may think fit to recover any amounts due in respect of the Notes, Receipts and Coupons which are unpaid or to enforce any of its rights under the Note Trust Deed, the Note Conditions or the other Transaction Documents, and (ii) following delivery by the Note Trustee of an Enforcement Notice, direct the Security Trustee and/or the Pledgee to enforce the security over the Secured Assets but it shall not be bound to take any such proceedings (including directing the Security Trustee and/or the Pledgee) unless:

- (a) it shall have been so directed in writing by an Extraordinary Resolution of the holders of the Senior Class of Notes or so requested in writing by the holders of at least 50 per cent. of the aggregate Note Principal Amounts of the Senior Class of Notes; and

- (b) it shall have been indemnified and/or secured and/or prefunded to its satisfaction against all Liabilities to which it may therefore become liable and all costs, charges and expenses which may be properly incurred by it in connection therewith, provided that, the Note Trustee shall not be held liable for the consequence of taking any such action and may take such action without having regard to the effect of such action on individual Noteholders, Receiptholders or Couponholders or any other Issuer Secured Party.

14. MEETINGS OF NOTEHOLDERS; MODIFICATION

14.1 Noteholder Meetings

- (a) **Convening:** The Note Trust Deed contains provisions for convening meetings of Noteholders to consider matters relating to the Notes, including the modification of any provision of these Note Conditions, the Note Trust Deed or the other Transaction Documents. Any such modification may be made if sanctioned by an Extraordinary Resolution, subject as provided below.
- (b) **Request from Noteholders:** A meeting of Noteholders of a particular Class of Notes may be convened by the Issuer or by the Note Trustee and shall be convened by the Note Trustee, subject to its being indemnified and/or prefunded and/or secured to its satisfaction upon the request in writing of a Class of Noteholders holding not less than one-tenth of the aggregate Note Principal Amount of the Outstanding Notes of the relevant Class.
- (c) **Separate and combined meetings:** The Note Trust Deed provides that, subject as provided in paragraph (e) below and subject as expressly provided otherwise in these Note Conditions or any Transaction Documents:
 - (i) an Extraordinary Resolution which in the opinion of the Note Trustee affects the interests of the Noteholders of only one Class shall be transacted at a separate meeting of the Noteholders of that Class;
 - (ii) an Extraordinary Resolution which in the opinion of the Note Trustee affects the interests of the Noteholders of more than one Class but does not give rise to an actual or potential conflict of interest between the Noteholders of one Class of Notes and the holders of another Class shall be transacted at a single meeting of the Noteholders of all such Classes of Notes; and
 - (iii) an Extraordinary Resolution which in the opinion of the Note Trustee affects the interests of the Noteholders of more than one Class and gives rise to any conflict of interest, actual or potential, between the Noteholders of one Class of Notes and the Noteholders of any other Class shall be transacted at separate meetings of the Noteholders of each such Class.
- (d) **Quorum:** The quorum at any Meeting convened to vote on:
 - (i) an Extraordinary Resolution, other than relating to a Reserved Matter, relating to a Meeting of a particular Class or Classes of Notes will be two or more persons holding or representing more than half of the aggregate Note Principal Amounts of the Notes then Outstanding of the relevant Class or Classes or, at any adjourned Meeting, two or more persons being or representing Noteholders of the relevant Class or Classes whatever the aggregate Note Principal Amounts of the Notes then Outstanding so held or represented in such Class or Classes;

- (ii) an Extraordinary Resolution relating to a Reserved Matter (which must be proposed separately to each Class of Noteholders) will be two or more persons holding or representing in the aggregate not less than three quarters of the aggregate Note Principal Amounts of the Notes then Outstanding in the relevant Class or, at any adjourned meeting, two or more persons holding or representing not less than one quarter of the aggregate Note Principal Amounts of the Notes then Outstanding in the relevant Class; and
 - (iii) the quorum at any Meeting of the Noteholders of any Class or Classes of Notes for all business other than voting on an Extraordinary Resolution shall be two or more persons holding or representing in the aggregate not less than 10 per cent. of the aggregate Note Principal Amounts of the Outstanding Notes of the relevant Class or Classes or, at any adjourned Meeting, two or more persons being or representing the Noteholders of the relevant Class or Classes, whatever the aggregate Note Principal Amounts of the Notes of the relevant Class or Classes then Outstanding so held or represented.
- (e) **Relationship between the Classes:** In relation to each Class of Notes:
- (i) no Extraordinary Resolution involving a Reserved Matter that is passed by the holders of one Class of Notes shall be effective unless it is sanctioned by an Extraordinary Resolution of the holders of the other Class of Notes then Outstanding;
 - (ii) no Extraordinary Resolution of the holders of any Class of Notes to approve any matter other than a Reserved Matter shall be effective unless it is sanctioned by an Extraordinary Resolution of the holders of the Senior Class of Notes (to the extent that there are Outstanding Notes ranking senior to such Class) unless the Note Trustee considers that the interests of the holders of the Senior Class of Notes would not be materially prejudiced by the absence of such sanction. For the purposes of this Note Condition 14.1, Class A Notes rank senior to Class B Notes.
- (f) **Resolutions in writing:** a resolution in writing signed by or on behalf of the holders of not less than 75 per cent. of the aggregate Note Principal Amount of the Notes of a Class or Classes who for the time being are entitled to receive notice of a Meeting under the Note Trust Deed will take effect as it were an Extraordinary Resolution. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders.

14.2 Modification and waiver

The Note Trustee may, without the consent or sanction of the Noteholders of any Class of Notes or any of the other Issuer Secured Parties, agree to, (i) any modification (other than in respect of a Reserved Matter) of these Note Conditions, the Notes, the Note Trust Deed or the other Transaction Documents in relation to which its consent is required which, in the opinion of the Note Trustee, will not be materially prejudicial to the interests of the holders of the Senior Class of Notes or, (ii) any modification of the Note Conditions, the Notes, the Security Trust Deed, the Note Trust Deed or any other Transaction Document in relation to which its consent is required if, in the opinion of the Note Trustee, such modification is of a formal, minor or technical nature or is to correct a manifest error. In addition, the Note Trustee may, without the consent of the Noteholders or the other Issuer Secured Parties, authorise or waive any proposed breach or breach of these Note Conditions, the Notes, the Note Trust Deed or any other Transaction Document (other than a proposed breach or breach relating to the subject of a Reserved Matter) if, in the opinion of the Note Trustee, the interests of the holders of the Senior Class of Notes will not be materially prejudiced thereby. Unless the

Note Trustee agrees otherwise, any such authorisation, waiver or modification shall be notified to the Noteholders by the Issuer as soon as practicable thereafter in accordance with Note Condition 17 (*Notices to Noteholders*).

14.3 Additional modification and waiver

Notwithstanding Note Condition 14.2, the Note Trustee shall from time to time and at any time without the consent or sanction of the Noteholders, Receiptholders or Couponholders or any of the other Issuer Secured Parties, concur with the Issuer or any other relevant parties in making any modification to the Note Conditions, the Notes, Receipts or Coupons, the Security Trust Deed, the Note Trust Deed or the other Transaction Documents (irrespective of whether the same may be materially prejudicial to the interests of the Noteholders of any Class or may also constitute a Reserved Matter) provided that the Servicer has certified in writing to the Issuer and the Note Trustee, that such modifications:

- (a) are necessary to implement new credit rating criteria of one or more Rating Agencies and have been discussed with the relevant Rating Agency or Rating Agencies as being necessary, in each case in order to maintain the credit ratings then assigned to the Class A Notes and the Class B Notes; or
- (b) are necessary in order for the Issuer to ensure compliance with EMIR or Dodd-Frank Title VII; or
- (c) are necessary in order for the Issuer and the Notes to continue to comply with mandatory provisions of applicable law or regulation; and
- (d) in the case of (a) above, as applicable, (i) implement the new credit rating criteria only to the extent required to maintain the credit ratings then assigned to the Class A Notes and the Class B Notes and (ii) reflect the discussions with the relevant Rating Agency or Rating Agencies to the extent required to maintain the credit ratings then assigned to the Class A Notes and the Class B Notes or,
- (e) in the case of (c) above, ensure the Issuer and the Notes continue to comply with mandatory provisions of applicable law or regulation, as the case may be; and
- (f) in each case have been notified to the Rating Agencies and, based upon such notification, the Servicer or the Issuer (as applicable) is not aware that the then current ratings of the Class A Notes and the Class B Notes would be adversely affected by such proposed amendments under this Note Condition 14.3,

provided that in each case the Note Trustee shall not be obliged to agree any modification which in the sole opinion of the Note Trustee would have the effect of (a) exposing the Note Trustee to any Liability against which it has not been indemnified and/or prefunded and/or secured to its satisfaction, or (b) increasing the obligations or duties or decreasing the protections of the Note Trustee in the Transaction Documents and/or the Note Conditions.

14.4 Note Trustee and Issuer consideration of other interests

Notwithstanding anything to the contrary in the Transaction Documents, none of the Note Trustee or the Issuer (only where the Issuer relies on a certificate of the Servicer) (as applicable) will consider the interests of any other person in entering into such modifications provided for in Note Condition 14.3 and the Note Trustee and the Issuer (as applicable) will each rely without further investigation on any certification provided to it in connection with such modifications and will not be required to monitor or be responsible for any liability that

may be occasioned to any person by acting in accordance with these provisions based on written certification it receives from the Servicer.

15. THE NOTE TRUSTEE AND THE SECURITY TRUSTEE

- (a) Under the Note Trust Deed and Security Trust Deed, the Note Trustee and Security Trustee are respectively entitled to be indemnified and/or prefunded and/or secured to their satisfaction and relieved from responsibility in certain circumstances and to be paid their costs and expenses in priority to the claims of the Noteholders. In addition, the Note Trustee and Security Trustee are entitled to enter into business transactions with the Issuer and any entity relating to the Issuer without accounting for any profit.
- (b) In the exercise of its powers and discretions under these Note Conditions and the Note Trust Deed, the Note Trustee will have regard to the interests of the Noteholders, Receiptholders and Couponholders as a Class (except as expressly set out in Note Condition 14 (*Meetings of Noteholders; Modification*)) and will not be responsible for any consequence for individual holders of Notes as a result of such holders being connected in any way with a particular territory or taxing jurisdiction.
- (c) The Note Trust Deed contains provisions requiring the Note Trustee to have regard to the interests of the Noteholders equally as regards all the powers, trusts, authorities, duties and discretions (except where expressly provided otherwise) of the Note Trustee but requiring the Note Trustee in any such case where, in the opinion of the Note Trustee there is a conflict between the interests of the Class A Noteholders and the Class B Noteholders, to give priority to the interests of the Noteholders of the Senior Class of Notes then Outstanding whose interests shall prevail.
- (d) Notwithstanding anything to the contrary in the Transaction Documents, the Note Trustee shall only be required to have regard to the interests of the Noteholders as a Class (except as expressly set out in Note Condition 14 (*Meetings of Noteholders; Modification*)) and subject to Note Condition 15(f) below, shall have no responsibility to any other Issuer Secured Party, except to distribute amounts received in accordance with the Post-Enforcement Priority of Payments.
- (e) In acting under the Security Trust Deed, the Note Trustee shall have an ability to direct the Security Trustee pursuant to the terms thereof, provided that nothing shall oblige the Note Trustee to act for, or to consider the interests of, any other Issuer Secured Party and provided always that the exercise of such right is subject to the detailed terms of the Note Trust Deed.
- (f) Subject to the terms of the Security Trust Deed, the Security Trustee shall act in accordance with the instructions of the Instructing Secured Party when exercising any right, power, duties, discretions and authorities under or pursuant to the Transaction Documents.

16. THE PLEDGEE

- (a) The Registered Pledge is established in connection with execution of the Registered Pledge Agreement. Upon its entry into the register of pledges the Registered Pledge is established in favour of the Pledgee to secure the obligations of the Issuer under the parallel debt provisions of the Security Trust Deed and as such the Noteholders and the other Issuer Secured Parties are secured indirectly.
- (b) In particular, the Pledgee is entitled to conduct any actions regarding enforcement allowed under Polish law and the Registered Pledge Agreement, including but not limited to:

- (i) filing any motion to initiate the enforcement proceedings;
- (ii) obtaining any enforcement title;
- (iii) seizing the ownership of the Polish Secured Assets;
- (iv) selling the Polish Secured Assets;
- (v) claiming satisfaction from the profits that the Polish Secured Assets bring.
- (c) The process of obtaining amounts and their distribution to the Pledgee during enforcement proceeding is subject to certain obligatory provisions of Polish law including the Polish Civil Procedure Law and Registered Pledge Law. The Pledgee is entitled to distribute the amounts received during the enforcement procedure according to Note Condition 2.4 (*Post-Enforcement Priority of Payments*).
- (d) The amount of all costs and expenses incurred by the Pledgee in connection with establishment of the Registered Pledge and enforcement procedure will be payable by the Issuer in accordance with the Priorities of Payment.

17. NOTICES TO NOTEHOLDERS

- (a) All notices to the Noteholders hereunder shall be published in a leading newspaper published in Ireland (which is expected to be The Irish Times) or, if such newspaper shall cease to be published or timely publication therein shall not be practicable, in such English language newspaper or newspapers as the Note Trustee shall approve having a general circulation in Dublin. Any such notice shall be deemed to have been given to all Noteholders on the date of such publication.
- (b) So long as any Notes are listed on the Official List and traded on the regulated market of the Irish Stock Exchange and the rules of the Irish Stock Exchange so permit, any publication provided for under Note Condition 17(a) in respect of the Class A Notes and the Class B Notes may be substituted by delivery to the Companies' Announcement Office section of the Irish Stock Exchange website (or via any successor online announcements platform maintained by or on behalf of the Irish Stock Exchange) and the Clearing Systems of the relevant notice for communication to the Class A Noteholders and the Class B Noteholders. Any such notice shall be deemed to have been given to all Class A Noteholders and Class B Noteholders on the same day that such notice was delivered to the Clearing Systems and/or such notice is delivered to the Companies' Announcement Office section of the Irish Stock Exchange website (or via any successor online announcements platform maintained by or on behalf of the Irish Stock Exchange), as applicable.
- (c) If an application is made for the admission of the Class A Notes to trading on a regulated market in Poland, certain reporting obligations set forth in the provisions of the Polish law will be incumbent on the Issuer.

18. REPLACEMENT

- (a) If a Note Certificate is lost, stolen, mutilated, defaced or destroyed, the Issuer will deliver a replacement Note Certificate to the bearer upon receipt of satisfactory evidence and surrender of any defaced or mutilated Note Certificate. A replacement will only be made upon payment of the expenses for a replacement and compliance with the Issuer's and Principal Paying Agent's reasonable requests as to evidence and indemnity.

- (b) If Definitive Notes are lost, stolen, mutilated, defaced or destroyed, the Noteholder can replace them at the Specified Office of the Principal Paying Agent subject to all applicable laws and stock exchange requirements. The Noteholder will be required both to pay the expenses of producing a replacement and to comply with the Issuer's and Principal Paying Agent's reasonable requests as to evidence and indemnity.
- (c) Defaced or mutilated note certificates must be surrendered before replacements will be issued.

19. GOVERNING LAW AND JURISDICTION

19.1 Governing law

The Notes and all non-contractual obligations arising out of or in connection with them shall be governed by and construed in accordance with English law.

19.2 Jurisdiction

The non-exclusive place of jurisdiction for any action or other legal proceedings (whether contractual or non-contractual) arising out of or in connection with the Notes shall be the English courts. The Issuer hereby submits to the jurisdiction of such court.

20. CERTAIN DEFINITIONS

In these Note Conditions, the following words and expressions will, except where the context otherwise requires, have the meanings set out below:

The definitions set out below under "Certain Definitions" will be set out in Note Condition 20.

CERTAIN DEFINITIONS

In this prospectus, the following words and expressions will, except where the context otherwise requires, have the meanings set out below;

"Actual/365" shall mean the actual number of days in the period in respect of which a payment is being made in PLN divided by 365;

"Adverse Claim" shall mean any ownership interest, lien, security interest, charge or encumbrance, or other right or claim in, over or on any person's assets or properties in favour of any other person;

"Affiliate" in relation to any person shall mean a Subsidiary of that person, a Holding Company of that person or any other Subsidiary of that Holding Company, in each case from time to time;

"Agency Agreement" shall mean the agency agreement dated the Note Issuance Date between the Issuer, the Note Trustee, the Principal Paying Agent, the Calculation Agent and the Cash Administrator;

"Agent" shall mean each of the Principal Paying Agent, the Calculation Agent and the Cash Administrator;

"Aggregate Note Principal Amount" shall mean, as of any date, the aggregate of the Class A Principal Amount and the Class B Principal Amount as of such date;

"Aggregate Outstanding Loan Principal Amount" shall mean, in respect of all Purchased Receivables as of any date, the aggregate of the Outstanding Principal Amounts of all Purchased Receivables which, as of such date, are not Defaulted Receivables;

"Allocated Overpayment" shall mean in relation to any Purchased Receivable, any Unallocated Overpayment (or portion thereof) made by the Debtor which has subsequently been applied by the Seller towards payment of one or more Loan Instalment due under the relevant Loan Contract in respect of such Purchased Receivable and, for the avoidance of doubt, following such application such Allocated Overpayment shall constitute a Collection;

"Amortisation Threshold Date" shall mean the first Cut-Off Date as of which the Aggregate Note Principal Amount is less than 50% of the Initial Aggregate Note Principal Amount;

"Appointee" shall mean any attorney, delegate, manager, agent or other person properly appointed by the Security Trustee under the Security Trust Deed or by the Note Trustee under the Note Trust Deed;

"Arrangers" shall mean Banco Santander, S.A. and Citibank International plc;

"Assigned Documents" shall mean the Agency Agreement, the Note Trust Deed, the Transaction Account Agreement, the Subordinated Loan Agreement, the Custody Agreement and any other English law governed agreements included in the Transaction Documents (but excluding the Subscription Agreement) or entered into by the Issuer in connection with the Transaction Documents from time to time;

"Available Distribution Amount" shall mean, with respect to any Cut-Off Date and the Collection Period ending on such Cut-Off Date, an amount calculated by the Servicer, the Cash Administrator and/or the Calculation Agent, as applicable, equal to the sum of:

- (a) the amounts standing to the credit of the Reserve Account as of such Cut-Off Date;
- (b) any Collections (including, for the avoidance of doubt, Deemed Collections paid by or on behalf of the Seller or the Servicer) received by the Seller or (if different) the Servicer during the Collection Period ending on such Cut-Off Date;
- (c) the amounts paid by the Seller to the Issuer during such period pursuant to the Receivables Purchase Agreement in respect of: (A) any stamp duty, registration and other similar taxes, (B) any taxes levied on the Issuer and any relevant parties involved in the financing of the Issuer due to the Issuer and such parties having entered into the Receivables Purchase Agreement, the other Transaction Documents or other agreements relating to the financing of the acquisition by the Issuer of the Purchased Receivables, (C) any liabilities, costs, claims and expenses which arise from the non-payment or the delayed payment of any taxes specified under (B) above, except for those penalties and interest charges which are attributable to the gross negligence of the Issuer, and (D) any additional amounts corresponding to sums which the Seller is required to deduct or withhold for or on account of tax with respect to all payments made by the Seller to the Issuer under the Receivables Purchase Agreement;
- (d) any amounts paid by the Seller to the Issuer in respect of (A) any default interest on unpaid sums due by the Seller to the Issuer and (B) indemnities against any loss or expense, including legal fees, incurred by the Issuer as a consequence of any default

of the Seller, in each case paid by the Seller to the Issuer pursuant to the Receivables Purchase Agreement;

- (e) any default interest and indemnities paid by the Servicer to the Issuer pursuant to the Servicing Agreement (including, without limitation, indemnity payments in respect of the maintenance of the Weighted Average Loan Return), in each case as collected during such Collection Period;
- (f) any other amounts paid by the Seller to the Issuer under or with respect to the Receivables Purchase Agreement (other than the Subordinated Loan) or the Purchased Receivables or the Related Collateral and any other amounts paid by the Servicer to the Issuer under or with respect to the Servicing Agreement, the Purchased Receivables or the Related Collateral, in each case as paid to the Issuer and deposited to the Transaction Account during such Collection Period;
- (g) any interest earned on and paid into any Issuer Secured Account or paid by the Seller, the Seller Collections Account Bank or the Transaction Account Bank to the Issuer in respect of Collections held in any Collections Account during such Collection Period; and
- (h) the amounts (if any) which are standing to the credit of the Transaction Account which would have been distributed as Available Distribution Amount on any Payment Date prior to such Cut-Off Date, but were not distributed due to such Payment Date falling on a Servicer Disruption Date or the prior occurrence of a Servicer Termination Event.

"Average WIBOR" shall mean, with respect to any Cut-Off Date, the arithmetic average of the rates which appear on the appropriate Reuters Page following that Cut-Off Date as the monthly average nominal one-month Warsaw Inter Bank Offered Rate (monthly average of daily observations) for the calendar month ending on such Cut-Off Date and for the next preceding calendar month. With respect to any Cut-Off Date, if ACI Polska no longer publishes such rates or has not published such rates prior to the Reporting Date next following that Cut-Off Date, then Average WIBOR shall mean the arithmetic average of WIBOR determined for a one-month period beginning on each of the Warsaw Banking Days falling in the calendar month ending on such Cut-Off Date and the next preceding calendar month;

"Business Day" shall mean a day which is a Target 2 Settlement Day, a London Banking Day and a Warsaw Banking Day;

"Calculation Agent" shall mean Elavon Financial Services Limited and any successor or replacement calculation agent appointed from time to time in accordance with the Agency Agreement;

"Class" shall mean either the Class A Notes or the Class B Notes;

"Class A Interest Margin" shall have the meaning set out in Note Condition 4.5 (*Interest Rate*);

"Class A Note Certificate" shall mean the Class A Temporary Global Note and the Class A Permanent Global Note (as applicable);

"Class A Noteholder" shall mean a holder of the Class A Notes;

"Class A Notes" shall mean the Class A Floating Rate Secured Notes of the Issuer due on the Payment Date falling in June 2025;

"Class A Notes Interest" shall have the meaning set out in Note Condition 4.3 (*Interest Amount*);

"Class A Notes Principal" shall mean, with respect to any Payment Date, all or a portion of the Class A Principal Amount required to be paid in accordance with the applicable Priority of Payments;

"Class A Permanent Global Note" shall mean a permanent global note representing the Class A Notes to be issued pursuant to Clause 5.1 (*Global Notes*) of the Note Trust Deed in the form or substantially in the form set out in Part 2 of Schedule 1 (*Form of Class A Permanent Global Note Certificate*) of the Note Trust Deed;

"Class A Principal Amount" shall mean, as of any date, the sum of the Note Principal Amounts of all Class A Notes then Outstanding;

"Class A Target Principal Amount" shall mean

- (a) as of any Payment Date which does not fall on a Servicer Disruption Date, the excess (if any) of:
 - (i) the Aggregate Outstanding Loan Principal Amount (as calculated by the Servicer) as of the Cut-Off Date immediately preceding such Payment Date over
 - (ii) the Class B Principal Amount at such Payment Date plus the Subordinated Loan as of the Note Issuance Date minus the Standard Required Liquidity Reserve Amount on the Note Issuance Date; or
- (b) as of any Payment Date falling on a Servicer Disruption Date, an amount equal to the Class A Principal Amount outstanding as of the Cut-Off Date immediately preceding such Payment Date as calculated by the Calculation Agent;

"Class A Temporary Global Note" shall mean a temporary global note representing the Class A Notes to be issued pursuant to Clause 5.1 (*Global Notes*) of the Note Trust Deed in the form or substantially in the form set out in Part 1 of Schedule 1 (*Form of Temporary Global Note Certificate*) of the Note Trust Deed;

"Class B Interest Margin" shall have the meaning set out in Note Condition 4.5 (*Interest Rate*);

"Class B Note Certificate" shall mean the Class B Temporary Global Note and the Class B Permanent Global Note (as applicable);

"Class B Noteholder" shall mean a holder of the Class B Notes;

"Class B Notes" shall mean the Class B Floating Rate Secured Notes of the Issuer due on the Payment Date falling in June 2025;

"Class B Notes Interest" shall have the meaning set out in Note Condition 4.3 (*Interest Amount*);

"Class B Notes Principal" shall mean, with respect to any Payment Date, all or a portion of the Class B Principal Amount required to be paid in accordance with the applicable Priority of Payments;

"Class B Permanent Global Note" shall mean a permanent global note representing the Class B Notes to be issued pursuant to Clause 5.1 (*Global Notes*) of the Note Trust Deed in the form or substantially in the form set out in Part 4 of Schedule 1 (*Form of Class B Permanent Global Note Certificate*) of the Note Trust Deed;

"Class B Principal Amount" shall mean, as of any date, the sum of the Note Principal Amounts of all Class B Notes then Outstanding;

"Class B Target Principal Amount" shall mean

- (a) as of any Payment Date or the immediately preceding Cut-Off Date so long as the Class A Principal Amount on such Cut-Off Date is greater than zero and, on such Payment Date after giving effect to the distributions to be made pursuant to item (i) of the Pre-Enforcement Priority of Payments, would remain greater than zero, the Class B Principal Amount; or
- (b) if on such Cut-Off Date the Class A Principal Amount is zero or if on such Payment Date after giving effect to distributions pursuant to item (i) of the Pre-Enforcement Priority of Payments it will have been reduced to zero,
 - (i) if the Payment Date does not fall on a Servicer Disruption Date, the excess (if any) of:
 - (A) the Aggregate Outstanding Loan Principal Amount (as calculated by the Servicer) as of the Cut-Off Date immediately preceding such Payment Date over
 - (B) the Subordinated Loan as of the Note Issuance Date minus the Standard Required Liquidity Reserve Amount on the Note Issuance Date; or
 - (ii) if the Payment Date falls on a Servicer Disruption Date, an amount equal to the Class B Principal Amount outstanding as of the Cut-Off Date immediately preceding such Payment Date as calculated by the Calculation Agent;

"Class B Temporary Global Note" shall mean a temporary global note representing the Class B Notes to be issued pursuant to Clause 5.1 (*Global Notes*) of the Note Trust Deed in the form or substantially in the form set out in Part 3 of Schedule 1 (*Form of Temporary Global Note Certificate*) of the Note Trust Deed;

"Clearstream Luxembourg" shall mean Clearstream Banking, *société anonyme*;

"Collection Period" shall mean, in relation to any Cut-Off Date, the period commencing on (but excluding) the Cut-Off Date immediately preceding such Cut-Off Date and ending on (and including) such Cut-Off Date and with respect to the first Payment Date the period that commenced on 13 June 2014 (excluding such date) and ends on 30 June 2014 (including such date);

"Collections" shall mean, with respect to any Purchased Receivable and any Related Collateral:

- (a) all payments by or on behalf of any Debtor or any relevant guarantor or insurer in respect of principal, interest, fees, premiums, expenses or otherwise in respect of such Purchased Receivable or under the related Loan Contract (including, without limitation, all Allocated Overpayments and any and all proceeds from vehicle insurance policies relating to the Vehicles, but excluding, however, any Unallocated Overpayments and any payments in respect of insurance premiums which are identifiable as such and not included in the Principal Amount of such Purchased Receivable);
- (b) all cash proceeds received by the Servicer on behalf of the Issuer from any third party in relation to the enforcement of any Related Collateral and any proceeds from the sale of Defaulted Receivables together with the relevant Related Collateral;
- (c) all amounts paid to the Issuer by or on behalf of the Seller in respect of any Deemed Collections; and
- (d) interest paid to the Issuer by the Seller, the Seller Collections Account Bank or the Transaction Account Bank on any Collections on deposit in the Collections Accounts;

"Collections Accounts" shall mean, the Seller Collections Account and the Issuer Collections Account;

"Co-Managers" shall mean Bank Handlowy w Warszawie S.A. and Dom Maklerski BZ WBK S.A.;

"Common Safekeeper" shall mean Elavon Financial Services Limited;

"Common Service Provider" shall mean Elavon Financial Services Limited at Block E, Cherrywood Business Park, Dublin, Ireland;

"Corporate Administration Agreement" shall mean a corporate administration agreement dated on or about the Note Issuance Date and entered into between the Corporate Administrator and the Issuer;

"Corporate Administrator" shall mean Structured Finance Management (Ireland) Limited, an Irish limited company having its registered office on the date of this Prospectus at 1 Grant's Row, Lower Mount Street, Dublin 2, Ireland;

"Coupon" shall mean a coupon as attached to a Definitive Note for payment of interest from time to time;

"Couponholder" shall mean the holders of the Coupon;

"Credit and Collection Policy" shall mean the Seller's credit and collection policies and practices with respect to Receivables as applied by the Seller from time to time, as set out (as in effect on the Signing Date) in Schedule 4 (Credit and Collection Policy) to the Receivables Purchase Agreement, as such policies and practices may be amended or modified from time to time as permitted by the Transaction Documents;

"Custodian" shall mean Elavon Financial Services Limited;

"Custody Agreement" shall mean the custody agreement entered into on or about the Note Issuance Date between the Issuer and the Custodian in relation to the investment of amounts on deposit from time to time in the Issuer Secured Accounts in Permitted Investments;

"Cut-Off Date" shall mean the last day of each calendar month, , save for the first Cut-Off Date, which shall be 13 June 2014, and the Cut-Off Date with respect to any Payment Date is the Cut-Off Date immediately preceding such Payment Date;

"Debtor" shall mean each of the persons obliged to make payments under a Loan Contract (together, the **"Debtors"**);

"Deemed Collection" shall mean in relation to any Purchased Receivable in respect of which an amount equal to:

- (a) the Outstanding Principal Amount of such Purchased Receivable (or, as the context may require, the affected portion of such Outstanding Principal Amount, in each case before giving effect to any event described in this definition), plus accrued and unpaid interest on such Outstanding Principal Amount (or, as applicable, such portion) as of the date when the Seller makes payment to the Seller Collections Account or, as applicable, the Issuer Collections Account with respect to such Deemed Collection, if:
 - (i) such Purchased Receivable proves not to have been an Eligible Receivable on the Purchase Cut-Off Date;
 - (ii) such Purchased Receivable becomes a Disputed Receivable (irrespective of any subsequent court determination in respect thereof);
 - (iii) such Purchased Receivable is rescheduled (including any extension of its maturity date) or otherwise substantially modified (in each case, other than a rescheduling, extension or other modification of its terms where such Purchased Receivable is a Defaulted Receivable and is being restructured in an attempt to maximise recoveries in accordance with the Credit and Collection Policy); or
 - (iv) such Purchased Receivable is cancelled or otherwise ceases to exist for any reason other than full payment by the Debtor to the Servicer or the Issuer (for example, if the Debtor requests and the Servicer agrees to exchange the Vehicle for a different Vehicle and in connection therewith to replace it with a different Loan Contract covering the replacement Vehicle); andin any such case described in (i) or (ii) above, the Seller does not cure such event or condition within 60 days after the day it receives notice from the Issuer or the Note Trustee or otherwise obtains knowledge of such event or condition; and
- (b) the amount of any reduction of the Outstanding Principal Amount of any Purchased Receivable, accrued and unpaid interest or any other amount owed by a Debtor with respect to such Purchased Receivable due to:
 - (i) any set-off against the Seller or the Issuer (as the case may be) due to a counterclaim of the Debtor, or any set-off or equivalent action against the relevant Debtor by the Seller;
 - (ii) any discount or other credit in favour of the Debtor; or

- (iii) any final and conclusive decision by a court or similar authority with binding effect on the parties, based on any reason;

"Defaulted Receivable" shall mean any Purchased Receivable (which is not a Disputed Receivable) which:

- (a) has a Loan Instalment that is overdue by more than 180 days, as indicated in the Monthly Report for the preceding Collection Period; or
- (b) has been written off by the Servicer in accordance with the Credit and Collection Policy; or
- (c) is related to a Loan Contract that has been legally terminated.

"Definitive Note" shall mean a note certificate representing the Class A Notes or the Class B Notes issued in exchange for the relevant global note pursuant to Note Condition 1.1(c) (*Form*), in each case substantially in the form set out in Schedule 2 (*Form of Definitive Note*) to the Note Trust Deed;

"Delinquent Receivable" shall mean, as of any date, any Purchased Receivable (which is not a Disputed Receivable and not a Defaulted Receivable) which has any Loan Instalment overdue by at least 30 days, as indicated in the Monthly Report for the Collection Period ending on or immediately preceding such date;

"Discharge Date" shall mean the date, following payment or provision for payment of the Notes and other Transaction Secured Obligations, on which the security created pursuant to the Security Documents will be discharged, as provided in the Security Trust Deed;

"Disputed Receivable" shall mean any Purchased Receivable in respect of which payment is not made and disputed by the Debtor (other than where the Servicer has given written notice, specifying the relevant facts, to the Issuer that, in its reasonable opinion, such dispute is made because of the inability of the relevant Debtor to pay), whether by reason of any matter concerning the Vehicles or by reason of any other matter or in respect of which a set-off or counterclaim is being claimed by such Debtor;

"Dodd-Frank Title VII" shall mean Title VII of the Dodd-Frank Wall Street Reform and Consumer Protection Act;

"EC Treaty" shall mean the Treaty establishing the European Community (signed in Rome on March 25, 1957), as amended by the Treaty on European Union (signed in Maastricht on February 7, 1992) and as amended by the Treaty of Amsterdam (signed in Amsterdam on October 2, 1997);

"Eligible Receivable" shall mean any Receivable which meets the eligibility criteria specified in Schedule 2 (Eligible Receivables) to the Receivables Purchase Agreement;

"EMIR" shall mean the European Market Infrastructure Regulation (EU No. 648/2012);

"Enforcement Notice" shall mean a notice delivered by the Note Trustee to, *inter alia*, the Issuer in accordance with Note Condition 12 (*Events of Default*) which declares that the Notes are immediately due and payable;

"English Secured Assets" shall have the meaning given to such term in Condition 2.2 (*Security*);

"Euro" or **"euro"** or **"€"** shall each mean the lawful currency from time to time of the Member States of the European Union that adopt the single currency in accordance with the EC Treaty;

"Euroclear" shall mean Euroclear Bank SA/NV;

"European Union" shall mean the supranational organisation of states established with that name by the Treaty on European Union (signed in Maastricht on 7 February, 1992) as enlarged by the Treaty of Accession (signed in Athens on 16 April, 2003), and as may be enlarged from time to time by the agreement of the member states thereof;

"Euro-zone" shall mean the region comprised of Member States of the European Union that adopt the Euro in accordance with the EC Treaty;

"Exchange Event" shall mean any of the following occurs:

- (a) either Euroclear or Clearstream, Luxembourg is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so;
- (b) an Issuer Event of Default; or
- (c) as a result of any amendment to, or change in (A) the laws or regulations of Ireland or the United Kingdom (or of any political sub-division thereof) or of any authority therein or thereof having power to tax or (B) the interpretation or administration of such laws or regulations, which becomes effective on or after the Note Issuance Date, the Issuer or the Principal Paying Agent is or will be required to make any deduction or withholding for or on account of tax from any payment in respect of the Notes which would not be required were the Notes in definitive form;

"Extraordinary Resolution" shall mean a resolution passed at a Meeting with respect to a Class or Classes of Notes duly convened and held in accordance with Schedule 3 (Provisions for Meetings of Noteholders) of the Note Trust Deed by a majority of not less than three quarters of the votes cast;

"FATCA" shall mean sections 1471 to 1474 of the IRC, (or any amended or successor version) and any current or future regulations or official interpretations thereof or agreements thereunder;

"FATCA withholding" shall have the meaning ascribed to it in Note Condition 10.1(*Taxes*);

"FFI" shall mean a **"foreign financial institution"** as such term is defined in FATCA;

"Finance Agreement" means a loan agreement entered into between a Debtor and the Seller pursuant to which the Seller has provided finance to such Debtor and a motor vehicle has been provided as collateral for the loan;

"Final Redemption" means with respect to the Notes, the Maturity Date of such Notes or, if earlier, the date on which the Principal Amount Outstanding of such Notes has been repaid in full by the Issuer;

"Fitch" shall mean Fitch Ratings Limited;

"Guarantor" shall mean any person guaranteeing payments under any Loan Contract;

"Holding Company" in relation to any entity shall mean any company or corporation of which that entity is a Subsidiary;

"HP Agreement" means any outstanding hire purchase agreement (and any certificate of acceptance relating thereto) and any agreement supplemental thereto relating to any replacement products and services which become the subject matter of any such hire purchase agreement in substitution for the original products and services, accepted by the Seller;

"ICSD" shall mean an International Central Securities Depository, which in the Transaction shall be Clearstream, Luxembourg or Euroclear;

"Initial Aggregate Note Principal Amount" shall mean the aggregate of the Class A Principal Amount immediately following the issuance of the Notes on the Note Issuance Date and the Class B Principal Amount immediately following the issuance of the Notes on the Note Issuance Date;

"Insolvency" of a person includes the dissolution, bankruptcy, insolvency, winding-up, liquidation, administration, examination, amalgamation, reconstruction, reorganisation, arrangement, adjustment, administrative or other receivership or dissolution of that person, the official management of all of its revenues or other assets or the seeking of protection or relief of debtors and any equivalent or analogous proceeding by whatever name known and in whatever jurisdiction;

"Insolvency and Restructuring Law" means the Polish act dated 28 February 2003 (unified text: Journal of Laws of 2012, Item 1112, as amended).

"Insolvency Proceedings" shall mean in respect of a person:

- (a) an order is made or an effective resolution passed for the winding up of that person, except a winding-up for the purposes of or pursuant to an amalgamation or reconstruction the terms of which have previously been approved by the Note Trustee in writing; or
- (b) that person, 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 is deemed unable to pay its debts as and when they fall due within the meaning of Section 214 of the Companies Act, 1963 (as amended by Section 123 of the Companies Act, 1990) and/or Section 2 of the Companies (Amendment) Act, 1990 of Ireland; or
- (c) proceedings shall be initiated against that person under any applicable liquidation, insolvency, bankruptcy, composition, examination, reorganisation (other than a reorganisation where that person is solvent) or other similar laws (including, but not limited to, presentation of a petition for an examination order, the filing of documents with the court for the appointment of an examiner, the service of a notice of intention to appoint an examiner or the taking of any steps to appoint an examiner) and (except in the case of presentation of a petition for an examination order, the filing of documents with the court for the appointment of an examiner, the service of a notice of intention to appoint an examiner or the taking of any steps to appoint an examiner) being disputed in good faith with a reasonable prospect of success or an examination order shall be granted or the appointment of an examiner takes effect or an examiner or other receiver, liquidator, trustee in sequestration or other similar official shall be appointed in relation to the Issuer or in relation to the whole or any substantial part of

the undertaking or assets of that person, or an encumbrancer shall take possession of the whole or any substantial part of the undertaking or assets of that person, 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 that person and such possession or process (as the case may be) shall not be discharged or otherwise ceases to apply within 30 days of its commencement, or that person (or its directors or shareholders) initiates or consents to judicial proceedings relating to itself under applicable liquidation, insolvency, bankruptcy, composition, examination, reorganisation or other similar laws or makes a conveyance or assignment for the benefit of its creditors generally or takes steps with a view to obtaining a moratorium in respect of any indebtedness;

"Instructing Secured Party" shall mean:

- (a) until the full and final payment of all amounts payable to the Noteholders, the Note Trustee; then
- (b) if there are no Notes Outstanding, the person appearing highest in the Priority of Payments to whom amounts are then owing (provided that where there is more than one such person ranking *pari passu*, the Security Trustee shall act in accordance with the written instructions of the person (if any) to whom the greatest amount is then owing by the Issuer);

"Interest Amount" shall mean, with respect to any Note as at any Payment Date, the amount of interest payable by the Issuer in respect of that Note on such Payment Date as calculated in accordance with Note Condition 4.3 (*Interest Amount*);

"Interest Period" shall have the meaning given to it in Note Condition 4.4 (*Interest Period*);

"Interest Shortfall" shall have the meaning given to it in Note Condition 4.7 (*Interest Shortfall*);

"Investor Report" shall mean any detailed investor report in the form as set out in Schedule 2 (*Sample investor report*) to the Servicing Agreement, or in a form as otherwise agreed between the Servicer, the Seller and the Issuer, which shall be prepared by the Servicer with respect to each Collection Period;

"IRC" shall mean the United States Internal Revenue Code 1986 (as amended);

"Issuer Collections Account" shall mean a specified account in the name of the Issuer at the Transaction Account Bank or any other account which the Issuer may from time to time establish and maintain at the Transaction Account Bank in accordance with the Transaction Documents for the receipt and holding of Collections following a Notification Event;

"Issuer Event of Default" means any one of the events specified in Note Condition 12 (*Events of Default*);

"Issuer Secured Accounts" shall mean, together, the Transaction Account, the Reserve Account and the Issuer Collections Account;

"Issuer Secured Party" shall mean each of the Noteholders, any Receiver or other Appointee, the Principal Paying Agent, the Calculation Agent, the Cash Administrator, the Pledgee, the Transaction Account Bank, the Seller Collections Account Bank, the Security Trustee, the Note Trustee, the Corporate Administrator, the Seller, the Servicer, the

Subordinated Loan Provider, the Custodian and any other party from time to time acceding to the Security Trust Deed and together the **"Issuer Secured Parties"**;

"Joint Lead Managers" shall mean Banco Santander, S.A. and Citibank International plc;

"Liabilities" shall mean, in respect of any person, any losses, damages, costs, charges, awards, claims, demands, expenses, judgments, actions, proceedings or other liabilities whatsoever including, without limitation, legal fees and any Taxes and penalties incurred by that person together with any VAT charged or chargeable in respect of any of the sums referred to in this definition;

"Liquidity Reserve" shall mean a liquidity reserve in an amount up to the Required Liquidity Reserve Amount to cover temporary shortfalls in Collections available to pay senior expenses and interest on the Class A Notes and Class B Notes and, on the earlier of (i) the Payment Date, if any, on which the Aggregate Outstanding Loan Principal Amount is zero but the Class A Notes and Class B Notes have not been redeemed in full, and (ii) the Maturity Date, to cover shortfalls in Collections available to pay the outstanding principal amount of the Class A Notes and Class B Notes;

"Liquidity Reserve Shortfall" shall occur if the credit standing to the Reserve Account in respect of the Liquidity Reserve as of any Payment Date, after replenishing the Reserve Account in accordance with item (h) of the Pre-Enforcement Priority of Payments, falls short of the Required Liquidity Reserve Amount as of the Cut-Off Date immediately preceding such Payment Date;

"Loan Contract" shall mean in relation to any Purchased Receivable any Finance Agreement or HP Agreement entered into between the Seller and any Debtor for the purpose of financing the acquisition of a motor vehicle or other consumer purpose, as the case may be;

"Loan Instalment" shall mean any obligation of a Debtor under a Loan Contract to pay principal, interest, fees, costs, prepayment penalties (if any), and default interest owed under any relevant Loan Contract or any Related Collateral relating thereto;

"London Banking Day" shall mean any day (other than a Saturday or Sunday) on which banks are open for general business in London, England;

"Managers" means the Joint Lead Managers and the Co-Managers, collectively;

"Maximum Interest Rate" is the maximum interest rate per annum stipulated in a contract which may not exceed four times the so-called lombard credit interest rate of the National Bank of Poland (maximum interest). If the amount of interest arising from a contract exceeds the maximum interest amount, then maximum interest rate applies (and overrides contractual provisions to the contrary). Contractual provisions may not exclude or limit the mandatory provisions on maximum interest, even if foreign law has been chosen to govern the contract. The lombard credit rate is determined by the Monetary Policy Council. The Monetary Policy Council determines the lombard rate from time to time based on its assessment of the current financial situation and it is impossible to determine in advance the frequency of these changes.

"Maturity Date" shall have the meaning given to it in Note Condition 5.2 (*Maturity Date*)

"Meeting" shall mean a meeting of Noteholders of any Class (whether originally convened or resumed following an adjournment);

"Monthly Report" shall mean, in relation to each Collection Period, the monthly report in the form (based on a Microsoft-Office template) as set out in Schedule 1 (Sample Monthly Report) to the Servicing Agreement or otherwise agreed between the Seller, the Servicer (if different) and the Issuer, prepared and delivered on each Reporting Date by the Servicer in accordance with the provisions of the Servicing Agreement;

"Monetary Policy Council" means the Monetary Policy Council of the National Bank of Poland;

"Moody's" shall mean Moody's Investors Service Limited;

"Noteholder" and **"holder"** shall mean the bearer of a Class A Note or Class B Note (as applicable) save that, each person who has for the time being a particular principal amount of such Class A Note or Class B Note credited to his securities account in the records of Clearstream, Luxembourg or Euroclear shall be deemed to be the Noteholder in respect of the principal amount of such Class A Note or Class B Note for all purposes hereof other than for the purpose of payments in respect thereof, the right to which shall be vested, as against the Issuer, solely in the bearer of the Class A Note or the Class B Note in accordance with and subject to the terms of the Note Trust Deed and the Class A Notes and the Class B Notes and (ii) with respect to any Definitive Note, the term shall also include a reference to any Receiptholder or Couponholder;

"Note Certificate" shall mean any of the certificates representing the Notes, in each case in the form or substantially in the form set out in Part 1 and Part 2, in the case of the Class A Notes (the **"Class A Note Certificate"**) or Part 3 and Part 4, in the case of the Class B Notes (the **"Class B Note Certificate"**) of Schedule 1 (*Forms of Note Certificates*) of the Note Trust Deed;

"Note Conditions" shall mean, in relation to the Notes, the terms and conditions of the Notes, in the form or substantially in the form set out in Schedule 4 (*Note Conditions*) of the Note Trust Deed, as any of the same may from time to time be modified in accordance with the Note Trust Deed and modified by the provisions of the Notes and any reference in the Transaction Documents to a particular numbered Note Conditions shall be construed accordingly;

"Note Issuance Date" shall mean the date on which Notes are issued by the Issuer;

"Note Principal Amount" shall mean, as of any date, in respect of any Note, the initial principal amount of that Note (in the aggregate amount of PLN 1,158,000,000 in respect of the Class A Notes and PLN 209,000,000 in respect of the Class B Notes), as reduced by all amounts paid prior to such date on such Note in respect of principal;

"Note Trustee" shall mean U.S. Bank Trustees Limited, its successors or any other person appointed from time to time as Note Trustee in accordance with the Note Trust Deed;

"Note Trust Deed" shall mean a note trust deed dated the Note Issuance Date and made between the Issuer and the Note Trustee;

"Notes" shall mean the Class A Notes and the Class B Notes;

"Notification Event" shall mean either of the following events:

- (a) a Servicer's Owner Downgrade 2 occurs; or

- (b) any Servicer Termination Event occurs;

"Outstanding" shall mean, in relation to the Notes, all the Notes other than:

- (a) those which have been redeemed in full and cancelled in accordance with the Note Conditions;
- (b) those in respect of which the date for redemption in accordance with the provisions of the Note Conditions has occurred and for which the redemption moneys (including all interest accrued thereon to the date for such redemption) have been duly paid to the Note Trustee or the Principal Paying Agent in the manner provided for in the Agency Agreement (and, where appropriate, notice to that effect has been given to the Noteholders in accordance with Note Condition 17 (*Notices to Noteholders*)) and remain available for payment in accordance with the Note Conditions; and
- (c) those which have been purchased and surrendered for cancellation as provided in Note Condition 5 (*Redemption*) and written notice of the cancellation of which has been given to the Note Trustee;

provided that for each of the following purposes, namely:

- (i) the right to attend and vote at any Meeting;
- (ii) the determination of how many and which Notes are for the time being Outstanding for the purposes of Clauses 8.1 (*Waiver*) and 12.3 (*Proceedings*) of the Note Trust Deed, Note Condition 12 (*Events of Default*), Note Condition 14 (*Meetings of Noteholders; Modification*) and Schedule 3 (*Provisions for Meetings of Noteholders*) of the Note Trust Deed; and
- (iii) any discretion, right, power or authority, whether contained in the Note Trust Deed or provided by law, which the Note Trustee is required to exercise in or by reference to the interests of the Noteholders or any of them,

those Notes (if any) which are for the time being held by any person (including but not limited to the Issuer) for the benefit of the Issuer shall (unless and until ceasing to be so held) be deemed not to remain Outstanding;

"Outstanding Principal Amount" shall mean, with respect to any Purchased Receivable as of any date, an amount equal to:

- (a) the Principal Amount of such Purchased Receivable; minus
- (b) the aggregate amount of Collections (other than Deemed Collections) received by the Issuer or the Servicer on its behalf in respect of such Purchased Receivable on or before such date and applied to the Principal Amount of such Purchased Receivable in accordance with the Loan Contract; minus
- (c) the amount of any reduction in the principal amount owed by the Debtor on such Purchased Receivable as a result of a cancellation or other event described in sub-paragraph (a)(iii) of the definition of **"Deemed Collection"** or any set-off, discount or other event described in sub-paragraphs (b)(i) through (b)(iii) of the definition of **"Deemed Collections"**;

"Participating FFI" shall mean a **"participating foreign financial institution"**, a **"deemed-compliant FFI"** or an FFI that is otherwise exempt from the requirements of FATCA, as such terms are used in FATCA;

"Payment Date" shall have the meaning given to it in Note Condition 4.2 (*Payment Dates*);

"Permanent Global Note" shall mean the Class A Permanent Global Note and the Class B Permanent Global Note, as applicable;

"Permitted Investments" shall mean:

- (a) PLN-denominated money market funds which have a long-term rating of "AAAmmf" by Fitch and, if rated by Moody's, "Aaa-mf" by Moody's and have a maturity date falling at least one Business Day before the next following Payment Date, provided that such money market funds are disposable without penalty or loss;
- (b) PLN-denominated time deposits, provided that such investments have a maturity date at least one Business Day before the next following Payment Date;
- (c) PLN-denominated senior (unsubordinated) debt securities or other debt instruments (but excluding, for the avoidance of doubt, credit-linked notes or similar claims resulting from the transfer of credit risk by means of credit derivatives) provided that (i) such investments are immediately repayable on demand, disposable without penalty or loss or have a maturity date falling at least one Business Day before the next following Payment Date; (ii) such investments provide a fixed principal amount at maturity (such amount not being lower than the initially invested amount);
- (d) repurchase transactions between the Issuer and an entity having the Required Ratings in respect of PLN-denominated debt securities or other debt instruments provided that (i) title to the securities underlying such repurchase transactions (in the period between the execution of the relevant repurchase transactions and their respective maturity) effectively passes to the Issuer, (ii) such repurchase transactions are immediately repayable on demand, disposable without penalty or loss or have a maturity date falling at least one Business Day before the next following Payment Date (provided that, in respect of such investments, their maturity must be, in any case, shorter than 60 calendar days) and (iii) such repurchase transactions provide a fixed principal amount at maturity (such amount not being lower than the initially invested amount);

provided that, with exclusive regard to investments under (b), (c) and (d) above, the debt securities or other debt instruments, or in the case of repurchase transactions, the debt securities or other debt instruments underlying the repurchase transactions, are issued by, or fully and unconditionally guaranteed on an unsubordinated basis by, an institution whose unsecured and unsubordinated debt obligations are rated at least:

- (i) in relation to investments rated by Fitch (A) "F1" and "A" (or "F1" only in respect of investments carrying only a short-term rating) in respect of investments having a maturity of 30 days or less; and (B) "F1+" in respect of short-term debt having a maturity of more than 30 days, and/or "AA" in respect of the long-term debt with regard to investments having a maturity equal to, or less than, 365 days but more than 30 days; and
- (ii) in relation to investments rated by Moody's (A) "A2" or "Prime-1" (or "Prime-1" only in respect of investments carrying only a short-term rating) in

respect of investments having a maturity of one month or less; (B) "A1" and "Prime-1" in respect of investments having a maturity of two months or less but more than one month; (C) "Aa3" and "Prime-1" in respect of investments having a maturity of three months or less but more than two months; and (D) "Aaa" and "Prime-1" in respect of investments having a maturity of more than six months (and, in each case, have not been placed on "review for possible downgrade"); and

provided that investments under (a) to (d) above shall not consist in whole or in part, actually or potentially, of tranches of other asset-backed securities, credit-linked notes, swaps or other derivative instruments or synthetic securities, or any structured, syndicated or leveraged loans;

"Pledgee" shall mean U.S. Bank Trustees Limited, its successors or any other person appointed from time to time as Pledgee in accordance with the Registered Pledge Agreement.

"Polish Civil Procedure Code" means the Polish Civil Procedure Code dated 17 November 1964 (unified text: Journal of Laws of 2014, position 101, as amended);

"Polish Secured Assets" shall have the meaning given to such term in Condition 2.2 (*Security*);

"Polish Reference Banks" shall mean four major banks in the Polish inter-bank market;

"Polish zloty" or **"PLN"** shall mean the lawful currency of Poland;

"Portfolio" shall mean the Purchased Receivables and Related Collateral;

"Post-Enforcement Available Distribution Amount" shall mean, with respect to any Payment Date following the delivery by the Note Trustee of an Enforcement Notice, an amount equal to the sum (without duplication) of:

- (a) any funds standing to the credit of the Transaction Account on such Payment Date;
- (b) any funds standing to the credit of the Reserve Account on such Payment Date; and
- (c) the proceeds of enforcement of the Secured Assets available for distribution on such Payment Date;

"Post-Enforcement Priority of Payments" shall mean the order in which the Post-Enforcement Available Distribution Amount in respect of each Payment Date shall be applied as set out in Note Condition 2.4 (*Post-Enforcement Priority of Payments*);

"Pre-Enforcement Priority of Payments" shall mean the order in which the Available Distribution Amount in respect of each Payment Date shall be applied as set out in Note Condition 2.3 (*Pre-Enforcement Priority of Payments*);

"Principal Amount" shall mean, with respect to any Receivable, the aggregate principal amount of such Receivable which is scheduled to become due after the Purchase Cut-Off Date;

"Principal Paying Agent" shall mean Elavon Financial Services Limited, and any successor or replacement principal paying agent appointed from time to time in accordance with the Agency Agreement;

"Principal Payment" shall mean, in respect of any Purchased Receivable or the related Loan Contract, any payment made or to be made by or on behalf of the Debtor in respect of the Principal Amount under the Loan Contract;

"Priority of Payments" shall mean the Pre-Enforcement Priority of Payments or the Post-Enforcement Priority of Payments as applicable and **"Priorities of Payments"** shall mean both of them;

"Prospectus" shall mean the prospectus relating to the Notes dated 27 June 2014;

"Purchase" shall mean any purchase of any Receivables together with the Related Collateral pursuant to the Receivables Purchase Agreement;

"Purchase Cut-Off Date" shall mean 13 June 2014;

"Purchase Date" shall mean the Note Issuance Date;

"Purchased Receivable" shall mean any Receivable which is sold and assigned or purported to be assigned by the Seller to the Issuer in accordance with the Receivables Purchase Agreement, which has neither been paid in full nor repurchased by the Seller pursuant to Clause 24 (*Repurchase Option*) of the Receivables Purchase Agreement;

"Qualifying Jurisdiction" shall mean: (a) a member state of the European Communities other than Ireland; (b) a jurisdiction with which Ireland has entered into a Tax Treaty that has the force of law; or (c) a jurisdiction with which Ireland has entered into a Tax Treaty where that treaty will (on completion of necessary procedures) have the force of law;

"Qualifying Lender" shall mean a person which is by virtue of the law of a Qualifying Jurisdiction, resident in that Qualifying Jurisdiction for the purposes of tax except where that person is a company and such interest is paid to the company in connection with a trade or business which is carried on in Ireland by the company through a branch or agency;

"Qualifying Noteholder" means a person which is by virtue of the law of a Qualifying Jurisdiction, resident in that Qualifying Jurisdiction for the purposes of tax;

"Rating Agencies" shall mean Fitch and Moody's;

"Ratings Downgrade" shall mean, at any time, with respect to any person, either (a) any of the ratings assigned by the Rating Agencies to the debt obligations of that person have been downgraded or withdrawn so that that person no longer has the Required Ratings or (b) such debt obligations are no longer rated by any of the Rating Agencies;

"Receipt" shall mean a receipt as attached to a Definitive Note for payment of principal from time to time;

"Receivable" shall mean any liability to pay Loan Instalments which a Debtor owes to the Seller in accordance with a Loan Contract, together with any and all ancillary rights of the Seller under the relevant Loan Contract arising after the Purchase Cut-Off Date;

"Receivables Purchase Agreement" shall mean the receivables purchase agreement dated the Note Issuance Date between the Issuer and the Seller;

"Receiver" shall mean any receiver, receiver and manager or administrative receiver appointed by the Security Trustee over all or any of the English Secured Assets under the

Security Trust Deed whether solely, jointly, severally or jointly and severally with any other person and includes any substitute for any of them appointed from time to time;

"Records" shall mean with respect to any Purchased Receivable, Related Collateral, Vehicle and the related Debtors all contracts, correspondence, files, notes of dealings and other documents, books, books of accounts, registers, records and other information regardless of how stored, and which may be disclosed to the Issuer or any other third party without the Debtor's explicit consent pursuant to applicable law;

"Recoveries" means, on any Cut-Off Date prior to Final Redemption, any amount received in the Collection Period which ended on such Cut-Off Date in relation to a Defaulted Receivable (including in respect of any Related Collateral);

"Registered Pledge" means a registered pledge pursuant to the Registered Pledge Law;

"Registered Pledge Account" shall mean a specified account in the name of the Issuer at the Registered Pledge Account Bank, as may be re-designated or replaced from time to time in accordance with the Transaction Documents;

"Registered Pledge Account Agreement" shall mean a registered pledge account agreement dated on or about 10 April 2014, as amended or amended and restated from time to time, and entered into by the Issuer as account holder and the Registered Pledge Account Bank as account bank;;

"Registered Pledge Account Bank" shall mean Bank Zachodni WBK S.A. or, with respect to the Registered Pledge Account, any successor registered pledge account bank;

"Registered Pledge Agreement" shall mean the registered pledge agreement dated 16 April 2014 and made between the Issuer as pledgor and the Pledgee;

"Registered Pledge Law" means the Polish Act on registered pledge and register of pledges of 6 December 1996 (unified text: Journal of Laws of 2009, No. 67, item 569, as amended);

"Regulations" shall mean the regulations concerning the transfer of any Definitive Notes as the same may be from time to time promulgated by the Issuer (the initial such regulations being set out in Schedule 3 to the Agency Agreement);

"Related Collateral" shall mean with respect to any Purchased Receivable:

- (a) any ownership or co-ownership interests or rights of the Vehicle to which the Loan Contract relates;
- (b) any security interests related to the relevant Loan Contract;
- (c) any rights to enforce the security interests relating to the Loan Contract;
- (d) any and all present and future claims relating to insurance policies with respect to a relevant Vehicle where the Seller has been named as beneficiary (to the extent permitted pursuant to the terms of such policy);
- (e) any right to amend the Loan Contract (to include any unilateral modification rights) to the extent related to the Purchased Receivable;

- (f) any rights to amend certain fees owed under the relevant Loan Contract in accordance with the Seller's table of fees applicable at such time;
- (g) any right to collect the Purchased Receivable from the Debtor;
- (h) any rights relating to the enforcement of the Purchased Receivable;
- (i) any right to request from the Debtor additional security documents to the extent such right derives from the Loan Contract relating to such Purchased Receivable;
- (j) the right to challenge the act of a Debtor that may be carried out to the detriment of the Issuer Secured Parties;
- (k) any termination right arising under the Loan Contract relating to such Purchased Receivable;
- (l) any waiver rights arising under the Loan Contract relating to such Purchased Receivable; and
- (m) the benefit of any other rights, title, interests, powers or benefits of the Seller in relation to such Purchased Receivable.

but in each case only to the extent such Related Collateral can be legally and validly assigned without third party consent or any required consent has been obtained;

"Reporting Date" shall mean, in relation to each Collection Period or immediately following Payment Date, the date that falls on the eighth Business Day of such Collection Period;

"Required Liquidity Reserve Amount" shall mean the aggregate of the Standard Required Liquidity Reserve Amount and the Supplementary Liquidity Reserve Amount *provided that*, if a Liquidity Reserve Shortfall occurred on the preceding Payment Date, the Required Liquidity Reserve Amount shall not be less than the Required Liquidity Reserve Amount as of the Cut-Off Date immediately preceding that Payment Date;

"Required Ratings" shall mean:

- (a) the short-term unsecured, unsubordinated and unguaranteed debt obligations of that person are assigned a rating of at least "F1" (or its equivalent) by Fitch and "P-1" (or its equivalent) by Moody's or in any case such other rating which is consistent with the then current rating methodology of the applicable Rating Agency; and
- (b) the long-term unsecured, unsubordinated and unguaranteed debt obligations of that person are assigned a rating of at least "A" (or its equivalent) by Fitch and "A2" (or its equivalent) by Moody's or in any case such other rating which is consistent with the then current rating methodology of the applicable Rating Agency;

"Reserve Account" shall mean a specified account in the name of the Issuer at the Transaction Account Bank, as may be re-designated or replaced from time to time in accordance with the Transaction Documents;

"Reserved Matter" means any proposal:

- (a) to change any date fixed for payment of principal or interest in respect of the Notes of any Class, to modify the amount of principal or interest payable on any date in respect

of the Notes of any Class, or to alter the method of calculating the amount of any payment in respect of the Notes of any Class, on redemption or maturity or the date for any such payment; or

- (b) (except in accordance with Note Condition 11 (*Substitution of the Issuer*) and Clause 10 (*Substitution*) of the Note Trust Deed) to effect the exchange, conversion or substitution of the Notes of any Class for, or the conversion of such Notes into, shares, bonds or other obligations or securities of the Issuer or any other person or body corporate formed or to be formed;
- (c) to change the currency in which amounts due in respect of the Notes of any Class are payable; or
- (d) to change the quorum required at any Meeting or the majority required to pass an Extraordinary Resolution; or
- (e) to amend this definition;

"Secured Assets" shall mean the Polish Secured Assets and the English Secured Assets (each as defined in Note Condition 2.2(*Security*));

"Security" shall mean the security created in favour of the Security Trustee and the Pledgee and the proceeds thereof pursuant to the Security Documents;

"Security Documents" shall mean the Security Trust Deed, the Registered Pledge Agreement and any other document guaranteeing or creating security for or supporting the obligations of the Issuer to any Issuer Secured Party in connection with any Transaction Secured Obligations;

"Security Interest" shall mean any mortgage, charge, pledge, lien, right of set-off, special privilege, assignment by way of security, retention of title or any other security interest whatsoever or any other agreement or arrangement having the effect of conferring security;

"Security Trust Deed" shall mean a security trust deed dated the Note Issuance Date and made between, the Issuer, the Security Trustee, the Note Trustee, the Calculation Agent, the Corporate Administrator, the Principal Paying Agent, the Transaction Account Bank, the Seller Collections Account Bank, the Seller, the Servicer, the Cash Administrator, the Subordinated Loan Provider and the Custodian;

"Security Trustee" shall mean U.S. Bank Trustees Limited, its successors or any other person appointed from time to time as Security Trustee in accordance with the Security Trust Deed and shall include, where the context permits, U.S. Bank Trustees Limited in its capacity as Pledgee under the Registered Pledge Agreement;

"Seller" shall mean Santander Consumer Bank S.A.;

"Seller Collections Accounts" shall mean the specified accounts in the name of the Seller at the Seller Collections Account Bank and any additional or different account which the Seller may from time to time establish and maintain at the Seller Collections Account Bank in accordance with the Transaction Documents for the receipt and holding of Collections;

"Seller Collections Account Bank" means National Bank of Poland or any successor collections account bank as may be appointed by the Servicer;

"Senior Class" shall mean the Class A Notes whilst they remain Outstanding and thereafter the Class B Notes whilst they remain Outstanding;

"Servicer" shall mean Santander Consumer Bank S.A. and any successor thereof or substitute servicer appointed by the Issuer in accordance with the Servicing Agreement or the Receivables Purchase Agreement;

"Servicer Disruption Date" shall mean any Payment Date in respect of which the Servicer fails to provide a Monthly Report for the immediately preceding Collection Period to the Calculation Agent in time, as notified by the Principal Paying Agent to the Noteholders in accordance with Note Conditions 6 (*Notifications*) and 17 (*Notices to Noteholders*).

"Servicer Fee" shall mean, for any Payment Date, an amount equal to 0.63% of the Aggregate Outstanding Loan Principal Amount as of the immediately preceding Cut-Off Date, calculated on an Actual/365 basis;

"Servicer Termination Date" shall mean the date specified in a Servicer Termination Notice or in a notice delivered pursuant to Clause 10.3 (*Termination on Delivery of Servicer Termination Notice*) of the Servicing Agreement;

"Servicer Termination Event" shall mean the occurrence of any of the following events:

- (a) the Servicer fails to remit to the Issuer any Collections received by it or to make any other payment required to be made by the Servicer to the Issuer pursuant to the Servicing Agreement, in each case, on or within three Business Days after the date when such remittance or payment is required to be made in accordance with the Servicing Agreement or, if no such due date is specified, the date of demand for payment, provided however, that a delay or failure to make such a remittance or payment will not constitute a Servicer Termination Event if such delay or failure is caused by an event beyond the reasonable control of the Servicer, an act of God or other similar occurrence; or
- (b) the Servicer fails to perform any of its obligations (other than those referred to in (a) above) owed to the Issuer under the Servicing Agreement and such failure is materially prejudicial to the interests of the Noteholders (as determined by the Note Trustee) and continues for (i) five Business Days in the case of any failure to deliver any Monthly Report when due or (ii) 30 calendar days in the case of any other failure to perform, in each case after the date on which the Security Trustee gives written notice thereof to the Issuer or the Issuer otherwise has actual notice or knowledge of such failure (whichever is earlier); provided however, that, subject to paragraph (g) of this definition, a delay or failure to perform any obligation will not constitute a Servicer Termination Event if such delay or failure is caused by an event beyond the reasonable control of the Servicer an act of God or other similar occurrence; or
- (c) any of the representations and warranties made by the Servicer with respect to or in the Servicing Agreement or any Monthly Report or information transmitted is materially false or incorrect in a manner which is materially prejudicial to the interests of the Noteholders (as determined by the Note Trustee); or
- (d) (A) proceedings are initiated against the Servicer under any applicable liquidation, insolvency, composition, reorganisation or other similar laws, or an application is made for the appointment of an administrative or other receiver, manager, administrator or other similar official, or an administrative or other receiver, manager, administrator or other similar official or a public administration board is appointed, in

relation to the Servicer or, as the case may be, in relation to the whole or a substantial part of the undertaking or assets of the Servicer, or an encumbrancer takes possession of the whole or a substantial part of the undertaking or assets of the Servicer, or a distress, execution, attachment, sequestration or other process is levied, enforced upon, sued out or put in force against the whole or a substantial part of the undertaking or assets of the Servicer and (B) in any such case (other than the appointment of an administrator), the proceedings, application, appointment, possession or process is not discharged or discontinued within 30 days; or

- (e) any licence, authorisation or registration of the Servicer required with respect to the Servicing Agreement and the Services to be performed thereunder is revoked, restricted or made subject to any material conditions that would be reasonably likely to have a material adverse effect on the Servicer's ability to perform the Services; or
- (f) it is or becomes unlawful for the Servicer to perform or comply with any of its obligations under the Servicing Agreement;
- (g) the Servicer is prevented or severely hindered for a period of 60 days or more from complying with its obligations under the Servicing Agreement as a result of a force majeure event and such force majeure event continues for 30 Business Days after written notice of such non-compliance has been given by the Issuer or the Note Trustee;

"Servicer Termination Event Notice" shall mean a notice to the Servicer from the Issuer or the Note Trustee advising the Servicer of the occurrence of a Servicer Termination Event;

"Servicer Termination Notice" shall mean a notice to the Servicer from the Issuer or the Note Trustee delivered in accordance with the terms of Clause 10.3 (*Termination on Delivery of Servicer Termination Notice*) of the Servicing Agreement;

"Servicer's Owner" shall mean, Banco Santander, S.A. as long as Banco Santander, S.A. owns directly or indirectly at least 51% of the Servicer's share capital, or, in the event of the Servicer ceasing to be an Affiliate of Banco Santander, S.A., the entity which owns directly or indirectly at least 51% of the issued and outstanding share capital of the Servicer;

"Servicer's Owner Downgrade 1" shall mean that the Servicer's Owner's short-term unsecured, unsubordinated and unguaranteed indebtedness ceases to be rated F-1 or higher by Fitch or P-1 or higher by Moody's or its long-term unsecured, unsubordinated and unguaranteed indebtedness ceases to be rated A or higher by Fitch or A2 or higher by Moody's (or is rated P-1 or A2, as applicable, but has been placed on "review for possible downgrade");

"Servicer's Owner Downgrade 2" shall mean that the Servicer's Owner's long-term unsecured, unsubordinated and unguaranteed indebtedness ceases to be rated BBB- or higher by Fitch or Baa3 or higher by Moody's (or is rated Baa3 but has been placed on "review for possible downgrade");

"Services" shall mean the services to be rendered or provided by the Servicer in Clause 3 (The Services) of the Servicing Agreement;

"Servicing Agreement" shall mean a servicing agreement dated the Note Issuance Date and entered into by the Issuer, the Servicer, the Note Trustee and the Security Trustee;

"Share Capital Account" shall mean a specified account in the name of the Issuer held locally by the Share Trustee;

"Share Trustee" shall mean Structured Finance Management Corporate Services (Ireland) Limited or any successor or additional charitable trust company which from time to time wholly owns the entire issued share capital in the Issuer and which holds such issued share capital on trust for charitable purposes;

"Signing Date" shall mean 26 June 2014;

"Specified Office" shall mean, with respect to the Principal Paying Agent or any other Agent, an office of that person specified as such in or pursuant to the Agency Agreement;

"Spot Rate" shall mean (a) for any party except the Cash Administrator, Santander Consumer Bank S.A.'s spot rate of exchange for the purchase of the Euro with Polish zloty (or for the purchase of the Polish zloty with Euro when converting amounts in Polish zloty to Euro) in the Polish foreign exchange market at or about 11:00 a.m. on a particular day and (b) for the Cash Administrator, the Cash Administrator's own internal FX conversion rate for same day settlement, which conversion shall be conducted in a commercially reasonable manner, similar to that which is effected for its other customers, provided that in no event shall the Cash Administrator be liable to any party for the conversion rate so obtained;

"Standard Required Liquidity Reserve Amount" means:

- (a) on the Note Issuance Date PLN 27,340,000;
- (b) as at each Cut-Off Date prior to (but excluding) the Amortisation Threshold Date, an amount equal to 2% of the Initial Aggregate Note Principal Amount;
- (c) on the Cut-Off Date falling on the Amortisation Threshold Date and as at each Cut-Off Date following the Amortisation Threshold Date, an amount equal to two times 2% of the Aggregate Note Principal Amount as at such Cut-Off Date; and
- (d) zero following the earliest of:
 - (i) repayment in full of interest and principal due in respect of the Class A Notes and the Class B Notes;
 - (ii) the Cut-Off Date on which the Aggregate Outstanding Loan Principal Amount is zero but the Class A Notes and the Class B Notes have not been redeemed in full; and
 - (iii) the Maturity Date;

provided that, in the case of (a), (b) and (c) above, the Standard Required Liquidity Reserve Amount shall not be less than 0.5% of the Initial Aggregate Note Principal Amount;

"Subordinated Loan" shall mean an interest-bearing amortising loan comprising of one advance made by the Subordinated Loan Provider to the Issuer pursuant to the Subordinated Loan Agreement;

"Subordinated Loan Agreement" shall mean a subordinated loan agreement dated on or about 27 June 2014, as amended or amended and restated from time to time, and entered into by the Issuer as borrower and the Subordinated Loan Provider as lender;

"Subordinated Loan Provider" shall mean Santander Consumer Bank S.A.;

"Subscription Agreement" shall mean an agreement dated on or about the Signing Date and entered into between the Issuer, the Managers and the Seller;

"Subsidiary" shall mean a subsidiary within the meaning of s1159 Companies Act 2006 or a subsidiary undertaking within the meaning of s1162 Companies Act 2006 of the United Kingdom;

"Supplementary Liquidity Reserve Amount" shall mean:

- (a) subject to paragraph (b), as at any Cut-Off Date, an amount (if any) equal to:
 - (i) 3.25 times the aggregate of the amounts due to be distributed pursuant to items (a) to (g) (inclusive) in the Pre-Enforcement Priority of Payments on the immediately following Payment Date, provided that any interest due and payable will be calculated assuming each Interest Period has 30 days and the year has 360 days; less
 - (ii) the Standard Required Liquidity Reserve Amount as at such Cut-Off Date; and
- (b) zero, following the earliest of:
 - (i) repayment in full of interest and principal due in respect of the Class A Notes and the Class B Notes;
 - (ii) the Cut-Off Date on which the Aggregate Outstanding Loan Principal Amount is zero but the Class A Notes and the Class B Notes have not been redeemed in full; and
 - (iii) the Maturity Date;

"Talon" shall mean a talon as attached to a Definitive Note for redemption for future Coupons or Receipts;

"Target 2 Settlement Day" shall mean the Target 2 Settlement Day (being a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (Target2) System launched on 19 November 2007 is open for settlement of payments in euro);

"Taxes" has the meaning given to it in Condition 10 (*Taxes*);

"Tax Treaty" shall mean a double taxation treaty into which Ireland has entered which contains an article dealing with interest or income from debt claims;

"Temporary Global Note" shall mean the Class A Temporary Global Note or the Class B Temporary Global Note (as applicable);

"Transaction" shall mean the transactions contemplated by the Transaction Documents;

"Transaction Account" shall mean, as the context requires, (i) the specified sub-account in the name of the Issuer at the Transaction Account Bank denominated in Polish zloty, (ii) the specified sub-account in the name of the Issuer at the Transaction Account Bank denominated

in Euro, or (iii) both sub-accounts referred to in (i) and (ii), in each case as such accounts may be redesignated or replaced from time to time in accordance with the Transaction Documents;

"Transaction Account Agreement" shall mean an agreement dated on or about the Note Issuance Date and entered into between the Issuer, the Transaction Account Bank, the Note Trustee, the Security Trustee and the Cash Administrator in relation to the Transaction Account, the Reserve Account and the Issuer Collections Account;

"Transaction Account Bank" shall mean Elavon Financial Services Limited and any successor or replacement calculation agent appointed from time to time in accordance with the Transaction Account Agreement;

"Transaction Documents" shall mean the Receivables Purchase Agreement, the Servicing Agreement, the Registered Pledge Agreement, the Security Trust Deed, the Corporate Administration Agreement, the Transaction Account Agreement, the Registered Pledge Account Agreement, the Note Trust Deed, the Agency Agreement, the Subscription Agreement, the Subordinated Loan Agreement, the Custody Agreement and any amendments, supplements, terminations or replacements relating to any such agreement;

"Transaction Secured Obligations" shall mean the aggregate of all monies and liabilities which from time to time are or may become due or owing or payable, and all obligations and other actual or contingent liabilities from time to time incurred, by the Issuer to the Issuer Secured Parties under the Notes or the Transaction Documents and any other obligations expressed to be payable to Issuer Secured Parties pursuant to the Post-Enforcement Priority of Payments:

- (a) in whatever currency;
- (b) whether due, owing or incurred alone or jointly with others or as principal, surety or otherwise; and
- (c) including monies and liabilities purchased by or transferred to the relevant Issuer Secured Party,

but excluding any money, obligation or liability which would cause the covenant set out in Clause 2.1 (*Covenant to pay*) of the Security Trust Deed or the security which would otherwise be constituted by the Security Trust Deed to be unlawful or prohibited by any applicable law or regulation;

"Transfer Date" shall mean, with respect to any Collection Period, the date falling three Business Days before the immediately following Payment Date;

"Unallocated Overpayment" shall mean in relation to any Purchased Receivable, the amount by which a payment made by the Debtor exceeds the amount owing by the Debtor under the relevant Loan Contract in respect of such Purchased Receivable as at the date on which such payment was made, which excess has not been specified by the Debtor as being a prepayment of one or more Loan Instalments under the relevant Loan Contract;

"Vehicle" shall mean, in relation to any Finance Agreement, the motor vehicle which is used as collateral in respect of such Finance Agreement;

"Warsaw Banking Day" shall mean any day (other than a Saturday or Sunday) on which banks are open for general business in Warsaw, Poland;

"Weighted Average Loan Return" shall mean, with respect to any Cut-Off Date the weighted average interest rate as at such Cut-Off Date of outstanding variable rate Loan Contracts underlying the Purchased Receivables which, as at such Cut-Off Date, are not Defaulted Receivables;

"WIBOR" shall mean (a) the percentage rate per annum for 1 (one) month PLN deposits which appears on Reuters page WIBO or (i) such other page as may replace Reuters page WIBO on that service for the purpose of displaying such information or (ii) if that service ceases to display such information, such page as displays such information on such equivalent service (or, if more than one, that one which is specified by the Paying Agent) as may replace the Reuters page WIBO (the **"Screen Rate"**) at or about 11.00 a.m. (Warsaw time) on the relevant WIBOR Determination Date; or (b) if the Screen Rate is unavailable at such time for 1 (one) month PLN deposits, then the WIBOR shall be the arithmetic mean (rounded to four decimal places with the midpoint rounded up) of the rates notified to the Principal Paying Agent at its request by each of the Polish Reference Banks as the rate at which 1 (one) month deposits in that currency in a similar representative amount are offered by that Polish Reference Bank to leading banks in the Warsaw inter-bank market at or about 11.00 a.m. (Warsaw time) on that date; or (c) if on the WIBOR Determination Date, the Screen Rate is unavailable and only two (2) of the Polish Reference Banks provide such offered quotations to the Paying Agent shall be determined in the manner specified in (b) above, on the basis of the offered quotations of those Polish Reference Banks providing such quotations; or (d) if, on the WIBOR Determination Date, the Screen Rate is unavailable and only one of the Polish Reference Banks provides the Paying Agent with an offered quotation, the WIBOR shall be the rate determine prior to the immediately preceding Payment Date to which either subparagraph (a) or (b) above shall have applied; or (e) in the case of the Initial Interest Period only, the rate obtained by linear interpolation of the rate for 2 week and 1 month PLN deposits in the market;

"WIBOR Determination Date" shall mean for any Interest Period, the day which is two Warsaw Banking Days prior to the first day of that Interest Period.

SUMMARY OF PROVISIONS RELATING TO THE CLASS A NOTE CERTIFICATES AND THE CLASS B NOTE CERTIFICATES

The Class A Notes and the Class B Notes will initially be represented by separate Temporary Global Notes which will be deposited on or around the Note Issuance Date with the Common Safekeeper. Each Temporary Global Note will be exchangeable in whole or in part for interests in a Permanent Global Note not earlier than 40 days after the Note Issuance Date upon certification as to non-U.S. beneficial ownership. No payments will be made under a Temporary Global Note unless exchange for interests in a Permanent Global Note is improperly withheld or refused. In addition, interest payments in respect of the Notes cannot be collected without such certification of non-U.S. beneficial ownership.

On the exchange of a Temporary Global Note for a Permanent Global Note, the Permanent Global Note will remain deposited with the Common Safekeeper.

Each Permanent Global Note will become exchangeable in whole, but not in part, for Notes in definitive form ("**Definitive Notes**") in the denomination of PLN 500,000 or a higher integral multiple of PLN 1,000 in excess thereof, each at the request of the bearer of the Permanent Global Note against presentation and surrender of the relevant Permanent Global Note to the Principal Paying Agent if any of the following events occurs (each an "**Exchange Event**"):

- (a) either Euroclear or Clearstream, Luxembourg is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so;
- (b) any of the circumstances described in Note Condition 12 (*Events of Default*); or
- (c) as a result of any amendment to, or change in (A) the laws or regulations of Ireland or the United Kingdom (or of any political sub-division thereof) or of any authority therein or thereof having power to tax or (B) the interpretation or administration of such laws or regulations, which becomes effective on or after the Note Issuance Date, the Issuer or the Principal Paying Agent is or will be required to make any deduction or withholding for or on account of tax from any payment in respect of the Notes which would not be required were the Notes in definitive form,

If any Exchange Event occurs and the bearer of the relevant Permanent Global Note so requests, then the Issuer will, within 30 days of the occurrence of the relevant event, issue serially numbered note certificates, where applicable, in definitive form in exchange for the whole outstanding interest in the relevant Note Certificate.

Whenever a Permanent Global Note is to be exchanged for Definitive Notes, the Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Notes, duly authenticated and with Receipts, Coupons and Talons attached in an aggregate Note Principal Amount equal to the Note Principal Amount of the Permanent Global Note to the bearer of the Permanent Global Note against the surrender of the Permanent Global Note at the Specified Office of the Principal Paying Agent within 30 days of the occurrence of the relevant Exchange Event.

OUTLINE OF THE OTHER PRINCIPAL TRANSACTION DOCUMENTS

Receivables Purchase Agreement

On the Note Issuance Date, the Issuer will have purchased the Portfolio from the Seller in accordance with the Receivables Purchase Agreement.

To be eligible for sale to the Issuer under the Receivables Purchase Agreement, the Portfolio and any part thereof will have to meet the eligibility criteria set out in "**ELIGIBILITY CRITERIA**" herein. Pursuant to the Receivables Purchase Agreement the Seller represents and warrants that, as at the Purchase Cut-Off Date, each Purchased Receivable meets such eligibility criteria.

The Receivables Purchase Agreement provides that, upon payment of the purchase price for the Portfolio, the Issuer will acquire the Portfolio and in respect of the relevant Loan Contracts all rights arising under such Loan Contracts as from the Purchase Cut-Off Date (other than any Loan Instalments which have become due prior to or on such Cut-Off Date) together with all of the Seller's rights, title and interest in the Related Collateral (save as provided below in respect of partial ownership transfer agreements) in accordance with the Receivables Purchase Agreement. As a result, the Issuer will obtain the full economic ownership in the Portfolio, including principal and interest, and will be free to transfer or otherwise dispose of the Portfolio, subject only to the contractual restrictions applying to the Purchased Receivables provided in the relevant Loan Contracts and the contractual agreements underlying the Related Collateral and all applicable laws.

In respect of Related Collateral consisting of the Seller's interests under partial ownership transfer agreements, the Seller's partial ownership interest in the relevant Vehicle will not be transferred to the Issuer on the Purchase Date. The Seller will continue to own a 49% share in the ownership of the Vehicle and such ownership rights will be transferred to the Issuer automatically upon the occurrence of either a Servicer Termination Event or a default by the Debtor under the relevant Loan Contract resulting in the effective termination of the relevant Loan Contract that satisfies the conditions for transfer of the Debtor's 51% share in the ownership of the Vehicle to the Seller as set out in the relevant Partial Ownership Conditional Transfer Agreement.

If for any reason title to any part of the Portfolio has not been transferred to the Issuer following payment of the purchase price, all Liabilities which the Issuer has incurred or will incur by taking additional measures due to any part of the Portfolio not being sold or transferred will be borne by the Seller.

The sale and assignment of the Receivables pursuant to the Receivables Purchase Agreement constitutes a sale without recourse. This means that the Seller will not bear the risk of the inability of any Debtors to repay the relevant Purchased Receivables.

In the Receivables Purchase Agreement, the Seller makes representations and warranties in respect of the Purchased Receivables, regarding the Purchased Receivables' title and ownership, that there are no adverse claims over the Purchased Receivables, that the Purchased Receivables comply with the Eligibility Criteria, that the Purchased Receivables are valid and enforceable financing agreements; and, that there has been no untrue information given by the Seller in respect of the Purchased Receivables. By representing and warranting that the Purchased Receivables comply with the Eligibility Criteria, the Seller is also making representations, amongst other things, in respect of the Purchased Receivables constituting valid claims on the Debtors, the origination and servicing of such Purchased Receivables and that no Debtor has defaulted.

The Seller also agrees to indemnify the Issuer for any Liabilities as a consequence of any default by the Seller in the performance of any of the obligations expressed to be assumed by it in the Receivables Purchase Agreement.

Deemed Collections

If certain events (see the definition of Deemed Collections in "**CERTAIN DEFINITIONS — Deemed Collection**") occur with respect to a Purchased Receivable, the Seller has undertaken to pay to the Issuer as a Deemed Collection the Outstanding Principal Amount (or the affected portion thereof) of any Purchased Receivable (plus accrued and unpaid interest). In accordance with the terms of the Receivables Purchase Agreement, in certain circumstances the receipt by the Issuer of a Deemed Collection will result in the relevant Purchased Receivable and Related Collateral related thereto being automatically re-assigned or otherwise retransferred to the Seller on the day of the payment of the Deemed Collection on a non-recourse or guarantee basis on the part of the Issuer. The costs of such assignment will be borne solely by the Seller.

As between the Seller and the Issuer, the risk that the amount owed by a Debtor on a Purchased Receivable is reduced due to set-off, counterclaim, discount or other credit in favour of such Debtor, has been retained by the Seller. To this end, the Seller will be deemed to receive an amount equal to the amount of such reduction, which will constitute a Deemed Collection and be payable by the Seller to the Issuer.

When the Seller is deemed to receive any Deemed Collections during any Collection Period, it will pay the amount of those Deemed Collections to the Seller Collections Account or, as applicable, the Issuer Collections Account on or before the Cut-Off Date for such Collection Period, for transfer to the Transaction Account on the immediately following Transfer Date.

Optional clean-up call

Pursuant to the Receivables Purchase Agreement, on any Payment Date on or following the Payment Date on which the Class A Notes and the Class B Notes have been repaid in full, the Seller may, subject to certain requirements, demand from the Issuer the resale and retransfer of all (but not part) of the outstanding Portfolio held by the Issuer.

The Seller must advise the Issuer of its intention to exercise the repurchase option at least 30 days prior to the contemplated termination date, which shall occur on a Payment Date agreed upon by the Seller, be at the cost of the Seller.

Such resale and retransfer would be for a repurchase price in an amount equal to the sum of (A) the then current Aggregate Outstanding Loan Principal Amount plus (B) any Deemed Collections owed by the Seller and other Collections received by the Seller, as Servicer, and not otherwise paid to the Issuer, plus (C) any interest on the Purchased Receivables accrued until and outstanding on such Payment Date (and not included in such Deemed Collections) and without any recourse against, or warranty or guarantee of, the Issuer. The repurchase and early redemption of the transaction will be excluded if the repurchase price determined by the Seller is not sufficient to fully satisfy the obligations of the Issuer under the Subordinated Loan together with all amounts ranking prior to the Subordinated Loan according to the Pre-Enforcement Priority of Payments. The Issuer will retransfer the Purchased Receivables (together with any Related Collateral) at the cost of the Seller to the Seller upon receipt of the full repurchase price and all other payments owed by the Seller or the Servicer under the Receivables Purchase Agreement or the Servicing Agreement. The Seller and the Issuer acknowledge that the terms agreed for such repurchase represent arm's length commercial terms for transactions of this type.

Servicing and Credit and Collection Policy

The Receivables Purchase Agreement includes provisions for the Seller to act as Servicer with respect to the Portfolio in accordance with the Servicing Agreement and the Credit and Collection Policy. The Seller may not materially change the Credit and Collection Policy unless (i) such change does not

affect the Purchased Receivables or (ii) such change applies equally to Purchased Receivables and other Receivables and the Seller determines that such change would not be reasonably likely to have a material adverse effect on the validity or collectability of the Purchased Receivables or the Issuer's ability to make timely payment on the Notes or (iii) such change is required by law.

Applicable law and jurisdiction

The Receivables Purchase Agreement will be governed by, and construed in accordance with, the laws of Poland. The common court in Poland applicable for the seat of the Seller shall have non-exclusive jurisdiction for settlement of any dispute arising out of or in connection therewith.

Servicing Agreement

Pursuant to the Servicing Agreement between the Servicer, the Note Trustee, the Security Trustee and the Issuer, the Servicer has the right and duty to manage, service and administer the Portfolio, collect and, if necessary, enforce or otherwise realise the Purchased Receivables and foreclose on the Related Collateral and pay all proceeds to the Issuer.

Servicer's duties

In respect of the Portfolio, the Servicer acts as manager, servicer and administrator of the Issuer under the Servicing Agreement. The duties of the Servicer include the assumption of managing, servicing, collection, administrative and enforcement tasks and specific duties in respect of the Portfolio set out in the Servicing Agreement (the "**Services**") and subject to applicable law.

Under the Servicing Agreement, the Servicer will, *inter alia*, in accordance with applicable law and in consideration of the Issuer's agreement to pay the Servicer Fee:

- pay any Collections received from the Debtors to the Issuer;
- endeavour at its own expense to recover amounts due from the Debtors in accordance with the Credit and Collection Policy, see "**CREDIT AND COLLECTION POLICY**". The Issuer will assist the Servicer in exercising all rights and legal remedies from and in relation to the Portfolio in this regard, as is reasonably necessary;
- in the event of an enforcement of any Related Collateral following a termination of a Purchased Receivable, realise such Related Collateral or other existing collateral as soon as possible by taking such measures as it deems necessary in its professional discretion;
- from time to time use its reasonable efforts to give such notices to Debtors and take such other actions as may be required and within its control (subject to and in accordance with the relevant Loan Contracts and applicable laws) to reset or maintain interest rates on any variable rate Loan Contract underlying Purchased Receivables such that, as of each Cut-Off Date, (x) the Weighted Average Loan Return will not be less than (y) Average WIBOR with respect to that Cut-Off Date plus 5.5%;
- keep and maintain the Records on behalf of and for the account of the Issuer, in electronic or paper form and in a manner such that it is easily distinguishable from records relating to loans or collateral unrelated to the Portfolio;
- keep records for taxation purposes, including for the purposes of value-added tax;
- assist the Issuer in discharging any Related Collateral in respect of the relevant Purchased Receivable which has been fully repaid;

- assist the Issuer's auditors and provide information to them upon request;
- establish and maintain in the books of the Issuer all cash management ledgers in relation to the Transaction Account and the Reserve Account;
- on each Warsaw Banking Day on which any payments are received and credited to the Seller Collections Accounts, identify the portion, if any, of those payments that constitute Collections;
- give instructions to the Cash Administrator for the investment in Permitted Investments of amounts on deposit from time to time in the Issuer Secured Accounts;
- for each collection period, prepare and deliver a Monthly Report and an Investor Report which shall, *inter alia*, contain updated information with respect to the Portfolio;
- to the extent that Purchased Receivables or Related Collateral relate to a Loan Contract that has not been legally terminated, on behalf of the Issuer give such notices to Debtors and other obligors of Related Collateral of the sale and purchase of the relevant Purchased Receivable and Related Collateral as may be requested by the Issuer in accordance the provisions of the Servicing Agreement;
- following the transfer to the Issuer of any ownership interest in a Vehicle (which, for the avoidance of doubt, shall occur automatically following either a Servicer Termination Event or a Debtor Default) take such steps, on behalf of the Issuer, as may be required (including, without limitation, giving any notices to the relevant authorities, on behalf of the Issuer, as may be required);
- at the request of the Issuer, assist, or procure such services from internationally reputable third party service providers (at the cost of the Issuer) as may be necessary to effect such assistance, the Issuer in complying with its obligations under EMIR, including:
 - by certifying (pursuant to the Note Trust Deed) any modification to the Note Conditions or the Transaction Documents required under EMIR and to assist the Issuer in obtaining legal advice on the necessity of any such change; and
 - by fulfilling any reporting and notification obligations applicable to the Issuer under EMIR including, for the avoidance of doubt, all dispute resolution, risk mitigation and portfolio reconciliation requirements applicable thereunder to the Issuer.

Under the Servicing Agreement, the Servicer will agree, *inter alia*, not to, except as otherwise permitted under any applicable laws and regulations, the terms of the Loan Contracts and any other documents pertaining to the Portfolio, the Credit and Collection Policy and the other Transaction Documents, materially extend, amend, modify or waive any Loan Contracts underlying Purchased Receivables or Related Collateral or terminate any Loan Contracts underlying Purchased Receivable and/or Related Collateral without the prior written consent of the Issuer, provided that, subject to applicable laws, the Servicer shall agree not to make any amendments to the provisions of any Loan Contracts underlying Purchased Receivables relating to interest rate changes which would have the effect of limiting its ability to reset or maintain the interest rate on any variable rate Loan Contract underlying the Purchased Receivable such that as of each Cut-Off Date the Weighted Average Loan Return will not be less than Average WIBOR with respect to that Cut-Off Date plus 5.5%. For the avoidance of doubt, the Servicer is permitted to make certain modifications to the Loan Contracts without such modifications being deemed to be a substantial modification for the purposes of the definition of Deemed Collections, provided that such modifications are permitted under the Credit and

Collections Policy and in the reasonable opinion of the Servicer such modifications do not have an adverse effect on the credit quality of the Loan Contracts.

The Servicer will administer the Portfolio in accordance with the Credit and Collection Policy, in a manner consistent with its administration and enforcement of its own consumer loans and related collateral, subject to the provisions of the Servicing Agreement, the Loan Contracts, the security documents underlying the Related Collateral, the Receivables Purchase Agreement and applicable laws.

Following the termination of any Defaulted Receivable, the Servicer may, in its sole discretion, sell the residual value on that Defaulted Receivable in accordance with the Credit and Collection Policy. The net proceeds of any such sale will constitute Collections allocable to the Purchased Receivable, and the sole right of the Issuer and the Security Trustee with respect to any such sold Defaulted Receivable will be to receive such Collections. Upon such sale, the Servicer will mark its computer records indicating that any such receivable sold is no longer a Purchased Receivable.

The Servicer will ensure that it has all required licences, approvals, authorisations, registrations and consents which are necessary or desirable for the performance of its duties under the Servicing Agreement.

Under the Servicing Agreement, the Servicer will be entitled to a fee as consideration for the performance of the Services.

In the Servicing Agreement, the Servicer agrees to indemnify the Issuer, the Note Trustee and the Security Trustee against all Liabilities incurred by the Issuer, the Note Trustee, the Security Trustee and/or such directors, agents, officers, employees and persons acting on their behalf which have been caused by any wrongful or negligent act, default or omission by the Servicer.

In addition, if the Servicer fails to comply with its obligation with respect to maintenance of the Weighted Average Loan Return (as detailed above), it has agreed to make certain payments to the Transaction Account by way of indemnity to make up any resulting shortfall. The Servicer's failure to comply with its obligation with respect to maintenance of the Weighted Average Loan Return shall not constitute a Servicer Termination Event if payment of the relevant amount is made to the Transaction Account in accordance with the Servicing Agreement.

Information and regular reporting

The Servicer shall keep safe and use all reasonable endeavours to maintain records in relation to each Purchased Receivable and Related Collateral in computer readable form. The Servicer will give written notice to the Issuer, the Note Trustee and the Rating Agencies of any proposed material change in its administrative or operating procedures relating to the keeping and maintaining of records. Any such material change requires the prior consent of the Issuer.

The Servicing Agreement requires the Servicer to prepare a Monthly Report for each Collection Period in the form and with the contents set out in Schedule 1 (*Sample Monthly Report*) of the Servicing Agreement together with a certification that no Notification Event or Servicer Termination Event has occurred. In particular, but without limitation, the Servicer shall, as part of the Monthly Report, calculate as of each Cut-Off Date the Available Distribution Amount for the immediately following Payment Date. The Servicer shall deliver such Monthly Report to the Issuer with a copy to the Note Trustee, Corporate Administrator, the Calculation Agent, the Cash Administrator, the Back-up Servicer Facilitator and the Principal Paying Agent not later than 12:00 noon on the relevant Reporting Date.

Further, in accordance with the Servicing Agreement, the Servicer will prepare, on a monthly basis, an investor report (each, an **"Investor Report"**) for each Collection Period which it will provide to the Issuer, with a copy to the Corporate Administrator, the Note Trustee, the Security Trustee, the Cash Administrator, the Principal Paying Agent, the Calculation Agent, the Back-up Servicer Facilitator and each Rating Agency no later than 12:00 noon on the second Business Day after the Payment Date following the Cut- Off Date on which such Collection Period ends.

Appointment of back-up or replacement servicer

If a Notification Event occurs, the Issuer will, or will require the Servicer to, (a) send notices to the Debtors directing them to make payments on Purchased Receivables to the Issuer Collections Account and no longer to the Seller Collections Account, and (b) the Issuer will, within thirty Business Days, appoint as back-up servicer a person qualified to replace the Seller as Servicer in accordance with the Servicing Agreement.

If a Servicer Termination Event occurs, the Issuer (with the prior written consent of the Note Trustee) or the Note Trustee may terminate the appointment of the Seller as Servicer and appoint a qualified person as replacement Servicer; provided that the termination shall not become effective until the qualified successor servicer has been appointed.

Applicable law and jurisdiction

The Servicing Agreement, and all non-contractual obligations arising out of or in connection with it, will be governed by the laws of Poland. The courts of Poland will have exclusive jurisdiction to settle any disputes that may rise in connection therewith.

Security Trust Deed

On the Note Issuance Date, the Issuer and the Security Trustee, among others, will enter into the Security Trust Deed. As continuing security for the payment and discharge of the Transaction Secured Obligations the Issuer will create in favour of the Security Trustee, for itself and on trust for the other Issuer Secured Parties, in accordance with the Security Trust Deed:

- (a) an assignment with full title guarantee of all of its rights under the Assigned Documents;
- (b) a first fixed charge over its right, title and interest in and to all amounts, benefits and securities standing to the credit, or deposited in, the Transaction Account, the Reserve Account, the Issuer Collections Account and the indebtedness represented by them; and
- (c) a first floating charge with full title guarantee over the whole of the Issuer's undertaking and all of its property, assets and rights whatsoever and wheresoever present (other than amounts standing to the credit of its Share Capital Account) and future, which are not otherwise effectively subject to a fixed charge or assignment by way of security.

The Issuer undertakes in the Security Trust Deed by way of parallel debt obligation, to pay to the Security Trustee (as creditor in its own right) sums equal to each amount payable by the Issuer to each of the Issuer Secured Parties under the Transaction Documents.

Each of the Issuer Secured Parties (other than the Noteholders) will agree to be bound by the provisions of the Security Trust Deed and, in particular, will agree to be bound by the Priority of Payments and the limited recourse and non-petition provisions set out within.

The Secured Assets shall be available to satisfy the Issuer's obligations under the Notes. Accordingly, recourse against the Issuer in respect of such obligations shall be limited to the Secured Assets and the

claims of the Issuer Secured Parties against the Issuer under the Transaction Documents may only be satisfied to the extent of the Secured Assets. Once the Secured Assets has been realised:

- (a) neither the Security Trustee nor any of the other Issuer Secured Parties shall be entitled to take any further steps or other action against the Issuer to recover any sums due but unpaid;
- (b) all claims in respect of any sums due but unpaid shall be extinguished; and
- (c) neither the Security Trustee nor any of the other Issuer Secured Parties shall be entitled to petition or take any other step for the winding up of the Issuer.

The Secured Assets shall become enforceable in accordance with the Note Conditions following delivery by the Note Trustee of an Enforcement Notice and receipt by the Security Trustee of written instructions from the Note Trustee to take enforcement action in accordance with the terms of the Security Trust Deed.

In the Security Trust Deed, the Issuer makes representations and warranties, in respect of the Purchased Receivables, regarding the English Secured Assets' title and ownership and that by entering into the Security Trust Deed it has complied with laws applicable to it.

The Issuer agrees to indemnify the Security Trustee, its agents, delegates and other appointees and any Receiver for any Liabilities incurred or suffered by any of them in or directly or indirectly as a result of the exercise or purported exercise of any of the rights, powers, duties, obligations and/or discretions vested in them under the Security Trust Deed or any other Transaction Document and against all Liabilities suffered or incurred by any of them in respect of any matter or thing done or omitted relating to the Secured Assets or in respect of any other matter or thing done or omitted in relation to the Transaction Documents.

The Back-up Servicer Facilitator is a party to the Security Trust Deed solely in respect of its undertaking to the Issuer, the Note Trustee and the Security Trustee that, upon the occurrence of a Servicer's Owner Downgrade 2, it shall select an entity having the requirements set out in Clause 6.5 (*Servicer's representations and warranties*) of the Servicing Agreement and willing to assume the duties of "**Back-up Servicer**" in accordance with the Servicing Agreement and otherwise assist the Issuer in complying with its obligations under Clause 9.2(a) (*Notification Events*) of the Servicing Agreement.

Applicable law and jurisdiction

The Security Trust Deed, and all non-contractual obligations arising out of or in connection with it, will be governed by the laws of England. The courts of England will have exclusive jurisdiction to settle any disputes (whether contractual or non-contractual) that may arise out of or in connection therewith.

Registered Pledge Agreement

The obligations of the Issuer under the parallel debt provisions of the Security Trust Deed will be secured by a first ranking registered pledge established over a collection of movables and rights being an economic entirety of a variable composition located in Poland. The registered pledge has been created pursuant to the Registered Pledge Agreement, entered into between the Issuer and the Pledgee on 16 April 2014 and entered on to the register of pledges maintained by the commercial division of the district court on 24 April 2014. The collection of movables and rights will include (i) the rights under the Loan Contracts and Related Collateral, (ii) the rights under the Servicing Agreement (iii) the rights under the Receivables Purchase Agreement and (iv) the rights under the Registered Pledge Account Agreement and Registered Pledge Account. Furthermore, the pledge shall also encumber the

vehicles, provided that the ownership title is transferred from the Debtors or from Santander Consumer Bank S.A. to the Issuer and that the vehicles will remain in the territory of Poland.

The construction of the registered pledge over a collection of movables and rights, is comparable to an English law floating charge and provides for the encumbrance of a collection of movables and rights including, future assets and rights.

The Pledgee, in order to satisfy the claim secured by way of the Registered Pledge, could, upon delivery of a notice on initiating the enforcement to the Issuer, at its own discretion, enforce the assets through court enforcement proceedings or other methods to be specified in the Registered Pledge Agreement, such as the seizure or sale of the collection of movables and rights. The Pledgee will have to choose one of the methods of enforcement and specify it in the notice on initiating the enforcement.

Agency Agreement

On the Note Issuance Date, the Issuer and the Note Trustee will enter into the Agency Agreement with the Principal Paying Agent, the Calculation Agent and the Cash Administrator. The Principal Paying Agent, the Calculation Agent and the Cash Administrator, are appointed by the Issuer, and in certain circumstances as set out in the Agency Agreement, by the Note Trustee, to act as their agent to make certain calculations, determinations and to effect payments in respect of the Notes. In addition, the Cash Administrator is appointed by the Issuer and in certain circumstances as set out in the Agency Agreement, the Note Trustee under the Agency Agreement to also act as their agent in providing certain cash management services such as (i) verifying the calculations undertaken by the Servicer relating to the payments to be effected on each Payment Date in accordance with the Transaction Documents, (ii) providing the Transaction Account Bank with payment instructions on behalf of the Issuer required to effect payments in respect of the Notes and (iii) to calculate the Available Distribution Amount if the Servicer should fail to do so along with any other payments in accordance with the Transaction Documents on each Payment Date.

The Cash Administrator shall, in addition, make available the Investor Report provided to it by the Servicer publicly available on its website www.usbank.com/abs and by posting it on Bloomberg without undue delay. The Cash Administrator will also prepare and provide, on a monthly basis, a payment report which relates to the envisaged payments to be effected on the immediately succeeding Payment Date in accordance with the Transaction Documents to the Issuer with copies to the Corporate Administrator, the Note Trustee, the Security Trustee, the Calculation Agent, and the Rating Agencies no later than on the third Business Day prior to the Payment Date to which such payment report relates. The functions, rights and duties of the Cash Administrator, the Principal Paying Agent and the Calculation Agent are set out in the Note Conditions as well as the Agency Agreement.

The Agency Agreement provides that the Issuer may terminate the appointment of any Agent with regard to some or all of its functions with the prior written consent of the Note Trustee upon giving such Agent not less than thirty (30) calendar days' prior written notice. It further provides that any Agent may at any time resign from its office by giving the Issuer and the Note Trustee not less than thirty (30) calendar days' prior written notice.

Any termination or resignation of any Agent shall become effective only upon the appointment by the Issuer (with the prior written approval of the Note Trustee) of one or more, as the case may be, banks or financial institutions in the required capacity and the giving of prior written notice of such appointment to the Security Trustee and the Noteholders in accordance with the Note Conditions. The right to termination or resignation for good cause will remain unaffected. If no replacement agent is appointed within twenty (20) calendar days of any Agent's resignation, then such Agent may itself, appoint such replacement agent in the name of the Issuer by giving (i) prior notice of such appointment to the Security Trustee and the Noteholders in accordance with the Note Conditions; and

(ii) at least 30 (thirty) calendar days prior written notice of such appointment to the Issuer and the Note Trustee in accordance with the Agency Agreement.

Applicable law and jurisdiction

The Agency Agreement, and all non-contractual obligations arising out of or in connection with it, will be governed by the laws of England. The courts of England will have exclusive jurisdiction to settle any disputes (whether contractual or non-contractual) that may arise out of or in connection therewith.

Note Trust Deed

On the Note Issuance Date the Issuer and the Note Trustee will enter into the Note Trust Deed. Under the terms of the Note Trust Deed, the Issuer and the Note Trustee will agree that the Notes are subject to the provisions of the Note Trust Deed. The Note Conditions and the forms of the Notes are set out in the Note Trust Deed.

The Note Trustee will agree to hold the benefit of, among other things, the Issuer's covenant to repay principal and interest on the Notes from time to time on trust for the Noteholders in accordance with the Transaction Documents and to apply all payments, recoveries or receipts in respect of such covenant in accordance with the Note Conditions, the Note Trust Deed and the Agency Agreement.

In accordance with the terms of the Note Trust Deed, the Issuer will pay remuneration to the Note Trustee for its services under the Note Trust Deed at the rate agreed between the Issuer and the Note Trustee together with payment of all costs, charges and expenses incurred by the Note Trustee in relation to the Note Trustee's performance of its obligations under the Note Trust Deed.

The Note Trustee may retire at any time upon giving not less than three calendar months' notice in writing to the Issuer without assigning any reason therefor. The retirement of the Note Trustee shall not become effective unless, *inter alia*, a successor to the Note Trustee has been appointed (being a trust corporation) in accordance with the Note Trust Deed and unless the Note Trustee and the Security Trustee agree otherwise, the Security Trustee is, pursuant to the provisions of the Security Trust Deed, removed simultaneously with the removal of the Note Trustee. A trust corporation may be appointed sole trustee under the Note Trust Deed, otherwise there shall always be two trustees one of which must be a trust corporation.

The Note Trustee shall from time to time without the consent of the Noteholders, Receiptholders or Couponholders or any of the other Issuer Secured Parties, concur with the Issuer in modifying the Note Conditions, the Notes, Receipts or Coupons, the Security Trust Deed, the Note Trust Deed or the Transaction Documents provided that the Servicer has certified in writing to the Issuer and the Note Trustee that (i) such modifications are necessary to implement new credit rating criteria of one or more Rating Agencies and have been discussed with the relevant Rating Agency or Rating Agencies as being necessary, in each case in order to maintain the credit ratings then assigned to the Class A Notes and the Class B Notes; or (ii) are necessary in order for the Issuer to ensure compliance with EMIR or Dodd-Frank Title VII; or (iii) are necessary in order for the Issuer and the Notes to continue to comply with mandatory provisions of applicable law or regulation, and (iv) in the case of (i) above, as applicable, such modifications (1) implement the new credit rating criteria only to the extent required to maintain the credit ratings then assigned to the Class A Notes and the Class B Notes and (2) reflect the discussions with the relevant Rating Agency or Rating Agencies to the extent required to maintain the credit ratings then assigned to the Class A Notes and the Class B Notes and in the case of (iii) above ensure the Issuer and the Notes continue to comply with mandatory provisions of applicable law or regulation, as the case may be; and (v) in each case have been notified to the Rating Agencies and, based upon such notification, the Servicer or the Issuer (as applicable) is not aware that

the then current ratings of the Class A Notes or the Class B Notes would be adversely affected by such proposed amendments.

Furthermore, the Note Trustee shall not be obliged to agree or direct the Security Trustee or the Pledgee to agree, any modification which in the sole opinion of the Note Trustee would have the effect of (a) exposing the Note Trustee, the Security Trustee or the Pledgee to any Liability against which it has not been indemnified and/or prefunded and/or secured to its satisfaction, or (b) increasing the obligations or duties or decreasing the protections or right of or the amounts payable to the Note Trustee, the Security Trustee or the Pledgee in the Transaction Documents and/or the Note Conditions.

Applicable law and jurisdiction

The Note Trust Deed, and all non-contractual obligations arising out of or in connection with it, will be governed by the laws of England. The courts of England will have exclusive jurisdiction to settle any disputes that may arise out of or in connection therewith.

Subordinated Loan Agreement

Pursuant to the Subordinated Loan Agreement, a committed credit facility was made available to the Issuer by the Subordinated Loan Provider. Pursuant to the terms of the Subordinated Loan Agreement, on the Note Issuance Date, the Subordinated Loan Provider will make the Subordinated Loan, the proceeds of which will be used to (i) pay the part of the purchase price of the Portfolio not covered by the Initial Aggregate Note Principal Amount, and (ii) fund the Reserve Account. As of the Note Issuance Date, the outstanding amount under the Subordinated Loan Agreement is expected to amount to PLN 411,776,438.43. Pursuant to the Subordinated Loan Agreement, the Subordinated Loan Provider will pay to the Issuer an amount (approximately PLN 5,000,000, subject to adjustment and final agreement between the parties) by way of commission in respect of the Transaction, that will cover certain fees and expenses of the Issuer that are payable on or about the Purchase Date.

The Issuer will pay interest on the Subordinated Loan at a fixed rate of 3.82 per cent. per annum, to the extent funds are available for such payment in accordance with the applicable Priority of Payments. To the extent any accrued interest is not paid on any Payment Date, that unpaid amount will be added to the principal amount of the Subordinated Loan.

The Issuer will repay principal on the Subordinated Loan equal to reductions in the amount of the Standard Required Liquidity Reserve Amount in accordance with the Pre-Enforcement Priority of Payments.

Upon delivery by the Note Trustee of an Enforcement Notice, the Subordinated Loan and interest thereon shall automatically become immediately due and payable, provided, however, that no payment shall be made to the Subordinated Loan Provider on or with respect to the Subordinated Loan unless all principal of and interest on the Notes and all other Transaction Secured Obligations which, in accordance with the Post-Enforcement Priority of Payments, are payable prior to the Subordinated Loan shall have been irrevocably paid in full.

The Subordinated Loan Provider has also agreed in the Subordinated Loan Agreement not to take any corporate action or any legal proceedings regarding some or all of the Issuer's revenues or assets, and not to have any right to take any steps for the purpose of obtaining payment of any amounts payable to it under the Subordinated Loan Agreement by the Issuer.

Subscription Agreement

The Issuer, the Seller and the Managers have entered into a Subscription Agreement under which each of the Joint Lead Managers has agreed, subject to certain conditions, to subscribe and pay for or, on a best efforts basis, to procure subscription of, the Class A Notes and the Class B Notes. In the Subscription Agreement, the Seller has given certain undertakings including, amongst other things, an undertaking in relation to the Subordinated Loan to comply with its obligations under Articles 405-409 of the CRR. See **"ARTICLES 405-409 OF THE CAPITAL REQUIREMENTS REGULATION"**.

The Managers have the right to all costs and expenses and certain representations, warranties and indemnities from the Issuer and the Seller, as appropriate. See **"SUBSCRIPTION AND SALE"**. The Subscription Agreement will be governed by English Law.

Corporate Administration Agreement

Pursuant to a Corporate Administration Agreement the Corporate Administrator provides certain corporate and administrative functions to the Issuer. Such services to the Issuer include, *inter alia*, acting as secretary of the Issuer, keeping the corporate records, convening director's meetings, provision of registered office facilities, preparing and filing all statutory and annual returns, preparing the financial statements and performing certain other corporate administrative services against payment of a fee.

The Corporate Administration Agreement is governed by Irish law.

The Corporate Administration Agreement provides that the agreement can be terminated by ten (10) days written notice following the occurrence of an event of default thereunder and by either party giving ninety (90) days' notice to the other for termination without cause or following a change of law. Any termination of the appointment of the Corporate Administrator will only become effective upon, *inter alia*, the appointment in accordance with the Corporate Administration Agreement of a successor corporate administrator which is a bank, financial services institution or auditing firm of recognized standing in Ireland.

Transaction Account Agreement

On or about the Note Issuance Date, the Issuer and the Transaction Account Bank, among others, will enter into the Transaction Account Agreement. Under the terms of the Transaction Account Agreement the Transaction Account Bank is appointed by the Issuer to perform certain duties as set out in the agreement in addition to opening and maintaining the Transaction Account, the Reserve Account and the Issuer Collections Account in the name of the Issuer.

If at any time a Ratings Downgrade has occurred in respect of the Transaction Account Bank and no action has been taken (including, without limitation, the provision of a guarantee in relation to the obligations of the Transaction Account Bank) in respect of which the relevant Rating Agency has confirmed (by way of public statement or otherwise) that the rating of the Notes in effect immediately prior to the relevant Ratings Downgrade will not be adversely affected thereby, then the Issuer shall (with the prior written consent of the Note Trustee) use reasonable endeavours to procure that, within 30 calendar days, the Issuer Secured Accounts and all of the funds standing to the credit of such accounts are transferred to another bank or banks who meet the Required Ratings (which bank shall be notified in writing by the Issuer to the Transaction Account Bank and approved in writing by the Note Trustee); the appointment of the Transaction Account Bank shall terminate on the date on which the appointment of the new transaction account bank becomes effective. In addition, the appointment of the Transaction Account Bank will be automatically terminated in certain other circumstances including but not limited to the Transaction Account Bank ceasing or threatening to cease to carry on its business or a substantial part of its business, a petition is presented to any competent court for the winding-up or dissolution of the Transaction Account Bank, or the Transaction Account Bank is

rendered unable to perform its obligations under the Transaction Account Agreement for a period of 90 days by earthquakes, storms, fire, floods, acts of God, insurrections, riots, epidemics, war, civil disturbances, governmental directions or regulations or any other circumstances beyond its reasonable control. Upon the transfer of the accounts to another bank or banks, the Issuer will procure that the new transaction account bank enters into an agreement substantially in the form of the Transaction Account Agreement and accedes to the Security Trust Deed.

The Transaction Account Bank shall promptly give written notice to the Issuer, the Cash Administrator, the Corporate Administrator, the Security Trustee and the Note Trustee of any Ratings Downgrade applicable to it.

Applicable law and jurisdiction

The Transaction Account Agreement, and all non-contractual obligations arising out of or in connection with it, will be governed by and construed in accordance with the laws of England. The courts of England will have exclusive jurisdiction to settle any disputes that may arise out of or in connection therewith.

Registered Pledge Account Agreement

Before the execution of the Registered Pledge Agreement the Issuer and the Registered Pledge Account Bank, entered into the Registered Pledge Account Agreement. Under the terms of the Registered Pledge Account Agreement, the Registered Pledge Account Bank is appointed by the Issuer to perform certain duties as set out in the agreement in addition to opening and maintaining the Registered Pledge Account in the name of the Issuer.

Applicable law and jurisdiction

The Registered Pledge Account Agreement is governed by, and construed in accordance with, the laws of Poland. The common court in Poland applicable for the seat of the Registered Pledge Account Bank, shall have non-exclusive jurisdiction for settlement of any disputes arising out of or in connection therewith.

Custody Agreement

On the Note Issuance Date the Issuer and the Custodian will enter into the Custody Agreement. Under the terms of the Custody Agreement the Custodian shall agree, *inter alia*, to hold Permitted Investments in the form of securities on behalf and for the benefit of the Issuer where the Cash Administrator has been instructed by the Servicer or the Note Trustee, as applicable, to invest amounts standing to the credit of the Issuer Secured Accounts in such Permitted Investments in accordance with the Transaction Documents.

The Custody Agreement, and all non-contractual obligations arising out of or in connection with it, will be governed by and construed in accordance with the laws of England. The courts of England will have exclusive jurisdiction to settle any disputes that may arise out of or in connection therewith.

DESCRIPTION OF THE PORTFOLIO

The Portfolio consists of the Purchased Receivables under the Loan Contracts and the Related Collateral, originated by the Seller pursuant to the Credit and Collection Policy. See "**CREDIT AND COLLECTION POLICY**".

The Notes are backed by the Purchased Receivables made to finance new or used cars or commercial vehicles and the Related Collateral.

The Issuer will not acquire any receivables or collateral from the Seller other than the Portfolio which consists of (i) the Purchased Receivables and (ii) the Related Collateral.

The number of Purchased Receivables in the Portfolio is in excess of 15,000. Each Purchased Receivable is denominated and payable in PLN and (other than any Purchased Receivable in respect of which any Unallocated Overpayment has been made) has a positive outstanding balance. Each Purchased Receivable was originated in the ordinary course of the Seller's business and in accordance with the Credit and Collection Policy. In accordance with the Eligibility Criteria, each Debtor is resident or is registered in Poland.

The largest aggregate Outstanding Principal Amount due from:

- (a) any corporate Debtor is equal to or less than the lesser of (i) 0.20% of the Aggregate Outstanding Loan Principal Amount and (ii) the PLN Equivalent of €2,000,000;
- (b) any ten corporate Debtors is equal to or less than the lesser of (i) 0.75% of the Aggregate Outstanding Loan Principal Amount and (ii) the PLN Equivalent of €7,500,000;
- (c) any individual Debtor is equal to or less than the lesser of (i) 0.20% of the Aggregate Outstanding Loan Principal Amount and (ii) the PLN Equivalent of €500,000; and
- (d) any ten individual Debtors is equal to or less than 0.30% of the aggregate outstanding principal balance of the Aggregate Outstanding Loan Principal Amount.

Each Debtor has made at least one scheduled payment on their respective Receivable which are subject to monthly payments. For financial information regarding the Purchased Receivables, please see "**INFORMATION TABLES REGARDING THE PORTFOLIO**".

General

The Portfolio comprises Receivables originated by the Seller which will be purchased by the Issuer. All receivables in the Portfolio are derived from either Finance Agreements or HP Agreements.

The Purchased Receivables and Related Collateral which are to comprise the Portfolio will be purchased by the Issuer pursuant to the terms of the Receivables Purchase Agreement to be entered into on the Issue Date. The aggregate purchase price of the Portfolio will be funded by the proceeds of the issue of the Notes and the Subordinated Loan.

The Purchased Receivables

All Purchased Receivables are governed by Polish law. The Loan Contracts are entered into with Debtors who are either private individuals (natural persons) or corporate entities having their registered office in Poland.

The Loan Contracts executed after 18 December 2011 are classified as consumer credit contracts under Polish law if they meet the following characteristics:

- (i) the Debtors are private individuals and the Loan Contract is not directly connected with business activities of the Debtor,
- (ii) the loans granted thereunder do not exceed PLN 255,550 (or its equivalent in another currency).

In the case of Loan Contracts executed before 18 December 2011, such agreements are classified as consumer credit contracts if they meet the following characteristics

- (i) the loans have been granted to natural persons for purposes not connected directly to their business activity,
- (ii) the loans granted thereunder are less than PLN 80,000 (or its equivalent in another currency).

The Purchased Receivables comprise amounts due under two types of financing arrangements: Finance Agreements and HP Agreements, each as further described below:

(a) Finance Agreements

Finance Agreements can be divided into two sub-categories:

- (i) Loans that are provided for the financing of the purchase of a motor vehicle or the refinancing of a loan for the purchase of a motor vehicle, which are secured by a transfer of ownership in the motor vehicle financed pursuant to such loan; and
- (ii) Loans that are provided for the financing of a consumer purpose or for the financing of the current activity of the Debtor, which are secured by a transfer of ownership in a motor vehicle belonging to the Debtor.

Finance Agreements are directed at Consumers and Non-Consumers, as well as CCA Consumers. The interest rate can be either fixed or floating but it must not exceed the Maximum Interest Rate. The Debtor typically repays the credit with interest in equal or diminishing monthly instalments.

The types of collateral provided for in the Finance Agreement include, in particular, transfer of ownership of a vehicle, promissory note and suretyship.

The Debtor may prepay the loan in full or in part. In the case of Finance Agreements entered into before 18 December 2011, the Debtor may indicate whether as a result of prepayment, the duration of the loan should be shortened and the instalments should remain unchanged or the instalments should be lowered and the duration of the loan should remain unchanged. In the absence of any stipulation by the Debtor the instalments would be lowered with the duration of the loan remaining unchanged. In the case of Finance Agreements executed after 18 December 2011, the Debtor is entitled to repay the loan at any time before the due date specified in the Finance Agreement. In the event that the credit is repaid early in full, the Seller makes the settlement with the Debtor within fourteen days of the day on which the early full credit repayment is made. If a part of the credit is prepaid, the Seller, after it has credited the Debtor's payment towards all due and payable liabilities from the loan, will credit the overpaid amount to the repayment of the subsequent instalments. The Debtor has the right to apply in writing for the settlement of the overpaid amount by: shortening the period of

crediting observing the initial amount of the loan instalments, or for decreasing the amount of the instalment observing the initial period of the loan.

(b) HP Agreements

HP Agreements are directed at Consumers and are provided to finance the purchase of products and services. HP Agreements carry a fixed rate of interest, which may not exceed the Maximum Interest Rate.

The Debtor undertakes to repay the credit in equal monthly instalments. However, the amount of the last credit instalment can differ from the other instalments and the Seller has the right to adjust the last instalment as a result of a change in the Lombard Credit Interest Rate of the National Bank of Poland. Depending on the form of HP Agreement, the first, the first two, or the first three instalments can be interest instalments.

In the case of HP Agreements entered into before 30 November 2012, the Debtor may prepay the loan by serving a written notice on the Seller at least three days before the envisaged date of prepayment. The Debtor does not have to pay the interest for the period falling after the prepayment or, if the credit was interest free, the commissions and fees paid by the Debtor are decreased proportionally to the period by which the original credit period has been shortened. In the case of HP Agreements entered into on or after 30 November 2012, in the event that the credit is repaid early in full, the total amount of the credit is reduced by those charges which relate to the period of time by which the term of the HP Agreement was shortened. If a part of the credit is repaid before the due date, the Seller credits the Debtor's payment towards all due and payable liabilities from the HP Agreement and subsequently applies the overpaid amount for the repayment of the instalments by reducing the amount of the last credit instalment. In any case, the Debtor is not obliged to pay a prepayment fee.

The Related Collateral

Together with the Purchased Receivables, the Issuer also acquires the right to the security interest securing each Loan Contact under which the Purchased Receivables are generated.

(a) The Finance Agreements are secured, *inter alia*, by:

- (i) a transfer of the Seller's share in the title to the Vehicle by way of security. The Seller's interest in the title to the Vehicle varies depending on whether security is granted pursuant to an ownership transfer agreement or a partial ownership transfer agreement.;
- (ii) suretyships; and
- (iii) promissory notes.

The number of security interests, types of security interests (including conditional or non-conditional ownership transfer) is made in accordance with Santander's internal regulations and depends on the purpose of the loan, the value of the loan, the ownership rights to the car (owner or co-owner), the type of Debtor (Consumer or Non-Consumer), the age of the car and in whose presence the agreement is signed.

Transfer of ownership

The transfer of ownership is related to a temporary change of owner of the encumbered Vehicle. An ownership transfer agreement enables the Seller, as the owner of the Vehicle, to

dispose of it without the necessity to observe any formalities, procedures or having the Debtor's interests in mind (unless the agreement provides for any limitation or conditions). The transfer of ownership of a Vehicle to the lender may be (i) subject to a condition (e.g. upon occurrence of default); or (ii) subject to a resolute time limit (e.g. upon repayment of the secured debt when due). In each of these methods of transfer of ownership, the Vehicle is transferred back to the Debtor once the secured debt has been repaid in full. However, if the Debtor fails to fulfil its obligation to repay the loan when due (or another condition specified by the parties as a trigger for enforcement of security is met), the lender becomes the unlimited and ultimate owner of the Vehicle which is the subject of the transfer, and consequently its obligation to transfer the ownership of the Vehicle back to the Debtor expires.

Partial transfer of ownership

It is also possible to transfer a share in the ownership right of the Vehicle. The only difference between an ownership transfer agreement and a partial ownership transfer agreement is that the transferee is only entitled to a share in the ownership of the Vehicle and consequently cannot dispose of it without either (i) the co-owner's (i.e. Debtor's) consent or (ii) prior transfer of the remaining share in the ownership right of such Vehicle.

In the case of Loan Contracts secured by a Partial Ownership Conditional Transfer Agreement, the Seller is holding the ownership of 49 per cent of the Vehicle while the title to the remaining 51 per cent is held by the Debtor and upon a Debtor Default, the Seller (and following the Purchase Date, the Issuer) acquires the full ownership of the Vehicle without any additional action.

Suretyship

Suretyship is a regulated security interest and its conditions are stipulated in the Civil Code.

Under a suretyship agreement, the surety commits to the Seller to perform an obligation of the Debtor if the Debtor does not perform it. The scope of the surety's obligation is determined each time by the scope of the Debtor's obligation, however, any increase of debt agreed between a Debtor and the Seller cannot increase the surety's obligation. In principle, the surety is liable as a joint and several co-debtor, unless the parties to the suretyship agreement agree otherwise.

If a Debtor delays in performing its obligations, the Seller should notify the surety thereof immediately.

Promissory note

A promissory note is a regulated security interest and its conditions are stipulated in the Law on Bills of Exchange.

A promissory note is a form of a bill of exchange. However, in the case of a bill of exchange, its issuer states unconditionally that another person (drawee) shall pay the bill of exchange's recipient (payee) a specified amount of money (draft bill). In the case of a promissory note, its issuer is obliged to pay the recipient the amount stipulated in the promissory note (sola bill).

Promissory notes are usually blank at the time of their execution by a debtor, i.e. all the required elements are not completed when executed by the debtor/ security provider. Usually the amounts are not included, because at the moment of execution of the promissory note the exact amount of debt, interest and costs is not known to the parties. The promissory note

declaration stipulates that Seller be allowed to complete the promissory note at any time in the event of non-payment or delay in payment under the Loan Contract or the Seller having the right to call for the satisfaction of its claims prior to the repayment date.

The HP Agreements are secured by a submission to enforcement in favour of the Seller.

Submission to enforcement is a unilateral statement issued by the Debtor by which the Debtor voluntarily submits to the enforcement of the lender's claims arising out of the Loan Contract or security relating thereto. The lender, provided with such a statement by the Debtor, may issue a bank enforcement title which constitutes a basis for enforcement, after being attached with an enforcement clause by a court.

Statements on submission to enforcement included in the Loan Contracts have been issued pursuant to the Banking Law. Therefore, only the banks may benefit from such statements.

Pursuant to the Receivables Purchase Agreement, the Portfolio will be assigned and transferred to the Issuer on the Note Issuance Date (save for interests in partial ownership transfer agreements, which will be transferred after the Note Issuance Date in accordance with the terms of the Receivables Purchase Agreement).

The Aggregate Outstanding Loan Principal Amount as at the close of business (in Warsaw, Poland) on 13 June 2014 was PLN 1,751,436,438.43.

The Seller will make certain representations and warranties to the Issuer with respect to the Portfolio under the Receivables Purchase Agreement regarding, *inter alia*, the Purchased Receivables, the Loan Contracts and the Related Collateral.

ELIGIBILITY CRITERIA

As at the Purchase Cut-Off Date, the following criteria (the "**Eligibility Criteria**") must have been satisfied by the Receivables to be eligible for acquisition by the Issuer pursuant to the Receivables Purchase Agreement.

A Receivable is an Eligible Receivable if it and any part thereof meets the following conditions as at the Purchase Cut-Off Date:

In the case of Finance Agreements:

1. The Debtor, as of the Cut-Off Date:
 - (a) is an individual with Polish citizenship or a corporate entity, having their registered office in Poland;
 - (b) has its seats or the place of permanent residence in Poland;
 - (c) is not a member of the staff of the Seller;
 - (d) is 18 years or older as at the date of execution of the relevant Loan Contract;
 - (e) does not have a deposit account with the Seller;
 - (f) will not be 70 years or older as at the maturity date of the relevant Loan Contract; and
 - (g) is not deceased.
2. In relation to the Receivable, as of the Cut-Off Date:
 - (a) it is in existence and denominated and payable in PLN;
 - (b) if it is derived under a loan extended for the purpose of financing the purchase of a motor vehicle, such loan is extended for the purpose of financing not more than one motor vehicle;
 - (c) it is a loan which is secured by a motor vehicle or title interest on the part of the Originator in a motor vehicle;
 - (d) the original balance of the loan does not exceed PLN600,000;
 - (e) it was originated by the Seller;
 - (f) it has been originated, maintained and administered by the Seller in all material respects in accordance with the Credit and Collection Policy;
 - (g) it has a maximum remaining term to maturity (calculated from the relevant Cut-off Date) of 96 months;
 - (h) if it is subject to monthly payments, at least one full payment instalment has been received by the Seller under the Receivable;
 - (i) if it allows for partial disbursement, it has been advanced to the Debtor in full;

- (j) if it is subject to monthly payments, it has equal monthly instalments comprising both interest and principal or it has monthly instalments comprising interest and equal principal components;
- (k) it is not a loan in respect of which payments are subsidised by the Republic of Poland;
- (l) it is not subject to a payment holiday or reduction in the monthly payment amount by the relevant Debtor;
- (m) the payment of interest and/or the repayment of principal is not currently subject to any grace period (being periods where no amounts of principal and/or interest are due and payable);
- (n) it is not a Delinquent Receivable and, with the exception of monthly payment obligations, the Debtor is not, nor has been, in material breach of any other obligation owed in respect of the Purchased Receivable and Related Collateral;
- (o) it is not a Defaulted Receivable or Disputed Receivable;
- (p) the terms of the Loan Contract under which the Receivable is generated are legal, valid and binding obligations of the relevant Debtor enforceable against such Debtor in accordance with the terms of the Loan Contract in relation to such matters and applicable Polish legislation;
- (q) it is governed by Polish law;
- (r) the Loan Contract and related documentation has been entered into on the terms of the Seller's standard form documentation, which have not (except in accordance with the terms of the Transaction Documents) been varied in any material respect;
- (s) the loan is due from a Debtor who is not insolvent or bankrupt and against whom no proceedings for the commencement of Insolvency Proceedings are pending in any jurisdiction;
- (t) if a security interest and/or guarantee was required to be provided by the Debtor in respect of such loan, such security interest and/or guarantee has been so provided, is valid, binding and enforceable against the Debtor and does not secure the payment of any other amounts owed by the Debtor;
- (u) it has not been classified by the Seller as counterfeit, cancelled, criminal or fraudulent and neither it, nor any Debtor in respect thereof, is under investigation for fraudulent activity;
- (v) all consents, licences, approvals, authorisations, registrations or declarations required to be obtained, effected or given by the Seller in connection with the creation and assignment of Receivables have been obtained, effected or given, and are in full force and effect as of the date of creation and it has been created in compliance with all such consents, licences, approvals, authorisation, registrations, and declarations and in compliance with all applicable laws and are in full force;
- (w) it is free and clear of any encumbrances exercisable against the Seller arising under or through the Seller at the time of creation or assignment of such loan and at all times

thereafter until immediately prior to its sale and assignment to the Issuer, the Seller had good and marketable title thereto;

- (x) it is not subject to any right of revocation or counter-claim or warranty claims of the Debtor;
- (y) the Seller is entitled to assign and transfer the Receivable and Related Collateral; there exist no prohibitions or other limitations on assignment;
- (z) it has been created in compliance with all applicable laws, rules and regulations (in particular with respect to consumer protection and data protection);
- (aa) any breach of its terms has not been waived and its terms have not been modified except as permitted in accordance with the terms of the Receivables Purchase Agreement; and
- (bb) the status and enforceability of the Receivable is not impaired due to warranty claims or any other rights of the Debtor.

In the case of HP Agreements:

3. The Debtor, as of the Cut-Off Date:

- (a) is an individual with Polish citizenship;
- (b) has its place of permanent residence in Poland;
- (c) is not a member of the staff of the Seller;
- (d) is 18 years or older as at the date of execution of the relevant Loan Contract;
- (e) does not have a deposit account with the Seller;
- (f) will not be 70 years or older as at the maturity date of the relevant Loan Contract; and
- (g) is not deceased.

4. In relation to the Receivable, as of the Cut-Off Date:

- (a) it is in existence and denominated and payable in PLN;
- (b) it is derived under a loan extended for the purpose of financing a purchase in-store at one of 7 partner stores;
- (c) it was originated by the Seller;
- (d) the original balance of the loan does not exceed PLN25,000;
- (e) it has been originated, maintained and administered by the Seller in all material respects in accordance with the Credit and Collection Policy;
- (f) it has a maximum remaining term to maturity (calculated from the relevant Cut-off Date) of 50 months;

- (g) at least one full payment instalment has been received by the Seller under the Receivable;
- (h) if it allows for partial disbursement, it has been advanced to the Debtor in full;
- (i) it has equal monthly instalments comprising both interest and principal;
- (j) it is not a loan in respect of which payments are subsidised by the Republic of Poland;
- (k) it is not subject to a payment holiday or reduction in the monthly payment amount by the relevant Debtor;
- (l) the payment of interest and/or the repayment of principal is not currently subject to any grace period (being periods where no amounts of principal and/or interest are due and payable);
- (m) it is not a Delinquent Receivable and, with the exception of monthly payment obligations, the Debtor is not, nor has been, in material breach of any other obligation owed in respect of the Purchased Receivable and Related Collateral;
- (n) it is not a Defaulted Receivable or Disputed Receivable;
- (o) the terms of the Loan Contract under which the Receivable is generated are legal, valid and binding obligations of the relevant Debtor enforceable against such Debtor in accordance with the terms of the Loan Contract in relation to such matters and applicable Polish legislation;
- (p) it is governed by Polish law;
- (q) the Loan Contract and related documentation has been entered into on the terms of the Seller's standard form documentation, which have not (except in accordance with the terms of the Transaction Documents) been varied in any material respect;
- (r) the HP Agreement is due from a Debtor who is not insolvent or bankrupt and against whom no proceedings for the commencement of Insolvency Proceedings are pending in any jurisdiction;
- (s) it has not been classified by the Seller as counterfeit, cancelled, criminal or fraudulent and neither it, nor any Debtor in respect thereof, is under investigation for fraudulent activity;
- (t) all consents, licences, approvals, authorisations, registrations or declarations required to be obtained, effected or given by the Seller in connection with the creation and assignment of Receivables have been obtained, effected or given, and are in full force and effect as of the date of creation and it has been created in compliance with all such consents, licences, approvals, authorisation, registrations, and declarations and in compliance with all applicable laws and are in full force;
- (u) it is free and clear of any encumbrances exercisable against the Seller arising under or through the Seller at the time of creation or assignment of such loan and at all times thereafter until immediately prior to its sale and assignment to the Issuer, the Seller had good and marketable title thereto;

- (v) it is not subject to any right of revocation or counter-claim or warranty claims of the Debtor;
- (w) the Seller is entitled to assign and transfer the Receivable; there exist no prohibitions or other limitations on assignment;
- (x) it has been created in compliance with all applicable laws, rules and regulations (in particular with respect to consumer protection and data protection);
- (y) any breach of its terms has not been waived and its terms have not been modified except as permitted in accordance with the terms of the Receivables Purchase Agreement; and
- (z) the status and enforceability of the Receivable is not impaired due to warranty claims or any other rights of the Debtor.

INFORMATION TABLES REGARDING THE PORTFOLIO

The following statistical information sets out certain characteristics of the Purchased Receivables as of 13 June 2014. The information set out below in respect of the provisional Portfolio may not necessarily correspond to that of the Purchased Receivables as of the initial Cut-Off Date or Note Issuance Date as a result of prepayments, repayments, new originations, Debtors opting to have their Receivables excluded from the Portfolio or Receivables no longer meeting the Eligibility Criteria on the Purchase Cut-Off Date. After the Note Issuance Date, the Portfolio will change from time to time as a result of repayment, prepayments or repurchase of Purchased Receivables.

A. Pooled information relating to Finance Agreements and HP Agreements

Original Principal Balance (in PLN)	Original Principal Balance (in PLN)	Percentage of Total Balance	Number of Loans	Percentage of Total Loans
000-010 k	773,347,986.00	28.1%	326,646	88.7%
010-020 k	68,815,386.34	2.5%	4,630	1.3%
020-030 k	172,315,807.67	6.3%	6,870	1.9%
030-040 k	280,930,446.84	10.2%	8,027	2.2%
040-050 k	301,356,947.83	11.0%	6,750	1.8%
050-060 k	278,826,061.14	10.1%	5,098	1.4%
060-070 k	215,981,436.29	7.9%	3,339	0.9%
070-080 k	174,460,630.50	6.3%	2,334	0.6%
080-090 k	139,746,182.22	5.1%	1,649	0.4%
090-100 k	101,151,288.00	3.7%	1,064	0.3%
100-120 k	132,814,027.93	4.8%	1,225	0.3%
120-140 k	57,279,756.26	2.1%	447	0.1%
140-160 k	23,446,902.79	0.9%	158	0.0%
160-180 k	10,101,356.58	0.4%	60	0.0%
180-200 k	5,503,988.49	0.2%	29	0.0%
> 200 k	11,993,559.22	0.4%	50	0.0%
TOTAL	2,748,071,764.10	100.0%	368,376	100.0%

Statistics **PLN**
Average Amount **7,459.96**

Current Principal Balance (in PLN)	Current Principal Balance (in PLN)	Percentage of Total Balance	Number of Loans	Percentage of Total Loans
000-010 k	611,405,923.72	34.9%	333,375	90.5%
010-020 k	157,348,419.09	9.0%	10,620	2.9%
020-030 k	219,447,574.45	12.5%	8,849	2.4%
030-040 k	208,917,851.07	11.9%	6,012	1.6%
040-050 k	172,175,239.81	9.8%	3,870	1.1%
050-060 k	130,587,807.11	7.5%	2,388	0.6%
060-070 k	94,062,652.63	5.4%	1,458	0.4%
070-080 k	60,870,135.57	3.5%	817	0.2%
080-090 k	37,679,503.47	2.2%	446	0.1%
090-100 k	23,860,315.71	1.4%	252	0.1%
100-120 k	18,926,979.75	1.1%	176	0.0%
120-140 k	8,728,374.05	0.5%	68	0.0%
140-160 k	4,120,893.98	0.2%	28	0.0%

160-180 k	1,328,168.87	0.1%	8	0.0%
180-200 k	928,674.48	0.1%	5	0.0%
>200 k	1,047,924.67	0.1%	4	0.0%
TOTAL	1,751,436,438.43	100.0%	368,376	100.0%

Statistics **PLN**
Average Amount **4,754.48**

Geographical Distribution	Current Principal Balance (in PLN)	Percentage of Total Balance	Number of Loans	Percentage of Total Loans
DOLNOŚLĄSKIE	147,683,921.92	8.4%	35,286	9.6%
KUJAWSKO-POMORSKIE	85,820,683.39	4.9%	25,532	6.9%
LUBELSKIE	44,882,913.39	2.6%	15,595	4.2%
LUBUSKIE	53,363,932.82	3.0%	16,572	4.5%
ŁÓDZKIE	108,728,441.01	6.2%	23,913	6.5%
MAŁOPOLSKIE	196,449,624.07	11.2%	27,701	7.5%
MAZOWIECKIE	209,080,803.59	11.9%	34,208	9.3%
OPOLSKIE	43,310,443.42	2.5%	8,615	2.3%
PODKARPACKIE	41,582,635.60	2.4%	9,425	2.6%
PODLASKIE	25,333,716.52	1.4%	7,182	1.9%
POMORSKIE	136,971,610.06	7.8%	25,575	6.9%
ŚLĄSKIE	260,729,697.37	14.9%	33,686	9.1%
ŚWIĘTOKRZYSKIE	44,730,576.61	2.6%	10,052	2.7%
WARMIŃSKO-MAZURSKIE	64,079,124.22	3.7%	20,372	5.5%
WIELKOPOLSKIE	186,655,230.32	10.7%	46,521	12.6%
ZACHODNIOPOMORSKIE	102,033,084.12	5.8%	28,141	7.6%
TOTAL	1,751,436,438.43	100.0%	368,376	100.0%

Yield Range	Current Principal Balance (in PLN)	Percentage of Total Balance	Number of Loans	Percentage of Total Loans
00-01 %	429,722,011.59	24.5%	174,289	47.3%
01-02 %	2,107,199.54	0.1%	56	0.0%
02-04 %	8,445,193.97	0.5%	333	0.1%
04-06 %	58,574,775.36	3.3%	2,163	0.6%
06-08 %	258,050,997.86	14.7%	8,159	2.2%
08-10 %	281,941,727.44	16.1%	8,950	2.4%
10-12 %	239,712,397.71	13.7%	19,907	5.4%
12-14 %	124,658,468.90	7.1%	5,414	1.5%
14-16 %	348,223,666.06	19.9%	149,105	40.5%
TOTAL	1,751,436,438.43	100.0%	368,376	100.0%

Statistics **in %**
WA Interest **8.35**

Seasoning Term (in Months)	Current Principal Balance (in PLN)	Percentage of Total Balance	Number of Loans	Percentage of Total Loans
00-06 mth	699,742,306.63	40.0%	267,358	72.6%
07-12 mth	281,919,879.51	16.1%	70,506	19.1%
13-24 mth	257,821,184.69	14.7%	8,380	2.3%
25-36 mth	213,971,975.14	12.2%	8,285	2.2%
37-48 mth	136,250,602.45	7.8%	5,577	1.5%
49-60 mth	92,330,871.84	5.3%	4,503	1.2%
61-72 mth	56,614,584.13	3.2%	2,925	0.8%
73-84 mth	12,785,034.04	0.7%	842	0.2%
TOTAL	1,751,436,438.43	100.0%	368,376	100.0%

Statistics months
WA Seasoning 17.94

Remaining Term (in Months)	Current Principal Balance (in PLN)	Percentage of Total Balance	Number of Loans	Percentage of Total Loans
00-06 mth	126,817,244.07	7.2%	87,774	23.8%
07-12 mth	244,992,565.35	14.0%	103,281	28.0%
13-18 mth	208,546,958.27	11.9%	63,983	17.4%
19-24 mth	201,119,290.65	11.5%	46,487	12.6%
25-36 mth	315,107,869.43	18.0%	39,826	10.8%
37-48 mth	291,529,893.95	16.6%	17,971	4.9%
49-60 mth	170,691,960.17	9.7%	4,939	1.3%
61-72 mth	72,145,743.10	4.1%	1,610	0.4%
73-84 mth	66,836,978.68	3.8%	1,430	0.4%
85-96 mth	53,647,934.76	3.1%	1,075	0.3%
TOTAL	1,751,436,438.43	100.0%	368,376	100.0%

Statistics months
WA Remaining Term 32.36

Original Term (in Months)	Current Principal Balance (in PLN)	Percentage of Total Balance	Number of Loans	Percentage of Total Loans
00-12 mth	269,162,810.89	15.4%	156,775	42.6%
13-24 mth	292,866,517.68	16.7%	113,696	30.9%
25-36 mth	216,957,644.15	12.4%	51,946	14.1%
37-48 mth	123,893,505.42	7.1%	13,117	3.6%
49-60 mth	292,870,256.81	16.7%	15,613	4.2%
61-72 mth	152,445,349.08	8.7%	5,066	1.4%
73-84 mth	53,052,751.02	3.0%	1,755	0.5%
85-96 mth	342,217,351.71	19.5%	10,023	2.7%
97-108 mth	7,970,251.67	0.5%	385	0.1%
TOTAL	1,751,436,438.43	100.0%	368,376	100.0%

Statistics months
WA Original Term 50.67

Borrower Type	Current Principal Balance (in PLN)	Percentage of Total Balance	Number of Loans	Percentage of Total Loans
BE	52,913,509.12	3.0%	1,544	0.4%
Individual	1,249,269,602.86	71.3%	353,350	95.9%
SEPI	449,253,326.45	25.7%	13,482	3.7%
TOTAL	1,751,436,438.43	100.0%	368,376	100.0%

Interest rate type	Current Principal Balance (in PLN)	Percentage of Total Balance	Number of Loans	Percentage of Total Loans
Fixed	811,349,502.55	46.3%	334,088	90.7%
Floating	940,086,935.88	53.7%	34,288	9.3%
TOTAL	1,751,436,438.43	100.0%	368,376	100.0%

Bullet vs. Amortising	Current Principal Balance (in PLN)	Percentage of Total Balance	Number of Loans	Percentage of Total Loans
Amortising	1,604,705,497.54	91.6%	364,695	99.0%
Bullet	146,730,940.89	8.4%	3,681	1.0%
TOTAL	1,751,436,438.43	100.0%	368,376	100.0%

B. Information relating to Finance Agreements only

Original Principal Balance (in PLN)	Original Principal Balance (in PLN)	Percentage of Total Balance	Number of Loans	Percentage of Total Loans
000-010 k	2,589,374.08	0.1%	326	0.8%
010-020 k	53,730,738.93	2.7%	3,413	8.4%
020-030 k	171,554,427.32	8.7%	6,836	16.8%
030-040 k	280,930,446.84	14.3%	8,027	19.7%
040-050 k	301,356,947.83	15.4%	6,750	16.5%
050-060 k	278,826,061.14	14.2%	5,098	12.5%
060-070 k	215,981,436.29	11.0%	3,339	8.2%
070-080 k	174,460,630.50	8.9%	2,334	5.7%
080-090 k	139,746,182.22	7.1%	1,649	4.0%
090-100 k	101,151,288.00	5.2%	1,064	2.6%
100-120 k	132,814,027.93	6.8%	1,225	3.0%
120-140 k	57,279,756.26	2.9%	447	1.1%
140-160 k	23,446,902.79	1.2%	158	0.4%
160-180 k	10,101,356.58	0.5%	60	0.1%
180-200 k	5,503,988.49	0.3%	29	0.1%
> 200 k	11,993,559.22	0.6%	50	0.1%
TOTAL	1,961,467,124.42	100.0%	40,805	100.0%

Statistics **PLN**
Average Amount **48,069.28**

Current Principal Balance (in PLN)	Current Principal Balance (in PLN)	Percentage of Total Balance	Number of Loans	Percentage of Total Loans
000-010 k	41,360,876.87	3.5%	6,354	15.6%
010-020 k	150,670,332.01	12.8%	10,080	24.7%
020-030 k	219,229,480.75	18.7%	8,839	21.7%
030-040 k	208,917,851.07	17.8%	6,012	14.7%
040-050 k	172,175,239.81	14.7%	3,870	9.5%
050-060 k	130,587,807.11	11.1%	2,388	5.9%
060-070 k	94,062,652.63	8.0%	1,458	3.6%
070-080 k	60,870,135.57	5.2%	817	2.0%
080-090 k	37,679,503.47	3.2%	446	1.1%
090-100 k	23,860,315.71	2.0%	252	0.6%
100-120 k	18,926,979.75	1.6%	176	0.4%
120-140 k	8,728,374.05	0.7%	68	0.2%
140-160 k	4,120,893.98	0.4%	28	0.1%
160-180 k	1,328,168.87	0.1%	8	0.0%
180-200 k	928,674.48	0.1%	5	0.0%
> 200 k	1,047,924.67	0.1%	4	0.0%
TOTAL	1,174,495,210.80	100.0%	40,805	100.0%

Statistics **PLN**
Average Amount **28,783.12**

TOP 25 Borrower Concentration

Borrower Number	Current Principal Balance (in PLN)	Percentage of Total Balance	Number of Loans	Percentage of Total Loans
1	1,929,182.90	0.164%	26	0.064%
2	961,696.20	0.082%	18	0.044%
3	405,479.45	0.035%	3	0.007%
4	360,086.15	0.031%	4	0.010%
5	317,708.12	0.027%	4	0.010%
6	293,863.65	0.025%	8	0.020%
7	287,047.97	0.024%	6	0.015%
8	275,151.41	0.023%	3	0.007%
9	273,836.34	0.023%	3	0.007%
10	250,124.18	0.021%	1	0.002%
11	250,058.01	0.021%	3	0.007%
12	243,863.18	0.021%	4	0.010%
13	234,628.73	0.020%	2	0.005%
14	233,527.37	0.020%	6	0.015%
15	232,960.34	0.020%	5	0.012%
16	231,660.66	0.020%	1	0.002%
17	226,210.17	0.019%	2	0.005%
18	226,192.80	0.019%	3	0.007%
19	225,753.04	0.019%	3	0.007%
20	223,886.22	0.019%	3	0.007%
21	220,569.92	0.019%	3	0.007%
22	219,586.16	0.019%	2	0.005%
23	218,982.16	0.019%	5	0.012%
24	217,307.44	0.019%	3	0.007%
25	214,000.00	0.018%	1	0.002%
TOTAL TOP 25	8,773,362.57	0.747%	122	0.299%

Geographical Distribution	Current Principal Balance (in PLN)	Percentage of Total Balance	Number of Loans	Percentage of Total Loans
DOLNOŚLĄSKIE	88,896,644.10	7.6%	2,869	7.0%
KUJAWSKO-POMORSKIE	44,817,154.39	3.8%	1,624	4.0%
LUBELSKIE	20,066,290.78	1.7%	656	1.6%
LUBUSKIE	27,007,261.36	2.3%	886	2.2%
ŁÓDZKIE	71,349,048.00	6.1%	2,454	6.0%
MAŁOPOLSKIE	158,629,248.62	13.5%	5,484	13.4%
MAZOWIECKIE	157,127,782.84	13.4%	5,704	14.0%
OPOLSKIE	29,182,376.01	2.5%	1,013	2.5%
PODKARPACKIE	28,170,126.58	2.4%	975	2.4%
PODLASKIE	14,579,489.01	1.2%	475	1.2%
POMORSKIE	94,897,540.02	8.1%	2,979	7.3%
ŚLĄSKIE	210,635,103.73	17.9%	7,809	19.1%
ŚWIĘTOKRZYSKIE	29,416,018.68	2.5%	978	2.4%
WARMIŃSKO- MAZURSKIE	32,975,938.25	2.8%	1,134	2.8%
WIELKOPOLSKIE	113,269,561.00	9.6%	4,008	9.8%
ZACHODNIOPOMORSKIE	53,475,627.43	4.6%	1,757	4.3%
TOTAL	1,174,495,210.80	100.0%	40,805	100.0%

Vehicle Type	Current Principal Balance (in PLN)	Percentage of Total Balance	Number of Loans	Percentage of Total Loans
New Vehicle	864,451,212.94	73.6%	26,986.00	66.1%
Used Vehicle	310,043,997.86	26.4%	13,819.00	33.9%
TOTAL	1,174,495,210.80	100.0%	40,805	100.0%

Vehicle Type	Current Principal Balance (in PLN)	Percentage of Total Balance	Number of Loans	Percentage of Total Loans
Car	1,142,686,527.96	97.3%	40,052	98.2%
Motorbike	3,866,616.79	0.3%	190	0.5%
Commercial	27,942,066.05	2.4%	563	1.4%
TOTAL	1,174,495,210.80	100.0%	40,805	100.0%

Bullet vs. Amortising	Current Principal Balance (in PLN)	Percentage of Total Balance	Number of Loans	Percentage of Total Loans
Bullet	146,730,940.89	12.5%	3,681	9.0%
Amortising	1,027,764,269.91	87.5%	37,124	91.0%
TOTAL	1,174,495,210.80	100.0%	40,805	100.0%

Balloon Loans Original Term in months	Current Principal Balance (in PLN)	Percentage of Total Balance	Number of Loans	Percentage of Total Loans
00-12 mth	89,582,351.34	61.1%	2,367	64.3%
13-24 mth	57,148,589.55	38.9%	1,314	35.7%
TOTAL	146,730,940.89	100.0%	3,681	100.0%

Balloon Loans Remaining Term in months	Current Principal Balance (in PLN)	Percentage of Total Balance	Number of Loans	Percentage of Total Loans
00-03 mth	3,454,903.50	2.4%	105	2.9%
04-06 mth	32,722,577.24	22.3%	896	24.3%
07-12 mth	66,294,225.03	45.2%	1,838	49.9%
13-18 mth	26,178,737.52	17.8%	505	13.7%
19-24 mth	18,080,497.60	12.3%	337	9.2%
TOTAL	146,730,940.89	100.0%	3,681	100.0%

Yield Range	Current Principal Balance (in PLN)	Percentage of Total Balance	Number of Loans	Percentage of Total Loans
00-01%	131,733,389.94	11.2%	3,313	8.1%
01-02%	2,107,199.54	0.2%	56	0.1%
02-04%	8,337,904.61	0.7%	204	0.5%
04-06%	58,342,819.60	5.0%	1,957	4.8%

06-08%	257,818,917.89	22.0%	7,984	19.6%
08-10%	281,772,574.99	24.0%	8,837	21.7%
10-12%	215,350,910.28	18.3%	8,207	20.1%
12-14%	124,350,144.12	10.6%	5,272	12.9%
14-16%	94,681,349.83	8.1%	4,975	12.2%
TOTAL	1,174,495,210.80	100.0%	40,805	100.0%

Statistics in %
WA Interest 8.76

Seasoning Term (in Months)	Current Principal Balance (in PLN)	Percentage of Total Balance	Number of Loans	Percentage of Total Loans
00-06 mth	238,278,926.93	20.3%	5,814	14.2%
07-12 mth	166,442,031.58	14.2%	4,479	11.0%
13-24 mth	257,821,184.69	22.0%	8,380	20.5%
25-36 mth	213,971,975.14	18.2%	8,285	20.3%
37-48 mth	136,250,602.45	11.6%	5,577	13.7%
49-60 mth	92,330,871.84	7.9%	4,503	11.0%
61-72 mth	56,614,584.13	4.8%	2,925	7.2%
73-84 mth	12,785,034.04	1.1%	842	2.1%
TOTAL	1,174,495,210.80	100.0%	40,805	100.0%

Statistics months
WA Seasoning 24.61

Remaining Term (in Months)	Current Principal Balance (in PLN)	Percentage of Total Balance	Number of Loans	Percentage of Total Loans
00-03 mth	4,209,235.81	0.4%	253	0.6%
04-06 mth	44,474,983.97	3.8%	2,612	6.4%
07-12 mth	104,716,787.40	8.9%	5,447	13.3%
13-18 mth	85,850,853.26	7.3%	4,033	9.9%
19-24 mth	98,585,077.71	8.4%	4,398	10.8%
25-36 mth	221,078,416.63	18.8%	8,269	20.3%
37-48 mth	255,160,750.95	21.7%	7,447	18.3%
49-60 mth	167,788,448.53	14.3%	4,231	10.4%
61-72 mth	72,145,743.10	6.1%	1,610	3.9%
73-84 mth	66,836,978.68	5.7%	1,430	3.5%
85-96 mth	53,647,934.76	4.6%	1,075	2.6%
TOTAL	1,174,495,210.80	100.0%	40,805	100.0%

Statistics months
WA Remaining Term 39.47

Original Term (in Months)	Current Principal Balance (in PLN)	Percentage of Total Balance	Number of Loans	Percentage of Total Loans
00-12 mth	91,206,276.63	7.8%	2,488	6.1%
13-24 mth	74,234,838.34	6.3%	2,316	5.7%
25-36 mth	83,866,134.60	7.1%	4,069	10.0%
37-48 mth	95,392,509.82	8.1%	4,179	10.2%
49-60 mth	274,109,747.93	23.3%	10,524	25.8%
61-72 mth	152,445,349.08	13.0%	5,066	12.4%
73-84 mth	53,052,751.02	4.5%	1,755	4.3%
85-96 mth	342,217,351.71	29.1%	10,023	24.6%
97-108 mth	7,970,251.67	0.7%	385	0.9%
TOTAL	1,174,495,210.80	100.0%	40,805	100.0%

Manufacturer	Current Principal Balance (in PLN)	Percentage of Total Balance	Number of Loans	Percentage of Total Loans
HYUNDAI	144,611,678.12	12.3%	4,707	11.5%
KIA	141,169,947.52	12.0%	4,438	10.9%
FORD	75,598,070.68	6.4%	2,940	7.2%
SUZUKI	69,190,769.08	5.9%	2,533	6.2%
MITSUBISHI	67,441,094.28	5.7%	1,770	4.3%
FIAT	67,383,079.32	5.7%	2,602	6.4%
OPEL	61,743,776.17	5.3%	2,815	6.9%
NISSAN	61,106,017.41	5.2%	1,905	4.7%
RENAULT	55,957,829.58	4.8%	2,230	5.5%
HONDA	47,927,637.23	4.1%	1,631	4.0%
VOLKSWAGEN	44,973,310.94	3.8%	1,648	4.0%
MAZDA	42,829,094.43	3.6%	1,118	2.7%
SKODA	35,183,790.44	3.0%	1,420	3.5%
PEUGEOT	33,040,167.11	2.8%	1,394	3.4%
CITROEN	29,378,808.81	2.5%	1,137	2.8%
TOTAL	977,535,071.12	83.2%	34,288	84.0%

Collateral	Current Principal Balance (in PLN)	Percentage of Total Balance	Number of Loans	Percentage of Total Loans
Assignment with a condition precedent	804,493,794.27	68.5%	27,242	66.8%
Partial Assignment of Vehicle	370,001,416.53	31.5%	13,563	33.2%
TOTAL	1,174,495,210.80	100.0%	40,805	100.0%

Borrower Type	Current Principal Balance (in PLN)	Percentage of Total Balance	Number of Loans	Percentage of Total Loans
BE	52,913,509.12	4.5%	1,544	3.8%
individual	672,328,375.23	57.2%	25,779	63.2%
SEPI	449,253,326.45	38.3%	13,482	33.0%
TOTAL	1,174,495,210.80	100.0%	40,805	100.0%

Interest rate type	Current Principal Balance (in PLN)	Percentage of Total Balance	Number of Loans	Percentage of Total Loans
Fixed	234,408,274.92	20.0%	6,517	16.0%
Floating	940,086,935.88	80.0%	34,288	84.0%
TOTAL	1,174,495,210.80	100.0%	40,805	100.0%

C. Information relating to HP Agreements only

Original Principal Balance (Ranges in PLN)	Original Principal Balance (in PLN)	Percentage of Total Balance	Number of Loans	Percentage of Total Loans
0.0-0.5 k	2,327,075.86	0.3%	5,647	1.7%
0.5-1.0 k	25,487,595.47	3.2%	32,502	9.9%
1.0-1.5 k	74,866,704.48	9.5%	59,115	18.0%
1.5-2.0 k	108,856,746.32	13.8%	62,215	19.0%
2.0-2.5 k	113,648,211.22	14.4%	50,564	15.4%
2.5-3.0 k	102,220,095.68	13.0%	37,232	11.4%
3.0-3.5 k	83,309,228.12	10.6%	25,691	7.8%
3.5-4.0 k	63,689,503.05	8.1%	17,021	5.2%
4.0-4.5 k	46,641,252.62	5.9%	10,990	3.4%
4.5-5.0 k	36,021,847.55	4.6%	7,580	2.3%
5.0-5.5 k	26,713,643.99	3.4%	5,089	1.6%
5.5-6.0 k	20,804,481.10	2.6%	3,615	1.1%
6.0-7.0 k	28,956,943.54	3.7%	4,479	1.4%
7.0-8.0 k	18,649,320.93	2.4%	2,497	0.8%
8.0-9.0 k	10,555,124.67	1.3%	1,243	0.4%
9.0-10.0 k	8,010,837.32	1.0%	840	0.3%
10.0-12.0 k	7,798,269.26	1.0%	718	0.2%
> 12.0 k	8,047,758.50	1.0%	533	0.2%
TOTAL	786,604,639.68	100.0%	327,571	100.0%

Statistics PLN
Average Amount 2,401.33

Original Principal Balance (Ranges in PLN)	Original Principal Balance in PLN	Percentage of Total Balance	Number of Loans	Percentage of Total Loans
0-10 k	770,758,611.92	98.0%	326,320	99.6%
10-20 k	15,084,647.41	1.9%	1,217	0.4%
20-30 k	761,380.35	0.1%	34	0.0%
TOTAL	786,604,639.68	100.0%	327,571	100.0%

Statistics PLN
Average Amount 2,401.33

Current Principal Balance (Ranges in PLN)	Current Principal Balance (in PLN)	Percentage of Total Balance	Number of Loans	Percentage of Total Loans
0.0-0.5 k	10,552,804.85	1.8%	28,792	8.8%
0.5-1.0 k	56,251,411.68	9.7%	74,182	22.6%
1.0-1.5 k	87,229,031.70	15.1%	70,252	21.4%
1.5-2.0 k	91,591,595.53	15.9%	52,747	16.1%
2.0-2.5 k	78,200,362.44	13.6%	34,977	10.7%
2.5-3.0 k	62,772,135.52	10.9%	22,962	7.0%
3.0-3.5 k	47,534,677.27	8.2%	14,712	4.5%
3.5-4.0 k	35,359,366.45	6.1%	9,469	2.9%
4.0-4.5 k	25,797,677.10	4.5%	6,090	1.9%
4.5-5.0 k	19,066,178.49	3.3%	4,025	1.2%
5.0-5.5 k	14,100,935.73	2.4%	2,691	0.8%
5.5-6.0 k	10,627,385.35	1.8%	1,851	0.6%

6.0-7.0 k	14,221,195.44	2.5%	2,205	0.7%
7.0-8.0 k	8,116,168.04	1.4%	1,089	0.3%
8.0-9.0 k	5,096,555.11	0.9%	603	0.2%
9.0-10.0 k	3,527,566.15	0.6%	374	0.1%
10.0-12.0 k	3,249,340.12	0.6%	301	0.1%
> 12.0	3,646,840.66	0.6%	249	0.1%
TOTAL	576,941,227.63	100.0%	327,571	100.0%

Statistics PLN
Average Amount 1,761.27

Current Principal Balance (Ranges in PLN)	Current Principal Balance in PLN	Percentage of Total Balance	Number of Loans	Percentage of Total Loans
00-10 k	570,045,046.85	98.8%	327,021	99.8%
10-20 k	6,678,087.08	1.2%	540	0.2%
20-30 k	218,093.70	0.0%	10	0.0%
TOTAL	576,941,227.63	100.0%	327,571	100.0%

Statistics PLN
Average Amount 1,761.27

TOP 25 Borrower Concentration

No	Current Principal Balance in PLN	Percentage of Total Balance	Number of Loans	Percentage of Total Loans
1	23,914.44	0.004%	1	0.0003%
2	23,432.17	0.004%	1	0.0003%
3	23,220.20	0.004%	1	0.0003%
4	23,063.78	0.004%	2	0.0006%
5	22,947.60	0.004%	1	0.0003%
6	22,757.60	0.004%	2	0.0006%
7	21,557.94	0.004%	1	0.0003%
8	21,509.65	0.004%	1	0.0003%
9	21,351.20	0.004%	2	0.0006%
10	21,249.00	0.004%	2	0.0006%
11	21,194.06	0.004%	2	0.0006%
12	20,954.09	0.004%	2	0.0006%
13	20,633.14	0.004%	1	0.0003%
14	20,564.66	0.004%	3	0.0009%
15	20,315.55	0.004%	1	0.0003%
16	20,166.01	0.003%	1	0.0003%
17	19,998.50	0.003%	2	0.0006%
18	19,861.98	0.003%	1	0.0003%
19	19,695.52	0.003%	1	0.0003%
20	19,605.19	0.003%	1	0.0003%
21	19,578.44	0.003%	1	0.0003%
22	19,510.08	0.003%	1	0.0003%
23	19,487.00	0.003%	1	0.0003%
24	19,330.70	0.003%	1	0.0003%
25	19,079.11	0.003%	1	0.0003%
TOTAL TOP 25	524,977.61	0.091%	34	0.0104%

Geographical Distribution	Current Principal Balance (in PLN)	Percentage of Total Balance	Number of Loans	Percentage of Total Loans
DOLNOŚLĄSKIE	58,787,277.82	10.2%	32,417	9.9%
KUJAWSKO-POMORSKIE	41,003,529.00	7.1%	23,908	7.3%
LUBELSKIE	24,816,622.61	4.3%	14,939	4.6%
LUBUSKIE	26,356,671.46	4.6%	15,686	4.8%
ŁÓDZKIE	37,379,393.01	6.5%	21,459	6.6%
MAŁOPOLSKIE	37,820,375.45	6.6%	22,217	6.8%
MAZOWIECKIE	51,953,020.75	9.0%	28,504	8.7%
OPOLSKIE	14,128,067.41	2.4%	7,602	2.3%
PODKARPACKIE	13,412,509.02	2.3%	8,450	2.6%
PODLASKIE	10,754,227.51	1.9%	6,707	2.0%
POMORSKIE	42,074,070.04	7.3%	22,596	6.9%
ŚLĄSKIE	50,094,593.64	8.7%	25,877	7.9%
ŚWIĘTOKRZYSKIE	15,314,557.93	2.7%	9,074	2.8%
WARMIŃSKO-MAZURSKIE	31,103,185.97	5.4%	19,238	5.9%
WIELKOPOLSKIE	73,385,669.32	12.7%	42,513	13.0%
ZACHODNIOPOMORSKIE	48,557,456.69	8.4%	26,384	8.1%
TOTAL	576,941,227.63	100.0%	327,571	100.0%

Yield Range	Current Principal Balance in PLN	Percentage of Total Balance	Number of Loans	Percentage of Total Loans
00-00 %	297,972,448.73	51.6%	170,954	52.2%
00-10 %	756,650.46	0.1%	645	0.2%
10-12 %	24,361,487.43	4.2%	11,700	3.6%
12-14 %	308,324.78	0.1%	142	0.0%
14-16 %	253,542,316.23	43.9%	144,130	44.0%
TOTAL	576,941,227.63	100.0%	327,571	100.0%

Statistics in %
WA Interest 7.51

Yield Range	Current Principal Balance in PLN	Percentage of Total Balance	Number of Loans	Percentage of Total Loans
00-01 %	297,988,621.65	51.6%	170,976	52.2%
01-02 %	0.00	0.0%	0	0.0%
02-04 %	107,289.36	0.0%	129	0.0%
04-06 %	231,955.76	0.0%	206	0.1%
06-08 %	232,079.97	0.0%	175	0.1%
08-10 %	169,152.45	0.0%	113	0.0%
10-12 %	24,361,487.43	4.2%	11,700	3.6%
12-14 %	308,324.78	0.1%	142	0.0%
14-16 %	253,542,316.23	43.9%	144,130	44.0%
TOTAL	576,941,227.63	100.0%	327,571	100.0%

Statistics in %
WA Interest 7.51

Seasoning Term (in Months)	Current Principal Balance (in PLN)	Percentage of Total Balance	Number of Loans	Percentage of Total Loans
00-01 mth	83,113,464.70	14.4%	41,378	12.6%
01-02 mth	80,087,985.00	13.9%	43,368	13.2%
02-03 mth	67,560,075.37	11.7%	37,370	11.4%
03-04 mth	62,880,026.91	10.9%	37,386	11.4%
04-05 mth	81,720,611.56	14.2%	48,507	14.8%
05-06 mth	86,101,216.16	14.9%	53,535	16.3%
06-07 mth	48,321,009.56	8.4%	27,554	8.4%
07-08 mth	38,994,860.70	6.8%	21,856	6.7%
08-09 mth	19,465,999.59	3.4%	11,496	3.5%
09-10 mth	4,763,596.31	0.8%	2,702	0.8%
10-11 mth	3,932,381.77	0.7%	2,419	0.7%
TOTAL	576,941,227.63	100.0%	327,571	100.0%

Statistics months
WA Seasoning 4.37

Remaining Term (in Months)	Current Principal Balance (in PLN)	Percentage of Total Balance	Number of Loans	Percentage of Total Loans
00-03 mth	6,848,306.12	1.2%	9,583	2.9%
04-06 mth	71,284,718.17	12.4%	75,326	23.0%
07-12 mth	140,275,777.95	24.3%	97,834	29.9%
13-18 mth	122,696,105.01	21.3%	59,950	18.3%
19-24 mth	102,534,212.94	17.8%	42,089	12.8%
25-30 mth	58,956,399.96	10.2%	20,161	6.2%
31-46 mth	35,073,052.84	6.1%	11,396	3.5%
37-42 mth	14,560,980.68	2.5%	4,397	1.3%
43-48 mth	21,808,162.32	3.8%	6,127	1.9%
49-54 mth	2,903,511.64	0.5%	708	0.2%
TOTAL	576,941,227.63	100.0%	327,571	100.0%

Statistics months
WA Remaining Term 17.88

Original Term (in Months)	Current Principal Balance (in PLN)	Percentage of Total Balance	Number of Loans	Percentage of Total Loans
04-06 mth	10,719,790.14	1.9%	10,736	3.3%
07-12 mth	167,236,744.12	29.0%	143,551	43.8%
13-18 mth	58,821,330.62	10.2%	36,597	11.2%
19-24 mth	159,810,348.72	27.7%	74,783	22.8%
25-30 mth	75,974,973.38	13.2%	28,915	8.8%
31-36 mth	57,116,536.17	9.9%	18,962	5.8%
37-42 mth	9,999,602.59	1.7%	3,322	1.0%
43-48 mth	18,501,393.01	3.2%	5,616	1.7%
49-54 mth	18,760,508.88	3.3%	5,089	1.6%
TOTAL	576,941,227.63	100.0%	327,571	100.0%

Statistics months
WA Original Term 21.09

Partners	Current Principal Balance (in PLN)	Percentage of Total Balance	Number of Loans	Percentage of Total Loans
TERG	174,244,537.60	30.2%	91,471	27.9%
MEDIA MARKT	122,902,250.37	21.3%	72,278	22.1%
NEONET	95,706,094.98	16.6%	65,293	19.9%
SATURN	79,356,426.26	13.8%	44,171	13.5%
AGATA	54,248,629.80	9.4%	23,751	7.3%
DOMEX	35,449,922.84	6.1%	18,965	5.8%
BODZIO	15,033,365.78	2.6%	11,642	3.6%
TOTAL	576,941,227.63	100.0%	327,571	100.0%

Borrower Type	Current Principal Balance (in PLN)	Percentage of Total Balance	Number of Loans	Percentage of Total Loans
BE	0.00	0.0%	0	0.0%
Individual	576,941,227.63	100.0%	327,571	100.0%
SEPI	0.00	0.0%	0	0.0%
TOTAL	576,941,227.63	100.0%	327,571	100.0%

Interest rate type	Current Principal Balance (in PLN)	Percentage of Total Balance	Number of Loans	Percentage of Total Loans
Fixed	576,941,227.63	100.0%	327,571	100.0%
Floating	0.00	0.0%	0	0.0%
TOTAL	576,941,227.63	100.0%	327,571	100.0%

Bullet vs. Amortising	Current Principal Balance (in PLN)	Percentage of Total Balance	Number of Loans	Percentage of Total Loans
Amortising	576,941,227.63	100.0%	327,571	100.0%
Bullet	0.00	0.0%	0	0.0%
TOTAL	576,941,227.63	100.0%	327,571	100.0%

HISTORICAL DATA

1. STATIC CUMULATIVE GROSS DEFAULTS

For a generation of loans (being all loans originated during the same quarter), the cumulative gross defaults in respect of a month is calculated as the ratio of (i) the cumulative defaulted balance recorded between the month when such loans were originated and the relevant month, to (ii) the original balance of such loans. The definition of default included loans that are written off or legally terminated or 180 days delinquent, whichever is earlier. The cumulative defaulted balances are net of proceeds from the sale of repossessed vehicles when the sale occurs prior to the loan reaching 180 days delinquency, legal termination or write-off.

Static Analysis Gross Losses - Auto Portfolio
as of 31.03.2014

Quarter New Business	cumulative losses in % / months after origination																			
	3	6	9	12	15	18	21	24	27	30	33	36	39	42	45	48	51	54	57	60
Q1 2008	0.00%	0.23%	1.28%	2.12%	2.76%	3.79%	4.60%	5.31%	6.22%	7.12%	7.82%	8.36%	8.90%	9.58%	9.84%	10.02%	10.44%	10.63%	10.84%	11.04%
Q2 2008	0.00%	0.26%	1.55%	2.57%	3.89%	4.90%	5.78%	7.23%	8.32%	9.16%	10.20%	11.10%	11.70%	12.23%	12.60%	13.25%	13.61%	14.00%	14.34%	14.48%
Q3 2008	0.00%	0.46%	1.85%	3.47%	4.55%	5.80%	7.16%	8.35%	9.32%	10.17%	10.95%	11.54%	11.78%	12.27%	12.81%	13.13%	13.56%	13.85%	14.02%	14.28%
Q4 2008	0.00%	0.40%	1.37%	2.66%	3.86%	5.52%	6.70%	7.45%	8.03%	8.65%	9.25%	9.63%	10.04%	10.44%	10.72%	11.03%	11.34%	11.59%	11.78%	12.03%
Q1 2009	0.00%	0.39%	1.21%	2.18%	3.62%	4.75%	5.30%	5.97%	6.54%	7.04%	7.58%	7.81%	8.14%	8.50%	8.75%	9.15%	9.22%	9.41%	9.54%	9.70%
Q2 2009	0.00%	0.14%	0.90%	2.08%	2.98%	3.99%	5.09%	5.71%	6.44%	6.87%	7.18%	7.53%	7.80%	8.07%	8.45%	8.67%	8.88%	9.05%	9.19%	
Q3 2009	0.00%	0.13%	0.82%	1.75%	2.65%	3.13%	3.75%	4.24%	4.85%	5.24%	5.60%	6.01%	6.19%	6.52%	6.80%	6.94%	7.12%	7.31%		
Q4 2009	0.00%	0.21%	0.83%	1.52%	2.24%	3.00%	3.69%	4.14%	4.47%	4.91%	5.37%	5.57%	5.87%	6.07%	6.45%	6.70%	6.82%			
Q1 2010	0.00%	0.23%	0.80%	1.36%	1.98%	2.67%	2.83%	3.05%	3.36%	3.88%	4.15%	4.36%	4.71%	4.91%	5.07%	5.28%				
Q2 2010	0.00%	0.13%	0.55%	1.11%	1.72%	2.41%	2.75%	3.25%	3.88%	4.16%	4.50%	4.84%	5.07%	5.37%	5.53%					
Q3 2010	0.00%	0.13%	0.46%	0.97%	1.28%	1.68%	2.12%	2.55%	2.97%	3.35%	3.68%	4.08%	4.38%	4.59%						
Q4 2010	0.00%	0.13%	0.31%	0.73%	1.02%	1.27%	1.60%	1.79%	2.06%	2.13%	2.42%	2.78%	3.08%							
Q1 2011	0.00%	0.14%	0.36%	0.54%	1.01%	1.32%	1.69%	2.00%	2.28%	2.52%	2.65%	2.96%								
Q2 2011	0.00%	0.40%	0.54%	1.14%	1.59%	2.35%	2.78%	3.21%	3.49%	3.76%	4.00%									
Q3 2011	0.00%	0.47%	1.03%	1.40%	2.17%	2.55%	2.86%	3.31%	3.61%	3.85%										
Q4 2011	0.00%	0.01%	0.14%	0.36%	0.65%	1.13%	1.46%	1.78%	2.12%											
Q1 2012	0.00%	0.24%	0.52%	0.91%	1.20%	1.62%	2.09%	2.32%												
Q2 2012	0.00%	0.16%	0.48%	0.96%	1.31%	1.85%	2.04%													
Q3 2012	0.00%	0.09%	0.14%	0.40%	0.70%	0.97%														
Q4 2012	0.00%	0.06%	0.26%	0.38%	0.58%															
Q1 2013	0.00%	0.12%	0.18%	0.27%																
Q2 2013	0.00%	0.07%	0.23%																	
Q3 2013	0.00%	0.10%																		
Q4 2013	0.00%																			

Static Analysis Gross Losses - New Vehicles
as of 31.03.2014

Quarter New Business	cumulative losses in % / months after origination																			
	3	6	9	12	15	18	21	24	27	30	33	36	39	42	45	48	51	54	57	60
Q1 2008	0.00%	0.14%	0.55%	0.92%	1.13%	1.45%	1.77%	2.18%	2.80%	3.36%	3.95%	4.32%	4.67%	5.11%	5.25%	5.40%	5.69%	5.87%	6.00%	6.12%
Q2 2008	0.00%	0.08%	0.34%	0.63%	1.17%	1.77%	2.26%	3.09%	3.96%	4.58%	5.42%	6.13%	6.49%	6.90%	7.24%	7.80%	8.18%	8.53%	8.82%	8.93%
Q3 2008	0.00%	0.10%	0.62%	1.05%	1.44%	2.39%	3.11%	3.91%	4.68%	5.55%	6.24%	6.68%	6.89%	7.45%	8.00%	8.34%	8.77%	9.00%	9.19%	9.34%
Q4 2008	0.00%	0.24%	0.51%	0.90%	1.63%	2.58%	3.32%	3.76%	4.10%	4.62%	5.01%	5.22%	5.53%	5.83%	6.13%	6.41%	6.60%	6.72%	6.86%	7.15%
Q1 2009	0.00%	0.11%	0.31%	0.74%	1.42%	1.93%	2.02%	2.31%	2.66%	2.89%	3.36%	3.49%	3.77%	4.12%	4.35%	4.78%	4.84%	4.94%	5.05%	5.22%
Q2 2009	0.00%	0.05%	0.31%	0.96%	1.49%	2.22%	3.09%	3.67%	3.99%	4.37%	4.56%	4.85%	5.07%	5.31%	5.65%	5.85%	6.01%	6.13%	6.29%	
Q3 2009	0.00%	0.00%	0.33%	0.84%	1.26%	1.48%	2.07%	2.29%	2.62%	2.86%	3.10%	3.38%	3.42%	3.67%	3.84%	3.95%	4.14%	4.39%		
Q4 2009	0.00%	0.09%	0.39%	0.94%	1.30%	1.86%	2.23%	2.48%	2.58%	2.72%	2.98%	3.05%	3.22%	3.40%	3.72%	3.99%	4.07%			
Q1 2010	0.00%	0.06%	0.40%	0.71%	1.05%	1.51%	1.56%	1.60%	1.67%	1.94%	2.06%	2.12%	2.29%	2.49%	2.62%	2.75%				
Q2 2010	0.00%	0.00%	0.18%	0.35%	0.60%	0.98%	1.17%	1.44%	1.82%	1.93%	2.15%	2.28%	2.35%	2.50%	2.57%					
Q3 2010	0.00%	0.11%	0.11%	0.27%	0.37%	0.53%	0.75%	1.02%	1.17%	1.38%	1.51%	1.75%	1.89%	2.11%						
Q4 2010	0.00%	0.07%	0.17%	0.34%	0.43%	0.55%	0.67%	0.79%	1.02%	1.07%	1.20%	1.41%	1.64%							
Q1 2011	0.00%	0.00%	0.00%	0.04%	0.24%	0.37%	0.40%	0.57%	0.78%	0.91%	0.97%	1.18%								
Q2 2011	0.00%	0.27%	0.31%	0.72%	1.05%	1.23%	1.52%	1.81%	2.02%	2.13%	2.20%									
Q3 2011	0.00%	0.30%	0.45%	0.57%	1.09%	1.15%	1.16%	1.34%	1.47%	1.69%										
Q4 2011	0.00%	0.00%	0.00%	0.13%	0.22%	0.57%	0.94%	1.21%	1.34%											
Q1 2012	0.00%	0.03%	0.06%	0.14%	0.29%	0.54%	0.81%	0.97%												
Q2 2012	0.00%	0.00%	0.06%	0.25%	0.51%	0.79%	0.84%													
Q3 2012	0.00%	0.00%	0.06%	0.23%	0.43%	0.62%														
Q4 2012	0.00%	0.00%	0.11%	0.23%	0.30%															
Q1 2013	0.00%	0.00%	0.00%	0.04%																
Q2 2013	0.00%	0.00%	0.00%																	
Q3 2013	0.00%	0.00%																		
Q4 2013	0.00%																			

Static Analysis Gross Losses - Used Vehicles
as of 31.03.2014

Quarter New Business	cumulative losses in % / months after origination																			
	3	6	9	12	15	18	21	24	27	30	33	36	39	42	45	48	51	54	57	60
Q1 2008	0.00%	0.41%	2.74%	4.53%	6.06%	8.55%	10.35%	11.65%	13.15%	14.72%	15.66%	16.53%	17.47%	18.63%	19.14%	19.39%	20.06%	20.28%	20.64%	20.99%
Q2 2008	0.00%	0.52%	3.32%	5.43%	7.87%	9.49%	10.95%	13.31%	14.72%	15.89%	17.21%	18.40%	19.32%	20.05%	20.45%	21.24%	21.56%	22.02%	22.43%	22.61%
Q3 2008	0.00%	0.89%	3.36%	6.43%	8.36%	9.98%	12.11%	13.80%	15.00%	15.84%	16.72%	17.49%	17.78%	18.17%	18.70%	18.99%	19.44%	19.79%	19.94%	20.33%
Q4 2008	0.00%	0.62%	2.57%	5.14%	7.02%	9.67%	11.47%	12.66%	13.58%	14.34%	15.25%	15.87%	16.40%	16.94%	17.20%	17.58%	18.02%	18.47%	18.72%	18.93%
Q1 2009	0.00%	0.90%	2.87%	4.81%	7.65%	9.91%	11.31%	12.67%	13.65%	14.65%	15.32%	15.73%	16.16%	16.53%	16.84%	17.17%	17.26%	17.59%	17.75%	17.91%
Q2 2009	0.00%	0.27%	1.76%	3.68%	5.11%	6.52%	7.94%	8.62%	9.92%	10.44%	10.93%	11.34%	11.67%	11.99%	12.44%	12.69%	12.97%	13.19%	13.31%	
Q3 2009	0.00%	0.34%	1.62%	3.23%	4.90%	5.82%	6.48%	7.42%	8.47%	9.11%	9.68%	10.28%	10.69%	11.15%	11.62%	11.80%	11.98%	12.05%		
Q4 2009	0.00%	0.44%	1.66%	2.61%	3.98%	5.11%	6.40%	7.23%	7.99%	8.99%	9.80%	10.27%	10.80%	11.03%	11.53%	11.74%	11.94%			
Q1 2010	0.00%	0.58%	1.65%	2.75%	3.98%	5.18%	5.54%	6.15%	7.00%	8.05%	8.63%	9.17%	9.89%	10.09%	10.34%	10.71%				
Q2 2010	0.00%	0.38%	1.22%	2.50%	3.79%	5.05%	5.66%	6.59%	7.66%	8.26%	8.83%	9.56%	10.07%	10.65%	10.99%					
Q3 2010	0.00%	0.16%	1.11%	2.31%	3.00%	3.83%	4.70%	5.44%	6.37%	7.05%	7.76%	8.47%	9.07%	9.27%						
Q4 2010	0.00%	0.36%	0.83%	2.31%	3.36%	4.16%	5.32%	5.80%	6.21%	6.35%	7.28%	8.26%	8.87%							
Q1 2011	0.00%	0.67%	1.72%	2.39%	3.90%	4.87%	6.51%	7.35%	7.86%	8.56%	8.93%	9.61%								
Q2 2011	0.00%	0.70%	1.09%	2.14%	2.90%	5.06%	5.84%	6.61%	7.06%	7.72%	8.37%									
Q3 2011	0.00%	0.82%	2.20%	3.09%	4.39%	5.41%	6.34%	7.32%	7.99%	8.28%										
Q4 2011	0.00%	0.04%	0.56%	1.08%	1.97%	2.85%	3.08%	3.54%	4.53%											
Q1 2012	0.00%	0.93%	2.08%	3.53%	4.27%	5.31%	6.45%	6.88%												
Q2 2012	0.00%	0.55%	1.46%	2.65%	3.20%	4.38%	4.87%													
Q3 2012	0.00%	0.30%	0.34%	0.79%	1.31%	1.79%														
Q4 2012	0.00%	0.21%	0.65%	0.79%	1.33%															
Q1 2013	0.00%	0.52%	0.75%	1.00%																
Q2 2013	0.00%	0.27%	0.89%																	
Q3 2013	0.00%	0.39%																		
Q4 2013	0.00%																			

Static Analysis Gross Losses - Non-Balloon Loans
as of 31.03.2014

Quarter New Business	cumulative losses in % / months after origination																			
	3	6	9	12	15	18	21	24	27	30	33	36	39	42	45	48	51	54	57	60
Q1 2008	0.00%	0.24%	1.34%	2.22%	2.90%	3.97%	4.82%	5.57%	6.53%	7.47%	8.21%	8.77%	9.34%	10.05%	10.33%	10.52%	10.96%	11.16%	11.38%	11.59%
Q2 2008	0.00%	0.26%	1.58%	2.62%	3.96%	4.99%	5.88%	7.36%	8.47%	9.33%	10.38%	11.30%	11.90%	12.45%	12.82%	13.49%	13.85%	14.25%	14.59%	14.74%
Q3 2008	0.00%	0.46%	1.88%	3.52%	4.62%	5.87%	7.24%	8.46%	9.44%	10.30%	11.09%	11.69%	11.94%	12.43%	12.98%	13.30%	13.75%	14.04%	14.21%	14.47%
Q4 2008	0.00%	0.41%	1.42%	2.77%	4.03%	5.74%	6.97%	7.76%	8.36%	9.01%	9.64%	10.04%	10.45%	10.87%	11.16%	11.49%	11.81%	12.07%	12.27%	12.53%
Q1 2009	0.00%	0.41%	1.26%	2.25%	3.75%	4.92%	5.50%	6.19%	6.78%	7.30%	7.86%	8.10%	8.45%	8.81%	9.08%	9.49%	9.57%	9.76%	9.89%	10.06%
Q2 2009	0.00%	0.15%	0.94%	2.17%	3.11%	4.08%	5.23%	5.88%	6.63%	7.09%	7.41%	7.77%	8.05%	8.33%	8.73%	8.96%	9.18%	9.35%	9.50%	
Q3 2009	0.00%	0.14%	0.85%	1.81%	2.74%	3.20%	3.85%	4.36%	4.99%	5.38%	5.76%	6.18%	6.37%	6.71%	7.00%	7.14%	7.34%	7.53%		
Q4 2009	0.00%	0.23%	0.90%	1.64%	2.41%	3.12%	3.85%	4.35%	4.70%	5.17%	5.66%	5.88%	6.21%	6.42%	6.83%	7.10%	7.23%			
Q1 2010	0.00%	0.24%	0.83%	1.41%	2.06%	2.77%	2.93%	3.15%	3.48%	4.02%	4.30%	4.52%	4.88%	5.09%	5.26%	5.47%				
Q2 2010	0.00%	0.15%	0.59%	1.20%	1.87%	2.61%	2.97%	3.52%	4.20%	4.49%	4.86%	5.23%	5.48%	5.80%	5.98%					
Q3 2010	0.00%	0.14%	0.52%	1.11%	1.46%	1.88%	2.38%	2.88%	3.36%	3.79%	4.16%	4.62%	4.96%	5.21%						
Q4 2010	0.00%	0.15%	0.36%	0.86%	1.19%	1.44%	1.82%	2.05%	2.36%	2.44%	2.79%	3.21%	3.56%							
Q1 2011	0.00%	0.16%	0.42%	0.62%	1.17%	1.51%	1.94%	2.30%	2.62%	2.90%	3.05%	3.41%								
Q2 2011	0.00%	0.46%	0.63%	1.34%	1.87%	2.74%	3.24%	3.75%	4.07%	4.40%	4.68%									
Q3 2011	0.00%	0.55%	1.18%	1.61%	2.51%	2.93%	3.29%	3.80%	4.16%	4.44%										
Q4 2011	0.00%	0.01%	0.15%	0.40%	0.72%	1.22%	1.59%	1.94%	2.32%											
Q1 2012	0.00%	0.26%	0.58%	1.02%	1.34%	1.81%	2.34%	2.57%												
Q2 2012	0.00%	0.20%	0.58%	1.16%	1.58%	2.19%	2.41%													
Q3 2012	0.00%	0.11%	0.18%	0.51%	0.88%	1.17%														
Q4 2012	0.00%	0.08%	0.33%	0.49%	0.75%															
Q1 2013	0.00%	0.18%	0.26%	0.40%																
Q2 2013	0.00%	0.11%	0.36%																	
Q3 2013	0.00%	0.16%																		
Q4 2013	0.00%																			

Static Analysis Gross Losses - Balloon Loans
as of 31.03.2014

Quarter New Business	cumulative losses in % / months after origination																			
	3	6	9	12	15	18	21	24	27	30	33	36	39	42	45	48	51	54	57	60
Q1 2008	0.00%	0.00%	0.00%	0.00%	0.00%	0.31%	0.31%	0.31%	0.31%	0.31%	0.31%	0.31%	0.31%	0.31%	0.31%	0.31%	0.31%	0.31%	0.31%	0.31%
Q2 2008	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Q3 2008	0.00%	0.00%	0.00%	0.00%	0.00%	1.36%	1.36%	1.36%	1.36%	1.36%	1.36%	1.36%	1.36%	1.36%	1.36%	1.36%	1.36%	1.36%	1.36%	1.36%
Q4 2008	0.00%	0.00%	0.00%	0.00%	0.00%	0.17%	0.17%	0.17%	0.17%	0.17%	0.17%	0.17%	0.17%	0.17%	0.17%	0.17%	0.17%	0.17%	0.17%	0.17%
Q1 2009	0.00%	0.00%	0.13%	0.13%	0.13%	0.13%	0.14%	0.14%	0.14%	0.14%	0.14%	0.14%	0.14%	0.14%	0.14%	0.14%	0.14%	0.14%	0.14%	0.14%
Q2 2009	0.00%	0.00%	0.00%	0.00%	0.00%	1.81%	1.81%	1.81%	1.81%	1.81%	1.81%	1.81%	1.81%	1.81%	1.81%	1.81%	1.81%	1.81%	1.81%	1.81%
Q3 2009	0.00%	0.00%	0.00%	0.00%	0.00%	1.10%	1.10%	1.10%	1.10%	1.27%	1.27%	1.27%	1.27%	1.27%	1.27%	1.27%	1.27%	1.27%	1.27%	1.27%
Q4 2009	0.00%	0.00%	0.00%	0.00%	0.00%	1.44%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
Q1 2010	0.00%	0.00%	0.00%	0.00%	0.00%	0.29%	0.29%	0.29%	0.29%	0.29%	0.29%	0.29%	0.29%	0.29%	0.29%	0.29%	0.29%	0.29%	0.29%	0.29%
Q2 2010	0.00%	0.00%	0.00%	0.00%	0.00%	0.07%	0.07%	0.07%	0.07%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%
Q3 2010	0.00%	0.00%	0.00%	0.00%	0.00%	0.28%	0.28%	0.28%	0.28%	0.28%	0.28%	0.28%	0.28%	0.28%	0.28%	0.28%	0.28%	0.28%	0.28%	0.28%
Q4 2010	0.00%	0.00%	0.00%	0.00%	0.00%	0.25%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%
Q1 2011	0.00%	0.00%	0.00%	0.00%	0.00%	0.13%	0.13%	0.13%	0.13%	0.16%	0.16%	0.16%	0.16%	0.16%	0.16%	0.16%	0.16%	0.16%	0.16%	0.16%
Q2 2011	0.00%	0.00%	0.00%	0.00%	0.00%	0.16%	0.16%	0.16%	0.16%	0.16%	0.16%	0.16%	0.16%	0.16%	0.16%	0.16%	0.16%	0.16%	0.16%	0.16%
Q3 2011	0.00%	0.00%	0.00%	0.00%	0.00%	0.09%	0.09%	0.09%	0.09%	0.09%	0.09%	0.09%	0.09%	0.09%	0.09%	0.09%	0.09%	0.09%	0.09%	0.09%
Q4 2011	0.00%	0.00%	0.00%	0.00%	0.00%	0.27%	0.27%	0.27%	0.27%	0.27%	0.27%	0.27%	0.27%	0.27%	0.27%	0.27%	0.27%	0.27%	0.27%	0.27%
Q1 2012	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.16%	0.16%	0.16%	0.16%	0.16%	0.16%	0.16%	0.16%	0.16%	0.16%	0.16%	0.16%	0.16%
Q2 2012	0.00%	0.00%	0.00%	0.00%	0.00%	0.19%	0.19%	0.19%	0.19%	0.19%	0.19%	0.19%	0.19%	0.19%	0.19%	0.19%	0.19%	0.19%	0.19%	0.19%
Q3 2012	0.00%	0.00%	0.00%	0.00%	0.00%	0.22%	0.22%	0.22%	0.22%	0.22%	0.22%	0.22%	0.22%	0.22%	0.22%	0.22%	0.22%	0.22%	0.22%	0.22%
Q4 2012	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Q1 2013	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Q2 2013	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Q3 2013	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Q4 2013	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Static Analysis Gross Losses - HP Portfolio
as of 31.03.2014

Quarter New Business	cumulative losses in % / months after origination																			
	3	6	9	12	15	18	21	24	27	30	33	36	39	42	45	48	51	54	57	60
Q1 2009	0.00%	1.05%	2.35%	3.12%	3.63%	4.03%	4.22%	4.33%	4.40%	4.45%	4.47%	4.47%	4.48%	4.48%	4.48%	4.48%	4.48%	4.48%	4.48%	4.48%
Q2 2009	0.00%	0.99%	1.87%	2.47%	2.96%	3.23%	3.41%	3.53%	3.59%	3.64%	3.66%	3.68%	3.69%	3.69%	3.69%	3.69%	3.69%	3.69%	3.69%	3.69%
Q3 2009	0.00%	0.88%	1.56%	2.07%	2.38%	2.59%	2.73%	2.83%	2.89%	2.92%	2.93%	2.94%	2.95%	2.95%	2.95%	2.95%	2.95%	2.95%	2.95%	2.95%
Q4 2009	0.00%	0.75%	1.50%	1.96%	2.23%	2.43%	2.58%	2.66%	2.70%	2.73%	2.74%	2.75%	2.76%	2.76%	2.76%	2.76%	2.76%	2.76%	2.76%	2.76%
Q1 2010	0.00%	0.99%	1.74%	2.16%	2.45%	2.65%	2.78%	2.86%	2.91%	2.94%	2.97%	2.98%	2.98%	2.99%	2.99%	2.99%	2.99%	2.99%	2.99%	2.99%
Q2 2010	0.00%	0.77%	1.33%	1.68%	1.95%	2.13%	2.24%	2.32%	2.37%	2.40%	2.41%	2.42%	2.43%	2.43%	2.43%	2.43%	2.43%	2.43%	2.43%	2.43%
Q3 2010	0.00%	0.53%	0.96%	1.30%	1.54%	1.68%	1.78%	1.84%	1.88%	1.91%	1.93%	1.93%	1.94%	1.94%	1.94%	1.94%	1.94%	1.94%	1.94%	1.94%
Q4 2010	0.00%	0.42%	0.88%	1.12%	1.30%	1.41%	1.49%	1.54%	1.57%	1.59%	1.61%	1.61%	1.61%	1.61%	1.61%	1.61%	1.61%	1.61%	1.61%	1.61%
Q1 2011	0.00%	0.58%	1.23%	1.52%	1.73%	1.87%	1.97%	2.02%	2.05%	2.08%	2.10%	2.11%	2.11%	2.11%	2.11%	2.11%	2.11%	2.11%	2.11%	2.11%
Q2 2011	0.00%	0.40%	0.88%	1.15%	1.31%	1.42%	1.49%	1.53%	1.56%	1.58%	1.59%	1.59%	1.59%	1.59%	1.59%	1.59%	1.59%	1.59%	1.59%	1.59%
Q3 2011	0.00%	0.31%	0.68%	0.87%	1.00%	1.10%	1.16%	1.20%	1.22%	1.23%	1.23%	1.23%	1.23%	1.23%	1.23%	1.23%	1.23%	1.23%	1.23%	1.23%
Q4 2011	0.00%	0.26%	0.58%	0.76%	0.88%	0.96%	1.02%	1.06%	1.08%	1.08%	1.08%	1.08%	1.08%	1.08%	1.08%	1.08%	1.08%	1.08%	1.08%	1.08%
Q1 2012	0.00%	0.16%	1.16%	1.44%	1.62%	1.74%	1.82%	1.87%	1.87%	1.87%	1.87%	1.87%	1.87%	1.87%	1.87%	1.87%	1.87%	1.87%	1.87%	1.87%
Q2 2012	0.00%	0.12%	1.08%	1.38%	1.58%	1.72%	1.80%	1.80%	1.80%	1.80%	1.80%	1.80%	1.80%	1.80%	1.80%	1.80%	1.80%	1.80%	1.80%	1.80%
Q3 2012	0.00%	0.07%	0.95%	1.23%	1.42%	1.54%	1.54%	1.54%	1.54%	1.54%	1.54%	1.54%	1.54%	1.54%	1.54%	1.54%	1.54%	1.54%	1.54%	1.54%
Q4 2012	0.00%	0.05%	0.92%	1.22%	1.37%	1.37%	1.37%	1.37%	1.37%	1.37%	1.37%	1.37%	1.37%	1.37%	1.37%	1.37%	1.37%	1.37%	1.37%	1.37%
Q1 2013	0.00%	0.22%	1.30%	1.59%	1.59%	1.59%	1.59%	1.59%	1.59%	1.59%	1.59%	1.59%	1.59%	1.59%	1.59%	1.59%	1.59%	1.59%	1.59%	1.59%
Q2 2013	0.00%	0.53%	1.30%	1.30%	1.30%	1.30%	1.30%	1.30%	1.30%	1.30%	1.30%	1.30%	1.30%	1.30%	1.30%	1.30%	1.30%	1.30%	1.30%	1.30%
Q3 2013	0.00%	0.41%	0.41%	0.41%	0.41%	0.41%	0.41%	0.41%	0.41%	0.41%	0.41%	0.41%	0.41%	0.41%	0.41%	0.41%	0.41%	0.41%	0.41%	0.41%

2. STATIC CUMULATIVE RECOVERIES

For a generation of defaulted loans (being all loans defaulted during the same quarter), the cumulative recoveries in respect of a month is calculated as the ratio of (i) the cumulative gross recoveries recorded between the month such loans defaulted and the relevant month, to (ii) the gross defaulted balance of such loans. Recoveries are primarily based on customer payments and proceeds on vehicle sales (if the vehicle is sold after the loan has defaulted). Loans that are written off or legally terminated before reaching 180 days delinquency are neither included in the gross defaulted balance nor the gross recoveries. In addition, proceeds from the sale of repossessed vehicles are excluded from recoveries when the sale occurs prior to the loan reaching 180 days delinquency.

Static Analysis Recoveries - Total Portfolio

as of 31.03.2014

Quarter of Termination *	cumulative recoveries in % / months after termination									
	6	12	18	24	30	36	42	48	54	60
Q1 2008	14.46%	24.22%	27.29%	27.44%	28.74%	29.25%	31.34%	32.33%	32.46%	32.52%
Q2 2008	21.57%	30.43%	32.27%	33.56%	34.20%	35.12%	35.54%	35.86%	36.37%	36.99%
Q3 2008	12.62%	20.15%	22.59%	23.81%	25.49%	25.75%	26.23%	26.58%	27.78%	28.27%
Q4 2008	15.58%	19.01%	23.26%	26.20%	28.38%	29.59%	31.47%	33.26%	35.28%	36.23%
Q1 2009	10.90%	14.52%	16.92%	18.56%	20.70%	21.43%	23.10%	24.75%	25.67%	27.06%
Q2 2009	10.31%	14.72%	17.91%	19.64%	21.03%	23.87%	26.63%	29.05%	29.83%	
Q3 2009	9.77%	15.81%	19.30%	21.96%	24.86%	27.62%	30.18%	32.03%	33.42%	
Q4 2009	12.94%	19.24%	22.64%	25.07%	27.84%	30.11%	32.31%	34.16%		
Q1 2010	18.34%	24.45%	27.14%	30.57%	32.59%	34.04%	36.22%	38.34%		
Q2 2010	19.60%	26.40%	30.77%	34.11%	38.10%	40.42%	42.46%			
Q3 2010	17.65%	23.79%	29.17%	33.91%	37.70%	40.68%	42.96%			
Q4 2010	17.76%	24.26%	30.16%	34.54%	38.46%	42.35%				
Q1 2011	19.71%	27.60%	33.64%	38.54%	42.89%	47.32%				
Q2 2011	20.52%	29.28%	36.18%	40.58%	45.58%					
Q3 2011	17.39%	24.57%	30.54%	35.98%	39.48%					
Q4 2011	20.90%	27.28%	32.19%	36.37%						
Q1 2012	20.20%	26.06%	31.71%	37.15%						
Q2 2012	21.26%	28.11%	34.69%							
Q3 2012	18.98%	25.60%	31.56%							
Q4 2012	18.68%	27.44%								
Q1 2013	22.08%	31.13%								
Q2 2013	23.02%									
Q3 2013	21.81%									

* Due to small sample sizes for early defaults from 2008 originations, the recovery data population includes 2007 originations

Static Analysis Recoveries - HP Portfolio

as of 31.03.2014

Quarter of Termination	cumulative recoveries in % / months after termination									
	6	12	18	24	30	36	42	48	54	60
Q2 2009 *	2.37%	5.03%	13.45%	18.27%	24.49%	26.74%	28.51%	29.70%	30.82%	
Q3 2009	2.30%	5.60%	11.04%	15.24%	19.11%	22.23%	24.62%	26.98%	28.44%	
Q4 2009	4.12%	9.16%	17.14%	22.50%	26.98%	30.57%	33.30%	35.35%		
Q1 2010	6.34%	11.95%	20.65%	26.28%	31.99%	36.56%	39.89%	42.22%		
Q2 2010	7.35%	15.09%	22.92%	30.37%	36.66%	41.15%	44.24%			
Q3 2010	7.66%	14.90%	22.49%	30.21%	37.50%	42.60%	45.46%			
Q4 2010	9.00%	15.24%	23.15%	33.80%	40.57%	45.04%				
Q1 2011	9.74%	16.24%	27.76%	37.60%	44.76%	49.15%				
Q2 2011	10.44%	16.48%	26.64%	37.39%	44.40%					
Q3 2011	11.19%	18.15%	27.64%	37.60%	43.76%					
Q4 2011	11.94%	19.12%	30.01%	37.63%						
Q1 2012	10.63%	17.45%	30.10%	37.16%						
Q2 2012	13.01%	21.53%	34.58%							
Q3 2012	11.06%	17.99%	27.26%							
Q4 2012	9.17%	14.37%								
Q1 2013	8.62%	13.20%								
Q2 2013	8.14%									
Q3 2013	6.53%									

* Due to small sample size of defaulted loans in Q1 2009 this is aggregated with Q2 2009

3. DYNAMIC DELINQUENCY ANALYSIS

At a given month, the dynamic delinquency shows the total outstanding balance of all loans distributed in its appropriate delinquent bucket.

Delinquencies 31-60 Days, 61-90 Days, 91-180 Days, Days Past Due in % Auto Portfolio
as of 31.03.2014

year	month	(31-60)	(61-90)	(91-180)
2008	1	2.49%	0.63%	0.52%
	2	2.20%	0.44%	0.42%
	3	3.49%	0.53%	0.43%
	4	3.08%	0.50%	0.43%
	5	2.32%	0.52%	0.50%
	6	4.05%	0.59%	0.59%
	7	3.00%	0.41%	0.74%
	8	2.79%	0.63%	0.63%
	9	3.89%	0.54%	0.80%
	10	3.53%	0.66%	0.79%
	11	3.69%	0.81%	0.84%
	12	3.55%	0.76%	1.05%
2009	1	4.18%	1.23%	0.99%
	2	3.64%	1.37%	1.06%
	3	4.47%	1.35%	1.10%
	4	4.51%	1.65%	1.16%
	5	3.91%	1.63%	1.27%
	6	4.74%	1.76%	1.54%
	7	4.42%	1.30%	1.78%
	8	4.47%	2.06%	1.72%
	9	4.84%	1.43%	1.76%
	10	3.56%	1.82%	1.40%
	11	4.87%	1.68%	1.44%
	12	3.79%	1.26%	1.72%
2010	1	4.19%	1.72%	1.50%
	2	4.50%	1.89%	1.64%
	3	4.81%	1.66%	1.52%
	4	4.69%	1.82%	1.65%
	5	5.10%	1.45%	1.83%
	6	5.04%	1.82%	1.63%
	7	3.66%	1.84%	1.54%
	8	3.96%	1.90%	1.71%
	9	4.69%	1.28%	1.64%
	10	3.68%	1.45%	1.34%
	11	4.52%	1.53%	1.21%
	12	3.57%	1.23%	1.25%
2011	1	3.73%	1.94%	1.30%

	2	3.98%	1.60%	1.31%
	3	3.94%	1.28%	1.38%
	4	2.82%	1.20%	1.38%
	5	2.71%	0.98%	1.45%
	6	3.03%	1.03%	1.31%
	7	2.23%	0.92%	1.17%
	8	2.19%	1.17%	1.08%
	9	2.66%	0.89%	1.04%
	10	2.79%	0.82%	1.15%
	11	2.65%	1.14%	0.98%
	12	1.92%	1.03%	1.02%
2012	1	2.27%	1.19%	1.14%
	2	2.25%	1.12%	1.12%
	3	2.07%	1.07%	1.10%
	4	2.75%	1.27%	1.03%
	5	2.36%	0.99%	1.20%
	6	1.96%	0.92%	1.13%
	7	2.31%	0.77%	1.10%
	8	1.92%	1.12%	1.06%
	9	2.01%	0.88%	1.03%
	10	2.09%	0.86%	1.08%
	11	2.20%	0.93%	1.05%
	12	2.07%	0.82%	1.01%
2013	1	1.96%	1.03%	0.95%
	2	2.02%	0.88%	0.80%
	3	1.85%	0.94%	0.81%
	4	1.90%	1.13%	0.84%
	5	1.94%	0.90%	0.99%
	6	2.05%	0.92%	1.05%
	7	1.93%	0.87%	1.10%
	8	2.01%	0.91%	0.91%
	9	2.02%	0.85%	0.90%
	10	1.67%	0.78%	0.83%
	11	1.62%	0.74%	0.78%
	12	1.81%	0.71%	0.79%
2014	1	1.47%	0.92%	0.73%
	2	1.56%	0.75%	0.68%
	3	1.98%	0.69%	0.59%

Delinquencies 31-60 Days, 61-90 Days, 91-180 Days, Days Past Due in % HP Portfolio
as of 31.03.2014

year	month	(31-60)	(61-90)	(91-180)
2009	1	0.01%	0.00%	0.00%
	2	0.01%	0.00%	0.00%
	3	0.64%	0.01%	0.00%
	4	0.69%	0.45%	0.01%
	5	0.69%	0.51%	0.34%
	6	0.82%	0.56%	0.69%
	7	0.74%	0.59%	0.99%
	8	0.73%	0.54%	1.09%
	9	0.82%	0.52%	1.08%
	10	0.93%	0.58%	1.04%
	11	0.90%	0.61%	1.10%
	12	0.91%	0.57%	1.14%
2010	1	0.94%	0.65%	1.25%
	2	0.93%	0.62%	1.32%
	3	0.97%	0.61%	1.29%
	4	0.84%	0.65%	1.30%
	5	0.88%	0.56%	1.28%
	6	0.78%	0.57%	1.23%
	7	0.85%	0.49%	1.19%
	8	0.79%	0.51%	1.07%
	9	0.71%	0.49%	1.03%
	10	0.75%	0.45%	1.01%
	11	0.69%	0.44%	0.97%
	12	0.65%	0.43%	0.90%
2011	1	0.70%	0.42%	0.91%
	2	0.82%	0.45%	0.89%
	3	0.94%	0.54%	0.89%
	4	0.71%	0.52%	0.94%
	5	0.75%	0.45%	1.02%
	6	0.65%	0.48%	1.00%
	7	0.67%	0.40%	0.95%
	8	0.61%	0.38%	0.83%
	9	0.55%	0.35%	0.77%
	10	0.53%	0.33%	0.70%
	11	0.47%	0.30%	0.64%
	12	0.44%	0.28%	0.57%
2012	1	0.44%	0.28%	0.55%
	2	0.42%	0.28%	0.56%
	3	0.52%	0.27%	0.56%
	4	0.47%	0.33%	0.57%
	5	0.48%	0.34%	0.64%

	6	0.46%	0.34%	0.69%
	7	0.45%	0.31%	0.74%
	8	0.40%	0.31%	0.72%
	9	0.41%	0.28%	0.72%
	10	0.39%	0.28%	0.66%
	11	0.36%	0.28%	0.65%
	12	0.44%	0.26%	0.61%
2013	1	0.40%	0.30%	0.61%
	2	0.39%	0.29%	0.63%
	3	0.43%	0.29%	0.63%
	4	0.40%	0.29%	0.67%
	5	0.47%	0.31%	0.67%
	6	0.45%	0.34%	0.71%
	7	0.45%	0.32%	0.76%
	8	0.44%	0.33%	0.76%
	9	0.43%	0.29%	0.77%
	10	0.41%	0.29%	0.70%
	11	0.36%	0.28%	0.68%
	12	0.38%	0.24%	0.62%
2014	1	0.38%	0.26%	0.59%
	2	0.38%	0.28%	0.59%
	3	0.43%	0.28%	0.60%

5. ANNUALISED PREPAYMENTS

At a given month, the annualised prepayment rate is calculated by multiplying the monthly prepayment rate by 12. The monthly prepayment rate is calculated as the ratio of (i) the amount of prepaid balance of all loans that have fully matured before original maturity, to (ii) the total outstanding balance of all loans at the end of the month.

A. Auto Portfolio

Annualised Prepayments - 6-Months Average

as of 31.03.2014

Prepayments in % of outstanding loan balance	2008	2009	2010	2011	2012	2013	2014
January		15.0%	10.6%	11.3%	13.2%	9.2%	15.7%
February		14.9%	10.5%	10.9%	13.7%	9.1%	15.9%
March		14.7%	10.3%	11.6%	13.5%	9.3%	15.9%
April		13.3%	10.3%	12.0%	13.5%	10.4%	
May		13.2%	10.2%	11.9%	13.1%	11.6%	
June	16.2%	13.0%	10.0%	11.8%	12.4%	13.2%	
July	16.0%	12.9%	10.3%	11.6%	11.8%	14.5%	
August	15.2%	12.4%	11.0%	11.9%	10.8%	15.5%	
September	15.6%	11.2%	11.2%	11.7%	10.3%	16.4%	
October	16.0%	11.2%	11.0%	11.5%	10.3%	16.2%	
November	15.5%	11.3%	11.1%	12.0%	9.8%	15.9%	
December	15.5%	11.0%	11.3%	12.7%	9.2%	15.6%	

B. HP Portfolio

Annualised Prepayments - 6-Months Average

as of 31.03.2014

Prepayments in % of outstanding loan balance	2009	2010	2011	2012	2013	2014
January		17.2%	16.8%	17.6%	16.9%	18.7%
February		17.2%	16.7%	17.1%	16.4%	18.1%
March		17.5%	17.1%	17.1%	16.5%	17.7%
April		17.2%	17.3%	16.9%	16.1%	
May		17.2%	17.6%	16.9%	16.0%	
June	18.1%	17.2%	17.8%	16.9%	16.6%	
July	18.7%	17.7%	18.2%	17.2%	17.3%	
August	18.7%	17.9%	18.4%	17.6%	18.0%	
September	18.5%	17.3%	18.1%	17.4%	18.1%	
October	18.5%	17.1%	18.3%	17.7%	19.0%	
November	18.3%	17.0%	18.2%	17.6%	19.4%	
December	17.9%	17.2%	18.0%	17.3%	19.5%	

EXPECTED MATURITY AND AVERAGE LIFE OF NOTES AND ASSUMPTIONS

The expected average life of the Notes cannot be predicted as the actual rate at which the Purchased Receivables will be repaid and a number of other relevant factors are unknown.

Calculated estimates as to the expected average life of the Notes can be made based on certain assumptions. These estimates have certain inherent limitations. No representations are made that such estimates are accurate, that all assumptions relating to such estimates have been considered or stated or that such estimates will be realised.

The table below shows the expected average life of the Notes based on the following assumptions:

- (a) that the Purchased Receivables are subject to a constant rate of prepayment as shown in the table below;
- (b) that no Purchased Receivables are sold by the Issuer except as contemplated in the Credit and Collection Policy;
- (c) that the Purchased Receivables continue to be fully performing;
- (d) that the Note Issuance Date is 27 June 2014 and pool amortisation profile as at 13 June 2014;
- (e) that the Supplementary Liquidity Reserve Amount remains equal to zero; and
- (f) that interest rates applicable to the Loan Contracts remain at 13 June 2014 levels.

Constant Prepayment Rate in %	Expected Average Life of Class A Notes (years)	Expected Average Life of Class B Notes (years)
5	0.69	1.86
10	0.65	1.73
15	0.61	1.61
20	0.57	1.50
25	0.53	1.40

Assumption (a) above is stated as an average annualised prepayment rate as the prepayment rate for one Interest Period may be substantially different from that for another. The constant prepayment rates shown above are purely illustrative and do not represent the full range of possibilities for constant prepayment rates.

Assumption (c) above relates to circumstances which are not predictable.

The average lives of the Notes are subject to factors largely outside of the Issuer's control and consequently no assurance can be given that the assumptions and estimates above will prove in any way to be realistic and they must therefore be viewed with considerable caution.

CREDIT AND COLLECTION POLICY

The following is a description of the Seller's credit and collection policies and practices with respect to auto loans and hire purchase (HP) loans (the "**Credit and Collection Policy**") as currently in effect. The Seller is entitled to materially amend the Credit and Collection Policy from time to time provided that either (i) such amendment relates only to the origination of new Receivables and not to the servicing, administration or collection of any of the Purchased Receivables or (ii) such amendment would be consistent with the Servicing Agreement and the Seller determines that it would not be reasonably likely to have a material adverse effect on the validity or collectability of the Purchased Receivables or the Issuer's ability to make timely payment on the Class A Notes and the Class B Notes (iii) such amendment is required by law.

Credit Policy

Credit Policy manual for car loans

All credit decisions must be taken according to the credit policy guidelines described in the following internal procedures ("**Credit Policy**"):

- (i) 'Instructions of granting car loans at Santander Consumer Bank' – description of general credit conditions,
- (ii) 'Rules of assessing car loans applications' – definition of risk assessment and acceptance rules,
- (iii) 'Procedure of accepting car loans applications in the Consumer Loans Acceptance Department' - detailed description of activities performed at the acceptance level,
- (iv) 'Rules of disbursement and archiving of car loans' - rules related to the disbursement level (activities performed by the Ops Area in accordance with risk recommendations).

Credit Policy manual for HP loans

All credit decisions on HP loans must be taken according to the Credit Policy guidelines described in the following internal procedures:

- (i) 'Key parameters of Client and consumer loans offered by SCB' – description of general credit conditions,
- (ii) 'Rules of assessing CL, HP and CC applications'– definition of risk assessment and acceptance rules,
- (iii) 'Instruction of making individual (manual) credit decisions in the Credit Decisions Team ' - detailed description of activities performed at the acceptance level.

Credit risk management

The method of evaluating an applicant's creditworthiness will depend on the type of credit product that the applicant has requested (which is associated with the degree of exposure of the Seller to credit risk) and the type of entity of each applicant.

Detailed rules and methods of assessing the creditworthiness of applicants, including the exact acceptable ranges of indicators taken into consideration, process descriptions of acceptance of loan applications including ways to use internal and external databases, the requirements in terms of how

to document and update information used to assess the ability and creditworthiness are explained in credit instructions and detailed procedures.

Risk Governance Model

The following committees are involved in the Seller's risk management process:

- (i) The Assets and Liabilities Management Committee (ALCO) is an opinion and decision making body, responsible for managing the assets, liabilities and financial risks of the Seller,
- (ii) The Operational Risk Management Committee undertakes actions in order to minimise threats related to operational risk factors occurring in business processes carried out by the Seller,
- (iii) The Credit Committee grants opinions to loan applications and takes credit decisions in matters not lying within autonomous competences of the Seller's employees,
- (iv) The Risk Control Committee grants opinions and takes decisions in the scope of managing, coordinating and controlling processes of widely understood risk occurring in the Credit Risk Division and the Collection Division,
- (v) The Collection Committee analyses the quality of the delinquent portfolio, grants opinions for the purposes of improving portfolio quality or of decreasing the costs of collection processes, and defines directions of collection policy,
- (vi) The Credit Policy Committee grants opinions relating to the Seller's Credit Policy and monitors implementation of the Credit Policy rules.

Any proposed change to a Credit Policy or to the acceptance rules must always be approved by the Management Board of the Seller.

The Seller maintains databases and management information systems which allow it to monitor the credit portfolio in terms of its quality (including the ratios specified in the risk budget and the sales budget) and oversee the performance of stress tests as required by law or recommended by supervision authorities or resulting from business needs. It also monitors the quality of portfolio data generated by particular agents, the involvement concentration, as well as monitoring internal capital level in relation to the determined risk appetite.

Within credit risk management, the Seller determines and uses the following internal limits:

- (i) of involvement concentration, established in order to measure involvement concentration. These limits are determined on the basis of provisions of the Banking Law, recommendations of banking supervision bodies and on the basis of internal analyses which take into account historic data and portfolio prognosis,
- (ii) operational limits, determined in order to monitor portfolio quality and other factors which characterize it. The limits are determined on the basis of results of internal analyses which take into account historic data and portfolio prognosis and macroeconomic analyses that are publicly available,
- (iii) acceptance limits determined in order to control the excessive exposure to the Bank's risk and related to decisions taken on the level of single credit exposures within performing portfolio acceptance and administration, determined on the basis of recommendations of banking supervision bodies and the results of internal analyses.

The criteria for identifying limits and their amount constitute the subject of meetings of the Risk Control Committee. The limits are approved by the Seller's Management Board.

A continuous high level of using approved limits constitute a prerequisite for a verification of the rules of credit risk management policy.

Underwriting process

Underwriting process for car loans

Car loan applications (new and used cars) are submitted through cooperating dealers, sales partners and mobile salesmen. All applications are processed by the Ficres system which confirms information declared by the applicant about his/her income source and income level. Phone verifications are ordered by the decision engine (scoring assessment and other criterion) or may be requested by the underwriter in the manual decision process.

If the credit decision is positive (automatic or manual acceptance), the front-man prints out and signs the loan agreement with the borrower. The agreement, together with additional documents that are required for disbursement, is sent (by fax or scan) to the Seller's headquarters. If the documents are complete and formally correct, a disbursement decision is made.

Underwriters taking credit decisions for car loans are located in the Credit Risk Division -> Consumer Loans Approval Department -> Acceptance Team. Headcount of the Acceptance Team: 6 (including the Head of the Team). The Acceptance Team office hours: Monday – Friday 8.00-18.00; Saturday – 1 underwriter 9.00-16.00.

Mandate levels for the car loans acceptance process are regulated in the 'Resolution of the Management Board on competences to take credit decisions for car loans and car-backed loans' and appendices to it.

Level of competences vs loan amount	New cars - loan amount (PLN)	Used cars - loan amount (PLN)
Acceptance Specialist (any level) - alone	up to 25 000	up to 25 000
2 Acceptance Specialists (any level) together	up to 200 000	up to 150 000
2 members of Credit Committee together	over 200 000	over 150 000

Level of competences vs total exposure	Total Bank's exposure to the Client (PLN)
Junior Acceptance Specialist - alone	up to 100 000
Acceptance Specialist - alone	up to 150 000
Senior Acceptance Specialist - alone	up to 180 000
2 Acceptance Specialists (any level) together	up to 300 000
Head of the Acceptance Team – alone*	up to 600 000

Director of the Consumer Loans Approval Department – alone*	up to 1 500 000
Credit Committee	up to equivalent to EUR 3 000 000
Management Board	over the equivalent to EUR 3 000 000

(Credit authority limits: when the loan application is for over PLN 25 000, the credit decision must be taken by 2 persons/employees (at least), including those identified with a "" in the table above).*

Underwriting process description for HP loans

Customers apply for HP loans in cooperating shops or other units offering goods or services (also online). In the front office HP loan applications are processed by the Winklep and TED systems, the middle office uses the CRU system.

These systems are used to confirm information declared by the applicant about his/her income source and income level. Phone verifications are ordered by the decision engine (scoring assessment and other criterion) or may be requested by the underwriter in the manual decision process. If the phone verification is positive, the application goes for disbursement.

When the credit decision is positive (automatic or manual acceptance) and the applicant accepts the offer, the front-man prints out and signs the loan agreement with the borrower.

The agreement, together with additional documents that are required for disbursement, are sent (by fax or scan) to the Seller's headquarters for disbursement.

Control of formal correctness of paper documentation (loan agreement, income documents) is independent from the admission process, credit decisions, verifications and disbursement.

Underwriters taking credit decisions for HP loans are located in the IT and Ops Division -> Sales Operational Support Department -> Credit Decision Team. Headcount of the Credit Decision Team: 10 (including the Head of the Team and the Organization and Planning Coordinator). The Acceptance Team office hours: Monday – Saturday 8.00-21.00; Sunday 10.00-20.00

Mandate levels for the HP acceptance process are regulated in one of the appendices to the 'Rules of taking individual credit decisions'.

LEVEL OF COMPETENCES	MAX HP AMOUNT (NET)
MEMBER OF THE MANAGEMENT BOARD RESPONSIBLE FOR CREDIT RISK	≤ 50000 PLN
DIRECTOR OF THE CONSUMER LOANS ACCEPTANCE DEPARTMENT	≤ 50000 PLN
DIRECTOR OF THE SALES OPERATIONAL SUPPORT DEPARTMENT	≤ 50000 PLN
HEAD OF THE CREDIT DECISION TEAM, Organisation and Planning Coordinator	≤ 50000 PLN
CREDIT DECISION SPECIALIST	≤ 20000 PLN

In the used car finance business, the Seller focuses on used cars that are 1 – 5 years of age, actively supporting car importers who implement sales programs of used cars and non-captive dealers operating in the used car market.

Scoring system

FICRES is the system dedicated to the service of evaluation and formalisation of car loan proposals. The front office of the system (for dealers, partners and Sales Specialists) allows for an initial offer to be made to the customer (based on the type of car, loan conditions and parameters). An electronic proposal with full car and customer data is sent to the middle office (to the Seller's Risk and Operations employees). When the proposal is in the process of being evaluated, FICRES performs its customers' verifications in external (Credit Bureau) and internal (Santander Consumer Bank commitment, fraud, etc.) databases. After that, the proposal is handled by the decision engine module (DE). Depending on the results of the verification process and internal DE rules, the proposal can be automatically accepted, rejected, sent back to the front user for additional information or sent to manual underwriters for a decision with (in some cases) telephone verification of income source. In case of a positive decision (DE's automatic or underwriter's manual), the front user is able to print contracts and after completing all required documents, the proposal can be sent for execution which is handled by the FICRES user in the middle office. After execution, the proposal is transferred to FICRES back end system dedicated to aftersales processes.

Scorecards for car loans

Until April 2010, the Seller used dedicated credit score cards for car loans acceptance but only as a support tool for decisions by Credit Inspectors. In April 2010 new scorecards with significantly higher statistic power were delivered by Experian Decision Analytics and implemented in the decision system as a key tool for car loans applications assessment. They were adjusted to the specification of the Seller and so included scorecards for the medium risk group and for the much smaller and more acceptable high risk group, as well as a definition of the low risk group. According to the agreement between the Seller and Experian Decision Analytics, the model will be validated in annual cycles.

Since June 2012, the Seller has been using a score cards matrix in the credit decision process. The matrix consists of an internal score card with no utilisation of Credit Bureau data and score result delivered from Credit Bureau, based on a national credit history database.

Scorecards for HP loans

Scoring assessment has been an important part of the HP loan admission process from the very beginning. All the scorecards used so far were developed locally and were precisely tailored to the specifications of the Seller. The Seller uses different approaches in relation to known and unknown clients.

Scoring dedicated to known clients, which was in use in 2009, was based on behavioral characteristics (based on the customer's history with the Seller), while for unknown clients, an application scoring with internal segmentation based upon loan amount has been applied.

The first change was introduced in the middle of 2010 in the model for known clients, when BIK (Credit Information Bureau) characteristics were included.

The unknown client model was exchanged for the new scorecard at the beginning of 2012 with two segments, one for the retired and one for the remainder.

In the first half of 2013 a brand new model with BIK characteristics was developed and introduced gradually to all client profiles, both for known and unknown clients. Like the previous scorecards it included specialised sub-models applicable for people with a longer credit history in the BIK and others with a shorter or no such credit histories. At the end of July 2013 the whole process was completed and since then it has covered the whole population of durable goods.

Exposures with delays in payment are subject to monitoring and a debt collecting process according to the Monitoring and Debt Collecting Instructions.

Reporting portfolio quality

Reporting credit portfolio quality is performed in a daily, monthly and quarterly cycle. The reports are developed within the management risk information system.

In particular, the reports include:

- (i) credit exposure quality (delays, the level of migration between delay classes, vintage analyses),
- (ii) using and complying with accepted limits,
- (iii) the acceptance process including a deviations scale,
- (iv) results of functioning and effectiveness of the tools supporting the risk acceptance process,
- (v) results of the process of monitoring exposures and asserting claims,
- (vi) the level and adequacy of provisions,
- (vii) value of recovery from collaterals, and
- (viii) stress tests.

A detailed scope of developed reports, their frequency, addressees of reports and units responsible for preparation are described in separate instructions.

Collection Policy

Introduction

Managing the monitoring and debt collection process involves making decisions as to the appropriate debt collection tool (both on the level of a general rule and particular credit exposures), the entity which is to make use of such a tool (the Seller's organisational unit or an external entity), constant verification of effectiveness of activities undertaken, and implementation of new debt collection tools including those based on modern technology (i.e. mobile telephones, the internet).

In cases when a Debtor is unable to repay his/her liability towards the Seller due to their economic situation, the Seller, in cooperation with the Debtor, may take actions which aim to restore the loan/borrowing to a normal state and maintain it for a longer period. Detailed methods and rules of such activities are described in the Refinancing Policy.

Management of the monitoring and debt collection process includes the Seller paying particular attention to credit exposures included in the "morosos" category as soon as any payment is missed. The activities taken within this process should be directed at cost-optimal and possibly the most effective prevention of classifying the next exposures to the "morosos" category, as well as (in relation to exposures which were already classified in the "morosos" category) at their restitution to the state in which they will not be classified in such a way.

Collection process

The collection process is carried out by the Collection Division or, upon its order, by other departments/divisions and external companies. The Contact Centre in the Technology and Operations Division, as well as outsourcers carrying tasks related to dispatch of correspondence, telephone collection and on-site collection.

Loan agreements covered by the process are assigned to one of the defined collection strategies. The main parameters in deciding on the assignment of an agreement to a given collection path are: risk group assigned on the basis of scoring (if available), outstanding amount, type of product, number of DPD towards the schedule, and the type and result of the last collection activity.

The main types of collection activities are sending written calls for payment, performing telephone calls for payment, direct on-site collection, sending text messages, repossession and sale of established collaterals to agreements, filing enforcement claims and motions.

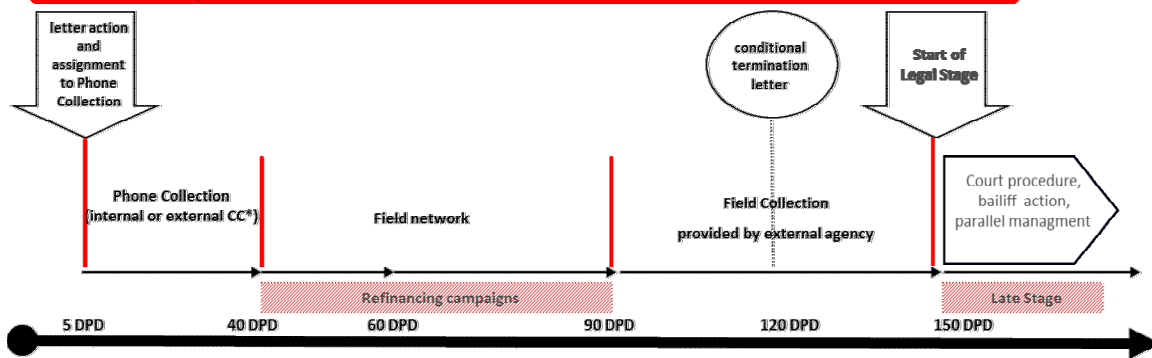
Other activities of the Collection Division carried out in relation to managing the delinquent portfolio are: refinancing and restructuring of debt according to specified process requirements, package sale of the receivables portfolio to third parties, and drafting motions for writing off liabilities from the balance sheet.

All collection strategies, as well as detailed rules of managing processes related to overdue credit exposures are included in the Monitoring and Debt Collection Instructions. Any future changes in the collection processes will affect the whole credit product. Potential changes in the processes may be result from possible deviations of results at particular stages of the collection process from the results expected by the Collection Division, as well as by reference to expected performance of the portfolio as planned by Credit Risk.

The strategies for the existing collection process for particular credit products are as follows:

A. Auto Loans

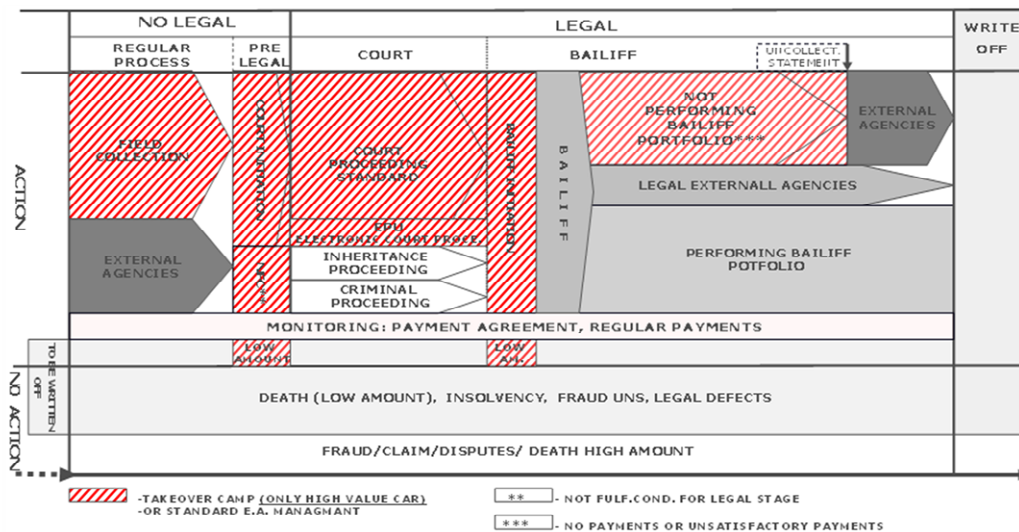
Process map for car loans – overview



Actions taken by the Collection Division:

- usage of internal call center (5-42 DPD),
- usage of competing between themselves external call centers (12 – 42 DPD, in case of lack of contact with the client or if promise to pay was broken),
- usage of 60+ self-employed agents dedicated for field collection (strong approach to defend account before entering DPD 90+),
- rational refinancing tools in accordance to corporate policy,
- car repo and remarketing,
- massive legal collection operations.

Collection process map for car loans after contract's termination

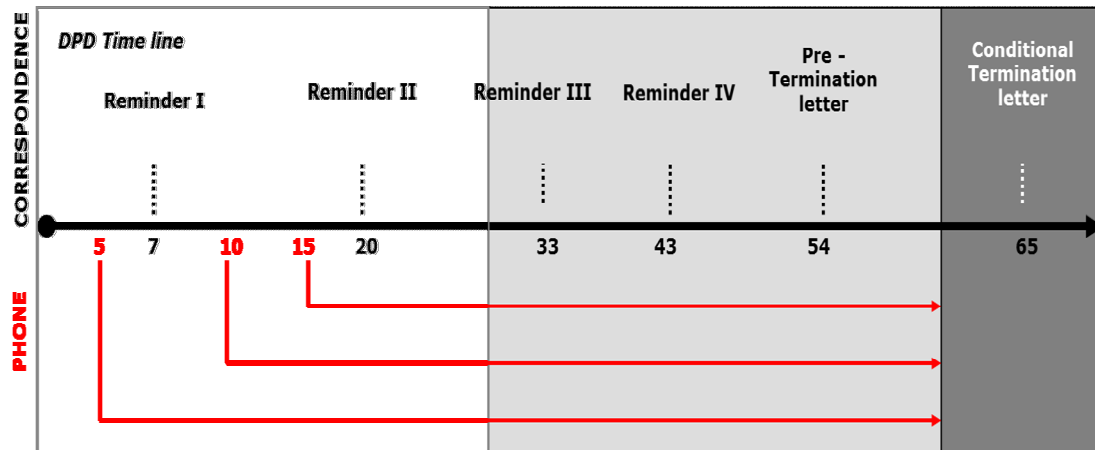


Late Collection Targets

- main target after termination is car repossession and marketing,
- campaigns for car repo purpose are organized also in parallel way to legal action,
- payment programs possible to be assigned and consequently monitored,
- usage of electronic court as well as standard court if necessary,
- team of experienced specialists managing portfolio and bailiffs effectiveness,
- write-offs procedure
- Bad debt sale for Auto Loans

B. HP loans

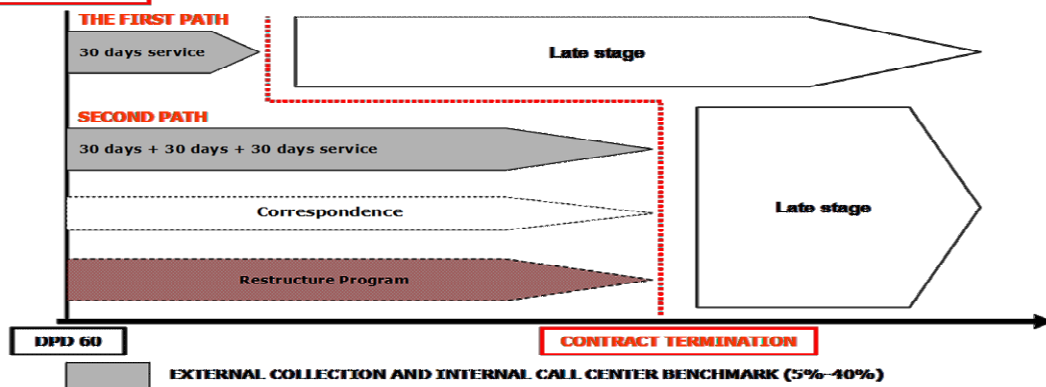
Early Collection (5-65 DPD) overview



- Moments of the start of the phone collection process (1-30 bucket), are dependent on a level of risk and outstanding balance (based on a 1st Segmentation)
- One common sequence of correspondence activities for each segment (minimum due amount of 50 PLN or 1 full instalment). For lower ammounts – periodical soft communication
- Three start points for phone activity, depending on the risk level and outstanding balance (minimum due amount of 100 PLN or 1 full instalment) If internal call center's failure – external call centers action
- For some portfolio's segments also pre-collection actions are taken (sms, call reminders)

Process map for 65-180 DPD (until late stage)

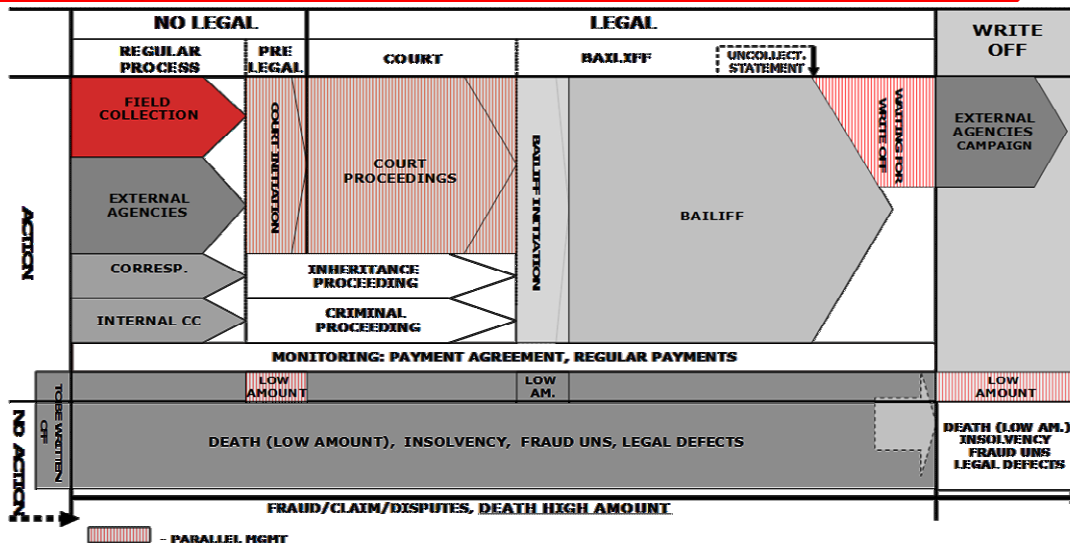
2.segmentation



2nd segmenation's target

- Segmentation is based on client's other accounts situation and his credit bureau status
- two paths of action are determined on a assesment if client is able to deal with financial problems
- quick path accelarates termination and legal collection
- restructure program is dedicated to clients with pre-checked his credit capacity,
- main actions are call centers activities, skip tracing, and field collection for high balances

Collection process map after contract's termination



Late Collection Targets

- main target after termination is an effective legal collection,
- Parallely to litigation process, external collection agencies or field collectors are engaged
- payment programs possible to be assigned and consequently monitored,
- usage of electronic court as well as standard court if necessary,
- team of experienced specialists managing portfolio and bailiffs effectiveness,
- write-off procedure
- Bad debt sale for HIP

Write-offs

The Seller can take a decision to write-off receivables according to the existing policy and tax law, especially when:

- the debt collection activities undertaken by the Seller (including activities undertaken by external entities) were conducted and they did not lead to recovery of the debt amount and a lack of solvency and capability to pay the debt by the Debtor was observed or a lack of a possibility to further assert claims, and/or
- the costs to the Seller of performing activities which lead to the recovery of the debt would be equal to or higher than the debt.

Sales of receivables

The Seller may undertake sales of receivables which have not been collected in full following the usual collection process and which would otherwise be written-off.

The sales of the receivables package is conducted according to the regulations of sales of receivables and detailed conditions applicable in the sales process for particular packages of receivables. Detailed parameters which are to characterise the receivables package selected for sale are each time presented for acceptance to the Collection Committee and subsequently, to the bank's Management Board. Concluding an agreement for the sale of the bank's receivables requires the Management Board's consent in the form of a resolution after the Collection Division have submitted the analysis of the influence of the sale of receivables on the bank's financial results.

THE ISSUER

Establishment and registered office

The Issuer, SC Poland Auto 2014-1 Limited, was registered and incorporated on 10 April 2013 in Dublin, Ireland under the Irish Companies Acts 1963–2013 with registered number 526015 as a private company limited by shares. The Issuer has been incorporated for an indefinite length of life. The Issuer's registered office and principal place of business is 1 Grant's Row, Mount Street, Lower Dublin 2, Ireland, the location at which the Issuer's register of shareholders is kept. The Issuer's telephone number is +353 1 697 5350.

The entire issued share capital in the Issuer is wholly-owned by a charitable trust company on trust for charitable purposes (see "**THE ISSUER — Capitalisation**").

The Issuer has no subsidiaries.

Corporate purpose and business of the Issuer

The Issuer has been established as a special purpose vehicle for the purpose of issuing asset-backed-securities. The principal objects of the Issuer are more specifically described in clause 2 of its Memorandum of Association and includes, inter alia, the issuance the Notes and the entry into all financial arrangements in connection therewith. The Memorandum of Association of the Issuer may be inspected at the registered office of the Issuer.

Since its incorporation, the Issuer has not engaged in any activities other than those incidental to its incorporation under the Irish Companies Acts 1963—2013, the authorisation and issuance of the Notes and the authorisation and execution of the Transaction Documents and such other documents referred to or contemplated in this Prospectus to which it is or will be a party and the execution of matters which are incidental or ancillary to the foregoing.

So long as any of the Transaction Secured Obligations of the Issuer remain outstanding, the Issuer will not, inter alia, (a) enter into any business whatsoever, other than acquiring the Purchased Receivables, issuing Notes or creating other Transaction Secured Obligations or entering into a similar limited recourse transaction, entering into related agreements and transactions and performing any act incidental to or in connection with the foregoing, (b) have any subsidiaries, (c) have any employees or (d) dispose of any Purchased Receivables or any interest therein or create any mortgage, charge or security interest or right of recourse in respect thereof in favour of any person (other than contemplated by this Prospectus).

The Issuer has not commenced operations since the date of its incorporation as of the date of this Prospectus.

Directors

Unless otherwise determined by ordinary resolution of the shareholders of the Issuer, the number of directors may not be less than two and not greater than three.

The first directors shall be determined in writing by the signatories of the Memorandum of Association, or by a majority of them. The shareholders of the Issuer may appoint any person as director or remove any director from office by way of ordinary resolution. The directors have power at any time, and from time to time, without the sanction of the shareholders in a general meeting, to appoint any person to be a director, either to fill a casual vacancy or as an additional director.

Any director (other than an alternate director) may appoint any other director, or any other person, to be an alternate director and may remove from office an alternate director so appointed by him. An alternate director is entitled to perform all the functions of his appointment or as a director in his absence but shall not be entitled to receive any remuneration from the Issuer for his services as an alternate director.

The directors may, by power of attorney or otherwise appoint any person to be the agent of the Issuer for such purposes and on such conditions as they determine, including authority for the agent to delegate all or any of his powers.

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

Name	Nationality	Business Address	Occupation
Jonathan Hanly	Irish	1 Grant's Row, Lower Mount Street, Dublin 2, Ireland	Director
Karen McCrave	Irish	1 Grant's Row, Lower Mount Street, Dublin 2, Ireland	Director

Secretary of the Issuer

The Secretary of the Issuer is Structured Finance Management (Ireland) Limited.

The activities of the Issuer will principally be the issue of the Notes, entering into all documents relating to such issue to which the Issuer is expressed to be a party, the acquisition of the Purchased Receivables, the Related Collateral and the exercise of related rights and powers and other activities reasonably incidental thereto.

Capitalisation

The following shows the capitalisation of the Issuer as of the date of this Prospectus, adjusted for the issue of the Notes:

Share capital

The authorised share capital of the Issuer is EUR 1 comprising 1 share of EUR 1. The issued and paid up share capital of the Issuer is EUR 1 (consisting of 1 ordinary share of EUR 1, fully paid) as at the date of this Prospectus. The entire issued share capital of the Issuer is held by Structured Finance Management Corporate Services (Ireland) Limited under a declaration of trust for the benefit of Irish registered charities.

Loan Capital

PLN 1,158,000,000 Class A Notes due June 2025

PLN 209,000,000 Class B Notes due June 2025

PLN 411,776,438.43 of outstanding advances under the Subordinated Loan

Employees

The Issuer will have no employees.

Property

The Issuer will not own any real property.

General meetings

All general meetings of the Issuer other than annual general meetings will be called extraordinary general meetings.

Litigation

The Issuer has not been engaged in any governmental, litigation or arbitration proceedings which may have a significant effect on its financial position since its incorporation, nor, as far as the Issuer is aware, are any such governmental, litigation or arbitration proceedings pending or threatened.

Material adverse change

Since its incorporation on 10 April 2013, there has been no material adverse change in the financial or trading position or the prospects of the Issuer.

Fiscal year

The fiscal year of the Issuer is the calendar year and each calendar year ends on 31 December.

Financial statements and auditors' report

The Issuer's auditors are Deloitte & Touche, who are chartered accountants and are members of the Institute of Chartered Accountants in Ireland.

Since the incorporation of the Issuer on 10 April 2013, the Issuer has not prepared any financial statements and has not declared or paid any dividends as of the date of this Prospectus. No auditors' report in respect of the Issuer has been prepared or distributed.

THE SELLER AND THE SERVICER

Incorporation and ownership

The Seller and the Servicer, Santander Consumer Bank S.A. ("**SCB S.A.**") is a joint-stock company based in Poland being a part of the Santander Group. Poland is one of ten core markets in which the Santander Group operates. The Group implements its strategy in Poland through two pillars: in retail banking through Bank Zachodni WBK Group and in the consumer finance market through SCB S.A., and its leasing company Santander Consumer Multirent Sp. z o.o.

Santander Consumer Finance S.A. ("**SCF**") was the sole owner of SCB S.A. until the acquisition of AIG Bank Polska by SCB S.A. in 2010, as a result of which AIG Consumer Finance Group Inc. became a 30% minority shareholder of SCB S.A.

On 20 November 2013 SCF acquired the 30% shareholding owned by AIG Consumer Finance Group, Inc. Currently SCF is the only shareholder of SCB S.A., holding shares accounting for 100% of SCB S.A.'s capital and representing 100% of votes at any general meeting of SCB S.A.

The Santander Group's presence in Poland has grown rapidly, as a result of acquisitions in both the retail banking and consumer finance business lines. In connection with the approval process for the merger of Bank Zachodni WBK and Kredyt Bank in 2012, the Santander Group agreed a reorganisation of its Polish entities with the Polish Financial Supervision Authority. As a result of this reorganisation, in August 2013, all of SCF's consumer finance business was transferred to SCB S.A. In April 2014 the Polish Financial Supervision Authority approved a transaction that will see SCB S.A. become a subsidiary of Bank Zachodni WBK S.A. Following completion of this transaction Bank Zachodni WBK S.A. will hold 60% of the share capital of SCB S.A. and SCF will hold 40% of the share capital of SCB S.A.

SCB S.A.'s business model is based on two pillars: car loans and consumer loans. This resulted from the merger of two complementary business activities of SCB S.A. and AIG Bank Polska in 2011. The car loan and consumer loan businesses are enhanced by the sale of insurance products. SCB S.A.'s loan offer was supplemented with the financing of cars with leasing provided by Santander Consumer Multirent Sp. z o.o. (a company in which Santander Consumer Bank is the sole shareholder).

Downpayment

SCB S.A. does not operate a rigid minimum downpayment policy, but may apply minimum downpayment requirements based upon considered risk criteria. The size of the required downpayment is reflected in the pricing strategy, where interest rate levels are connected to the level of downpayment made.

Interest rates

The interest rate on loans backed by motor vehicles can be floating or fixed. As of 31 March 2014 19,7% of the Finance Agreements in the Portfolio have a fixed interest rate and 80,3% have a floating rate.

Interest terms of all HP Agreements are fixed

Instalments

Finance Agreements offered by SCB S.A. are, in general, offered for a maximum period of 96 months. HP Agreements are offered for a maximum period of 54 months. The majority of Loan

Contracts are repayable in monthly instalments. Some of the Finance Agreements have balloon payment loans that comprise 8.49% of the Portfolio. Only Loan Contracts with a residual term above 1 month will be included in the Portfolio.

Insurance

Beside financing products, SCB S.A. also offers accompanying insurance products.

For Finance Agreements the insurance products comprise:

- life insurance,
- unemployment insurance,
- car insurance,
- GAP – car impairment loss insurance.

With respect to life insurance, unemployment insurance and GAP, the premium is paid by customers for the entire insurance period in advance and always increases the loan amount (it is financed). With respect to auto insurance – the customer may individually buy auto insurance and submit it to SCB S.A. as collateral for the loan. The customer may also use SCB S.A.'s offer to act as an agent and acquire an auto insurance from SCB S.A.. In both cases, the first premium may be financed. Subsequent premiums (renewals) are payable directly to the insurance company or to the relevant insurance agent.

SCB S.A. also offers accompanying insurance products for HP Agreements which cover:

- death (including accidental death, traffic accidental death),
- total permanent disability,
- total accidental permanent disability,
- hospitalization due to an accident,
- hospitalization due to sickness,
- unemployment.

The above insurance products are normally capitalised with the exception of hospitalisation due to accident or sickness that are paid monthly together with monthly instalment.

In any case, SCB S.A. requires all financed vehicles to be insured with comprehensive motor insurance. All loans within the proposed securitisation portfolio has such insurance in place.

Origination

SCB S.A. is one of the leading providers of financial services to all participants along the new and used car distribution chain in the Polish market, from the importer to the end customer. This position has been achieved by following a strategy of full integration in the car market, and through establishing a comprehensive set of products specifically designed to satisfy the financial needs of all the parties involved in the value chain. A strong position in the auto loan market for the last 10 years has allowed the company to develop strong business relationships with all market participants: importers, dealers and end customers.

SCB S.A.'s auto loans origination strategy can be summarized as follows:

- multi-channel strategy where the dealer channel is preferred,
- strong relationships within the Polish auto financing market, both in terms of long-lasting personal relations and number of partners: 952 (as at December 2013),

- comprehensive product range,
- experienced sales force covering the whole country,
- part of a strong European finance house where auto financing represents a prime area of focus
- agreements and experience with cars and motorbikes importers

SCB S.A. is also the leading provider of HP loans in Poland.

SCB S.A.'s HP loans origination strategy can be summarized as follows:

- experienced sales force covering the whole country,
- diversified distribution channels: key clients, standard stores, door-to-door, Internet,
- comprehensive service:
 - financing product for durable goods;
 - in-store financing;
 - tailored settlements with shop owners and shop employees which can be based on any sales or profitability parameters including share of promotions, insurance saturation etc., marketing support, loyalty program, contests, events.

"**Santander Group**" means Banco Santander, S.A. and all of its direct or indirect subsidiaries and affiliated companies.

Distribution channels

The Seller realises the sale of its products through the following distribution channels:

- a network of its own branches and partner branches (sale of cash loans, credit cards and deposit products),
- mobile sale structure - car loans,
- a network of external partners cooperating with the Seller in the scope of car loans (dealers of new and used cars), HP loans and credit cards (sales networks, shops).

As of 31st January 2014 the Bank had 171 own branches and cooperated with 83 partners (franchisees) and almost 23,000 sale partners in the scope of car loans and hire purchase.

For **Finance Agreements** the Seller employs three main distribution channels:

- dealers
- brokers
- sales specialists (Bank employee)

The distribution channels are organized into 6 regions divided into 26 areas, with each region having its own sales targets. In each region, sales take place via the same distribution channels for both new and used vehicles.

The Seller's strategy with respect to new car finance is focused on developing of captive financing in cooperation with importers. Additionally, the Seller has been diversifying its business by regularly attracting non-captive dealers.

The distribution channels for HP agreements generally can be classified in three categories (albeit that only the first channel listed below is relevant to the HP Agreements being securitised):

- Physical shops – traditional shops in which loans are sold by shop employees or dedicated employees of the Seller (the latter only in case of big contractors where the turnover justifies the employment of our staff);
- Door-to-Door: loans sold outside shops, mostly on presentations of products (kitchen and home equipment etc.) – not part of the portfolio being securitised; and
- Internet (eHP): loan contracts for goods sold over the Internet, agreements are shipped to clients via express delivery service - not part of the portfolio being securitised.

THE PRINCIPAL PAYING AGENT, THE CALCULATION AGENT AND THE CASH ADMINISTRATOR

Elavon Financial Services Limited, a limited liability company registered in Ireland with the Companies Registration Office (registered number 418442), acting through its UK Branch (registered number BR009373) will be appointed as the Principal Paying Agent, the Calculation Agent and the Cash Administrator.

U.S. Bank Global Corporate Trust Services, which is a trading name of Elavon Financial Services Limited (a U.S. Bancorp group company), is an integral part of the worldwide Corporate Trust business of U. S. Bank. U.S. Bank Global Corporate Trust Services in Europe conducts business primarily through the U.K. Branch of Elavon Financial Services Limited from its offices in London at 125 Old Broad Street, London EC2N 1AR, United Kingdom.

Elavon Financial Services Limited is a bank incorporated in Ireland and a wholly owned subsidiary of U.S. Bank National Association. Elavon Financial Services Limited is authorised by the Central Bank of Ireland and the activities of its U.K. Branch are also subject to the limited regulation of the U.K. Financial Conduct Authority and Prudential Regulation Authority.

U.S. Bank Global Corporate Trust Services in combination with U. S. Bank National Association, the legal entity through which the Corporate Trust Division conducts business in the United States, is one of the world's largest providers of trustee services with more than \$4 trillion in assets under administration in municipal, corporate, asset-backed and international bonds. The division provides a wide range of trust and agency services such as calculation/paying agent, collateral administration and document custody through its network of 48 U.S.-based offices, an Argentinean office and European offices in London and Dublin.

U.S. Bancorp (NYSE: USB), with \$364 billion in assets as of Dec. 31, 2013, is the parent company of U.S. Bank, the 5th largest commercial bank in the United States. The company operates 3,081 banking offices in 25 states and 4,906 ATMs and provides a comprehensive line of banking, brokerage, insurance, investment, mortgage, trust and payment services products to consumers, businesses and institutions.

The foregoing information regarding Elavon Financial Services Limited under the heading "**THE PRINCIPAL PAYING AGENT, THE CALCULATION AGENT AND THE CASH ADMINISTRATOR**" has been provided by Elavon Financial Services Limited.

THE CORPORATE ADMINISTRATOR

Pursuant to the Corporate Administration Agreement, Structured Finance Management (Ireland) Limited, a limited liability company under Irish law having its registered office at 1 Grant's Row, Lower Mount Street, Dublin 2, Ireland will act as corporate administrator in respect of the Issuer.

The principal activity of Structured Finance Management (Ireland) Limited is the provision of corporate officers and associated corporate and financial management to special purpose companies in structured finance and similar type transactions.

The foregoing information regarding the Corporate Administrator under the heading **"THE CORPORATE ADMINISTRATOR"** has been provided by Structured Finance Management (Ireland) Limited.

THE TRANSACTION ACCOUNT BANK AND THE CUSTODIAN

Elavon Financial Services Limited, a limited liability company registered in Ireland with the Companies Registration Office (registered number 418442), acting through its UK Branch (registered number BR009373) will be appointed as the Transaction Account Bank and the Custodian.

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The foregoing information regarding Elavon Financial Services Limited under the heading "**THE TRANSACTION ACCOUNT BANK AND THE CUSTODIAN**" has been provided by Elavon Financial Services Limited.

THE NOTE TRUSTEE AND THE SECURITY TRUSTEE

U.S. Bank Trustees Limited (registered number 02379632) will be appointed as the Note Trustee pursuant to the Note Trust Deed and as the Security Trustee pursuant to the Security Trust Deed for the Noteholders.

U.S. Bank Trustees Limited is a private limited company incorporated under the laws of England and Wales with its office at 125 Old Broad Street, Fifth Floor, London EC2N 1AR.

U.S. Bank Trustees Limited, as part of the U.S. Bancorp group and in combination with Elavon Financial Services Limited (the legal entity through which European agency and banking appointments are conducted) and U.S. Bank National Association (the legal entity through which the Corporate Trust Division conducts business in the United States), is one of the world's largest providers of trustee services with more than \$4 trillion in assets under administration in municipal, corporate, asset-backed and international bonds. The division provides a wide range of trust and agency services such as calculation/paying agent, collateral administration and document custody through its network of 48 U.S.-based offices, an Argentinean office and European offices in London and Dublin.

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The foregoing information regarding U.S. Bank Trustees Limited under the heading "**THE NOTE TRUSTEE AND THE SECURITY TRUSTEE**" has been provided by U.S. Bank Trustees Limited.

THE ISSUER SECURED ACCOUNTS

The Issuer will maintain the Transaction Account with the Transaction Account Bank for the receipt of amounts relating to the Purchased Receivables and the Related Collateral and for the completion of its related payment obligations. The Issuer will maintain the Reserve Account with the Transaction Account Bank to hold the Liquidity Reserve. The Issuer will maintain the Issuer Collections Account with the Transaction Account Bank to receive payment of Collections from the Debtors following a Notification Event. Amounts in the Transaction Account, with certain exceptions, and in the Reserve Account, in certain circumstances, will be included in Available Distribution Amounts on each Payment Date.

The Issuer Secured Accounts will be maintained at the Transaction Account Bank, Elavon Financial Services Limited or any other person appointed as Transaction Account Bank in accordance with the Transaction Account Agreement and the Security Trust Deed.

The Cash Administrator shall make payments from the Issuer Secured Accounts without having to execute an affidavit or fulfil any formalities other than comply with tax, currency exchange or other regulations of the country where the payment takes place.

All payments to be made by or to the Issuer in connection with the Notes and the other Transaction Documents, as well as the processing of proceeds from the Purchased Receivables and the Related Collateral, are undertaken through the Transaction Account.

Pursuant to the Security Trust Deed, all claims of the Issuer in respect of the Issuer Secured Accounts are transferred for security purposes to the Security Trustee.

Under the Security Trust Deed, the Issuer is permitted to administer the Issuer Secured Accounts to the extent that all obligations of the Issuer are fulfilled in accordance with the Pre-Enforcement Priority of Payments, Note Condition 2.3 (*Pre-Enforcement Priority of Payments*) and the requirements of the Security Trust Deed. The Security Trustee may rescind this authority of account administration granted to the Issuer and take any necessary action with respect to the Issuer Secured Accounts upon instructions of the Note Trustee in accordance with the terms of the Security Trust Deed.

Transaction Account Agreement

Pursuant to the Transaction Account Agreement entered into between the Issuer, the Note Trustee, the Security Trustee, the Transaction Account Bank and the Cash Administrator in relation to the Issuer Secured Accounts have been opened with the Transaction Account Bank on or prior to the Purchase Date. The Transaction Account Bank will comply with any written direction of the Cash Administrator to effect a payment by debit from any of the Issuer Secured Accounts if such direction is in writing and complies with the relevant account arrangements between the Issuer and the Transaction Account Bank and is permitted under the Transaction Account Agreement.

Any amount standing to the credit of any of the Issuer Secured Accounts will bear interest as agreed between the Issuer and the Transaction Account Bank from time to time, always in accordance with the applicable provisions (if any) of the relevant account arrangements, such interest to be calculated and credited to the relevant Issuer Secured Account in accordance with the Transaction Account Bank's usual procedure for crediting interest to such accounts.

Under the Transaction Account Agreement, the Transaction Account Bank waives any first priority pledge or other lien, including its standard contract terms pledge, it may have with respect to any of the Issuer Secured Accounts and further waives any right it has or may acquire to combine, consolidate or merge any of the Issuer Secured Accounts with each other or with any other account of

the Issuer or any other person or to set-off any liabilities of the Issuer or any other person to the Transaction Account Bank, and further agrees that it shall not set-off or transfer any sum standing to the credit of or to be credited to any of the Issuer Secured Accounts in or towards satisfaction of any liabilities to the Transaction Account Bank or the Issuer, as the case may be, or any other person.

If a Ratings Downgrade occurs with respect to the Transaction Account Bank, the Issuer shall (with the prior written consent of the Note Trustee) procure that within 30 calendar days after the occurrence of such Ratings Downgrade, the Issuer Secured Accounts and all funds standing to the credit of the Issuer Secured Accounts are transferred to another bank or banks that meet the Required Rating. As at the date of this Prospectus, the Transaction Account Bank is not rated. The short-term unsecured, unsubordinated and unguaranteed debt obligations of the Transaction Account Bank's parent, U.S. Bancorp are currently rated AA- by Fitch and A1 by Moody's.

LEGAL MATTERS - POLAND

The following is a general discussion of certain Polish legal matters. This discussion does not purport to be a comprehensive description of all Polish legal matters which may be relevant to a decision to purchase Notes. This summary is based on the laws of Poland currently in force and as applied on the date of this Prospectus, which are subject to change, possibly also with retroactive or retrospective effect.

Prospective investors are requested to consider all the information in this Prospectus (including "Risk Factors"), make such other enquiries and investigations as they consider appropriate and reach their own views prior to making any investment decisions.

1. Securitisation

The transaction is conducted in accordance with Article 92a of the Banking Law that enables banks to securitise a portfolio of receivables from the Seller to a capital company (an issuing entity). In addition, the Transaction is governed by the generally applicable law, in particular by the Civil Code, pursuant to which the creditor may assign receivables to a third person without the consent of the debtor, provided that such assignment is not contrary to any specific legal regulations, contractual provisions or the specificity of the legal relationship between the parties.

The consent of the debtor is not necessary for the assignment to be valid and enforceable, unless a specific legal act or contractual provision requires such consent. Previous versions of the Banking Law provided for the consent of the debtors to be required for the validity of assignment in the case of a securitisation transaction. This requirement was lifted on 13 January 2009.

The assignment of receivables results in the assignment of all the rights connected thereto, in particular the claims for the outstanding interest, claims connected to the liability for the improper performance of the loan agreement, or claims for the payment of penalties.

The assignment has to be concluded in the form of an agreement, for which Polish law does not require any specific form. Under the Civil Code, if a receivable is confirmed in writing, the assignment agreement should also be in a written form. No notarisation is required in order to ensure the validity, enforceability and binding character of the assignment.

In order to ensure that the assignment is enforceable, the receivables to be assigned should be properly defined. The specification of assigned receivables should include at least the parties to the assigned agreements and the details of the assigned agreements, for instance their date, title and purpose.

2. Sale of the receivables

Pursuant to the Receivables Purchase Agreement, entered into between the Seller and the Issuer, the Seller will assign to the Issuer the Purchased Receivables and Related Collateral.

Notwithstanding the assignment, the Seller will still be a party to the Loan Contracts and security interests constituting the Related Collateral and subject to the obligations to Debtors imposed on the Seller as lender under the Loan Contracts.

3. Assignment of security interests to the Issuer

None of the ownership transfer or partial ownership transfer agreements executed by the Seller prohibits further transfer or assignment.

The securities (except for the promissory notes) are generally transferred together with the receivables which they secure. However, it should be noted that the conditional transfer of ownership remains conditional upon the borrower's default after its transfer to the Issuer.

With regard to promissory notes, the rights (and under the related third-person suretyship, if applicable) may either be assigned by way of an agreement on the assignment of rights or (other than in the case of promissory notes issued by the consumer) by an endorsement placed on the document of the promissory note by the first lender together with the delivery of an agreement stipulating the rules for completing the promissory note.

In the case of a promissory note transferred by way of an assignment, the holder of the promissory note (the Issuer) will have to deliver the document of the promissory note together with the agreement under which the assignment was made, in order to request the payment. This means that the promissory note by itself will not be sufficient to evidence the assignment of the receivables under the promissory note.

The transfer of the promissory note by way of its endorsement will transfer the rights to the related third-person suretyship automatically. In order to request the payment, it will be sufficient for the holder of the promissory note to deliver only the promissory note to the debtor.

4. Consumer law

The Consumer Credit Act, as well as the Former Consumer Credit Act, specify a catalogue of obligatory information which have to be included in a loan agreement entered into with CCA Consumers.

The loan agreements which were executed before 18 December 2011 must observe the Former Consumer Credit Act regulations, provided that the value of the loans granted pursuant to such agreement does not exceed PLN 80,000 or an equivalent of this amount in another currency.

The loan agreements, under which the loan amount does not exceed PLN 255,550, entered into between the Seller and the CCA Consumers on or after 18 December 2011, are subject to the regulations of the Consumer Credit Act. The Consumer Credit Act imposes obligations regarding mandatory provisions to be included in consumer loan agreements, pre-execution obligations of the bank or its agent, and the procedure for executing the agreement.

The Consumer Credit Act, as well as the Former Consumer Credit Act, specify a catalogue of obligatory information which have to be included in a loan agreement entered into with CCA Consumers. If such information is not included, the CCA Consumer is entitled to repay the loan without interest and all other costs due to the lender. Apart from the gratuitous credit sanction, the Consumer Credit Act sets forth other sanctions connected with the non-compliance by the lender with statutory regulations.

5. Banking secrecy and data protection

Under the Banking Law and the Data Protection Act regulate the issue of processing data in the Transaction.

According to the Banking Law, banks, their employees and all persons acting as their agents within the scope of executing agreements with the clients, are bound by the principle of "banking secrecy". This applies to all information regarding the legal acts undertaken by banks, whether obtained in the course of negotiations, or during the execution or performance of an agreement on the basis of which the bank undertakes the act (the "**Banking Secrecy**").

On the other hand, the Data Protection Act regulates issue of processing data which means any kind of actions connected with the use of personal data, such as collecting, recording, storing, processing, changing, making available and deleting such data (the "**Personal Data**"). This includes actions performed via an IT system.

However, in accordance with Article. 5 of the Data Protection Act, if there are other legal acts that grant a higher degree of protection than that granted under the Data Protection Act, then the provisions of the other legal act will apply. According to the majority of legal commentary, Art. 104 of the Banking Law is an example falling under this article. Therefore, the regulations of the Banking Law will be applied instead of the data protection rules where information is revealed in connection with the legal acts of the banks (czynności bankowe) (as defined in the Banking Law) such as the acquisition or sale of receivables.

In addition, under the Banking Law, information covered by Banking Secrecy may be disclosed if this is necessary to execute and perform:

- (a) the agreement on the assignment of receivables to the Issuer;
- (b) the agreement on the assignment of ratings to securitized receivables;
- (c) the agreement on servicing securitized receivables;
- (d) the agreement on organizing and carrying out the issuance of securities; and
- (e) the agreement on insuring debtors of securitised receivables against risk of insolvency.

As a result of these exemptions, as mentioned above, the transfer of data concerning the Debtors, which will follow the assignment of receivables will not require consent of the Debtors.

Although the Banking Secrecy principle covers the issue of transferring the data connected to the agreements entered into by banks and their clients, the regulations included in the Data Protection Act are applicable to the remaining issues connected to personal data processing i.e. requirements in relation to processing of personal data, information obligations imposed on data administrator, registration of personal data and security of personal data.

6. Possession and registration of car ownership transfer

Under the templates of ownership transfer agreements and partial ownership transfer agreements, the Debtor remains in possession of the car until a default of the Debtor occurs.

Pursuant to the templates of ownership transfer agreements, the Debtor shall register the Seller as the owner of the car without undue delay only if certain events of default under the agreement occurred.

Some of the templates of partial ownership transfer agreements include an obligation to register the Seller as a co-owner.

However, the lack of disclosure of new owner will not impact the assignment of the partial ownership transfer agreement.

7. Claw-back risks

Under the Insolvency and Restructuring Law, all legal actions performed by the bankrupt within one year prior to the filing of petition to declare bankruptcy, on the basis of which the bankrupt has disposed of its assets, shall be ineffective towards the bankruptcy estate if such action was performed for consideration, but where the value of the bankrupt's consideration (the value of the assigned receivables) significantly exceeds the value of the consideration received by the bankrupt or reserved for the bankrupt.

In addition, pursuant to art. 527 of the Civil Code, each creditor of the Seller has the right to challenge the Transaction if it is in a position to evidence cumulatively that:

- (a) the Transaction was made by the Seller to the detriment of the Seller's creditors (i.e. the Seller as a result became insolvent or, if it was already insolvent, became insolvent to a greater extent); and
- (b) the Seller was aware of the detrimental effect on the position of creditors; and
- (c) the Issuer was aware of the detrimental effect or, acting diligently, could have become aware of that fact (awareness is presumed if the contracting party was in a close commercial relationship with the debtor).

Such right to claim ineffectiveness of the Transaction expires within five years from the date of the Transaction.

In the case of the Transaction, if:

- (a) the funds transferred by the Issuer to Santander as consideration for the assignment are of a significantly lower value than the assigned receivables, and
- (b) the petition to declare Santander's bankruptcy is filed within a period of one year from the assignment,

the assignment may be declared ineffective and the receivables may be returned to Santander's estate for the purpose of the bankruptcy proceedings. Therefore, as long as the Transaction is performed at the market value, such bankruptcy risk does not exist.

Relevant definitions

"Banking Law" means the Polish Act on Banking Law of 29 August 1997 (unified text: Journal of Laws of 2012, item 1376, as amended);

"CCA Consumer" means a Consumer being party to a consumer loan agreement regulated by the Consumer Credit Act or the Former Consumer Credit Act;

"Civil Code" means the Polish Act on the Civil Code of 23 April 1964 (unified text: Journal of Laws of 2014, item 121);

"Consumer" means any natural person performing a legal act which is not directly related to his or her business or professional activity;

"Consumer Credit Act" means the Polish Act on Consumer Credit of 12 May 2011 (Journal of Laws of 2011 No. 126, item 715, as amended);

"Data Protection Act" means the Polish Act on Protection of Personal Data of 29 August 1997, (unified text: Journal of Laws of 2002, No. 101, item 926 as amended);

"Debtor Default" shall mean any act or omission by a Debtor under a Loan Contract that satisfies the conditions for transfer of ownership, as set out in the relevant Ownership Conditional Transfer Agreement or Partial Ownership Conditional Transfer Agreement (as applicable);

"Former Consumer Credit Act" means the Polish Act on Consumer Credit of 20 July 2001 (Journal of Laws of 2001 No. 100, item 1081, as amended);

"Insolvency and Restructuring Law" means the act dated 28 February 2003 (unified text: Journal of Laws of 2012, item 1112, as amended).

"Law on Bills of Exchange" means the Polish Act on Bills of Exchange Law of 28 April 1936 (Journal of Laws of 1936 No. 37, item 282 as amended);

"Non-Consumer" means any natural or legal person other than a Consumer;

"Ownership Conditional Transfer Agreement" means an ownership transfer agreement pursuant to which a Debtor has transferred to the Seller the ownership title to a Vehicle, subject to satisfaction of the conditions precedent referred to in such agreement.

"Partial Ownership Conditional Transfer Agreement" means an ownership transfer agreement pursuant to which a Debtor has transferred to the Seller :

- (a) a 49 per cent. share in the ownership title of the relevant Vehicle at the date of such agreement; and
- (b) a 51 per cent. share in the ownership title of the relevant vehicle, subject to satisfaction of the conditions precedent referred to in such agreement.

"Registered Pledge Law" means the Polish Act on registered pledge and register of pledges of 6 December 1996 (unified text: Journal of Laws 2009, No. 67, item 569, as amended)

"UOKIK" means Office of Competition and Consumer Protection (*pl. Urząd Ochrony Konkurencji i Konsumentów*), Polish anti-monopoly office supporting the President of Office of Competition and Consumer Protection, central authority of state administration.

TAXATION

The following is a general discussion of certain Polish and Irish tax consequences of the acquisition, ownership and disposition of Notes. This discussion does not purport to be a comprehensive description of all tax considerations which may be relevant to a decision to purchase Notes. In particular, this discussion does not consider any specific facts or circumstances that may apply to a particular purchaser. This summary is based on the laws of Poland and Ireland currently in force and as applied on the date of this Prospectus, which are subject to change, possibly also with retroactive or retrospective effect.

PROSPECTIVE PURCHASERS OF NOTES ARE ADVISED TO CONSULT THEIR OWN TAX ADVISORS AS TO THE TAX CONSEQUENCES OF THE PURCHASE, OWNERSHIP AND DISPOSITION OF NOTES AND THE RECEIPT OF INTEREST THEREON, INCLUDING THE EFFECT OF ANY STATE OR LOCAL TAXES, UNDER THE TAX LAWS OF POLAND AND IRELAND AND EACH COUNTRY OF WHICH THEY ARE RESIDENTS OR CITIZENS.

Taxation in Poland

This section should be read in conjunction with **"RISK FACTORS — Taxation of the Issuer in Poland"**.

Polish Noteholders - taxation of interest income

The below tax consequences apply to Noteholders being Polish tax residents and legal persons (the **"Polish Noteholders"**).

Interest income derived by the Polish Noteholders is cumulated with all other taxable revenues of the Polish Noteholder and is subject to the general rules of taxation.

The Issuer is not obliged to collect any Polish withholding tax from the interest paid to the Polish Noteholders and pay it to the tax authorities. As mentioned above, a Polish Noteholder is obliged to properly calculate the tax on the income it received and for the payment of the tax into the bank account of the tax office. The standard tax rate of 19% applies.

The Noteholders being corporate entities should pay monthly or quarterly (as a given Noteholder is obliged) tax advances on the earned interest income. This income should be also included in the total income revealed in the annual tax return to be filed after the year-end, until end of the third month of the following year.

The above rules are of general nature. Some Noteholders may benefit from specific rules and treat the income from Notes as tax exempt (this would apply to e.g. investment funds or pension funds).

Polish Noteholders - taxation upon disposal or redemption of the Notes

A disposal or redemption of the Notes is a taxable event. The Polish Noteholders would be obliged to recognise any amount received in relation to such disposal or redemption as taxable revenue. At the same time, the Noteholder would be entitled to recognise as a tax deductible cost any amounts paid for the acquisition of the disposed or redeemed Notes. These revenues and costs would be cumulated with all other taxable revenues of the Polish Noteholder and would be subject to the general rules of taxation.

Polish Noteholders - other taxes

Under the regulations currently in force, the Polish Noteholders will not be obliged to pay any other taxes than described above with regard to acquisition, holding or disposal of the Notes.

Non-Polish Noteholders

Taxation of either interest or any other income derived from the Notes by the Noteholders (legal persons) which do not have their seat or the place of management in Poland (i.e. are not tax residents in Poland) ("**non-Polish Noteholders**") does not fall under the provisions of the Polish Corporate Income Tax Act.

Consequently, the non-Polish Noteholders will not be liable to Polish taxes upon receipt of interest, sale or disposal of the Notes, etc.

The foregoing is subject to the assumption that a non-Polish- Noteholder does not have a permanent establishment in Poland to which its Notes can be assigned.

Taxation in Ireland

The following is a summary based on the laws and practices currently in force in Ireland regarding the tax position of investors beneficially owning their Notes and should be treated with appropriate caution. Particular rules may apply to certain classes of taxpayers holding Notes. The summary does not constitute tax or legal advice and the comments below are of a general nature only. Prospective investors in the Notes should consult their professional advisers on the tax implications of the purchase, holding, redemption or sale of the Notes and the receipt of interest thereon under the laws of their country of residence, citizenship or domicile.

Withholding tax

In general, tax at the standard rate of income tax (currently 20%), is required to be withheld from payments of Irish source interest. However, an exemption from withholding on interest payments exists under Section 64 of the Taxes Consolidation Act, 1997 (the "**1997 Act**") for certain interest bearing securities ("**quoted Eurobonds**") issued by a body corporate (such as the Issuer) which are quoted on a recognised stock exchange (which would include the Irish Stock Exchange).

Any interest paid on such quoted Eurobonds can be paid free of withholding tax provided:

1. the person by or through whom the payment is made is not in Ireland; or
2. the payment is made by or through a person in Ireland, and either:
 - (a) the quoted Eurobond is held in a clearing system recognised by the Irish Revenue Commissioners (Euroclear and Clearstream Luxembourg are so recognised), or
 - (b) the person who is the beneficial owner of the quoted Eurobond and who is beneficially entitled to the interest is not resident in Ireland and has made a declaration to a relevant person in the prescribed form.

So long as the Class A Notes and the Class B Notes are quoted on a recognised stock exchange and either are held in Euroclear and/or Clearstream Luxembourg, or the paying agent making payments of interest is outside Ireland, interest on the Class A Notes and the Class B Notes can be paid without any withholding or deduction for or on account of Irish income tax.

If for any reason the quoted Eurobond exemption referred to above does not, or ceases to, apply in respect of the Class A Notes or the Class B Notes, the Issuer can pay interest on the Notes free of withholding tax provided it is a "**qualifying company**" (within the meaning of Section 110 of the 1997 Act) and provided the interest is paid to a person resident in a "**relevant territory**" (i.e. a member state of the European Union (other than Ireland) or in a country with which Ireland has entered into a double taxation agreement that has force of law or, on completion of the necessary procedures, will have force of law. For this purpose, residence is determined by reference to the law of the country in which the recipient claims to be resident. This exemption from withholding tax will not apply, however, if the interest is paid to a company in connection with a trade or business carried on by it through a branch or agency located in Ireland.

In certain circumstances, Irish tax will be required to be withheld at the standard rate from interest on any quoted Eurobond, where such interest is collected by a bank in Ireland on behalf of any Noteholder who is Irish resident.

Taxation of Noteholders

Notwithstanding that a Noteholder may receive interest on the Notes free of withholding tax, the Noteholder may still be liable to pay Irish income tax. Interest paid on the Notes may have an Irish source and therefore be within the charge to Irish income tax and levies. Ireland operates a self-assessment system in respect of income tax and any person, including a person who is neither resident nor ordinarily resident in Ireland, with Irish source income comes within its scope.

However, interest on the Notes will be exempt from Irish income tax if the recipient of the interest is resident in an EU Member State other than Ireland or a country with which Ireland has entered into a double taxation agreement which has the force of law and is not resident in Ireland, provided either (i) the Notes are quoted Eurobonds and are exempt from withholding tax as set out above, or (ii) if for any reason the quoted Eurobond exemption referred to above does not, or ceases to, apply in respect of the Class A Notes or the Class B Notes, if the Issuer is a qualifying company within the meaning of Section 110 of the 1997 Act and pays the interest out of its assets, or (iii) if the Issuer has ceased to be a qualifying company, the recipient of the interest is a company and the jurisdiction concerned imposes a tax that generally applies to interest receivable in that jurisdiction by companies from sources outside that jurisdiction.

Notwithstanding these exemptions from income tax, a corporate recipient that carries on a trade in Ireland through a branch or agency in respect of which the Notes are held or attributed, may have a liability to Irish corporation tax on the interest.

Interest on the Notes which does not fall within the above exemptions may be within the charge to Irish income tax.

Capital gains tax

A holder of Notes will be subject to Irish tax on capital gains on a disposal of Notes unless such holder is neither resident nor ordinarily resident in Ireland and does not carry on a trade in Ireland through a branch or agency in respect of which the Notes are used or held.

Capital acquisitions tax

A gift or inheritance comprising of Notes will be within the charge to capital acquisitions tax if either (i) the donor or the donee/successor in relation to the gift or inheritance is resident or ordinarily resident in Ireland (or, in certain circumstances, if the donor is domiciled in Ireland irrespective of his residence or that of the donee/successor) or (ii) if the Notes are regarded as property situate in Ireland. Bearer notes are generally regarded as situated where they are physically located at any

particular time, but the Notes may be regarded as situated in Ireland regardless of their physical location as they secure a debt due by an Irish resident debtor and they may be secured over Irish property. Accordingly, if such Notes are comprised in a gift or inheritance, the gift or inheritance may be within the charge to tax regardless of the residence status of the disponer or the donee/successor.

Stamp duty

Provided the Issuer remains a qualifying company, no stamp duty or similar tax is imposed in Ireland on the issue (on the basis of an exemption provided for in Section 85(2)(c) to the Stamp Duties Consolidation Act, 1999 provided the money raised on the issue of the Notes is used in the course of the Issuer's business), transfer or redemption of the Notes whether they are represented by Notes or definitive notes.

EU Savings Directive

Under EC Council Directive 2003/48/EC on the taxation of savings income (the "**Savings Directive**"), each Member State is required to provide to the tax authorities of another Member State details of payments of interest or other similar income paid by a person within its jurisdiction to, or collected by such a person for, an individual resident or certain limited types of entity established in that other Member State; however, for a transitional period, Austria and Luxembourg may instead apply a withholding system in relation to such payments, deducting tax at a rate of 35 per cent.. The transitional period is to terminate at the end of the first full fiscal year following agreement by certain non-EU countries to the exchange of information relating to such payments. Luxembourg has announced it will no longer apply the withholding tax system as from 1 January 2015 and will provide details of payments of interest (or similar income) as from this date.

A number of non-EU countries and certain dependent or associated territories of certain Member States have adopted similar measures (either provision of information or transitional withholding) in relation to payments made by a person within its jurisdiction to, or collected by such a person for, an individual resident or certain limited types of entity established in a Member State. In addition, the Member States have entered into provision of information or transitional withholding arrangements with certain of those dependent or associated territories in relation to payments made by a person in a Member State to, or collected by such a person for, an individual resident or certain limited types of entity established in one of those territories.

The European Council formally adopted a Council Directive amending the Savings Directive on 24 March 2014 (the "**Amending Directive**"). The Amending Directive broadens the scope of the requirements described above. Member States have until 1 January 2016 to adopt the national legislation necessary to comply with the Amending Directive. The changes made under the Amending Directive include the introduction of "look through" requirements to prevent the Savings Directive being circumvented by the use of intermediaries.

FOREIGN ACCOUNT TAX COMPLIANCE ACT

Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986, as amended ("**FATCA**") impose a new reporting regime and potentially a 30% withholding tax with respect to certain U.S.-source payments and "foreign passthru payments" (a term as yet undefined) made to certain non-U.S. financial institutions ("foreign financial institutions", or "**FFIs**" as defined by FATCA)) that do not become "**Participating FFIs**" by entering into agreements with the U.S. Internal Revenue Service ("**IRS**") to provide the IRS with certain information in respect of their account holders and investors or are not otherwise exempt from or in deemed compliance with FATCA, and any investors (unless otherwise exempt from FATCA) that do not provide information sufficient to determine whether they are U.S. persons or should otherwise be treated as holding "United States accounts" of an FFI ("**Recalcitrant Holders**"). The Issuer is likely to be classified as an FFI.

The new withholding regime will commence on 1 July 2014 for payments from sources within the United States and will apply to "foreign passthru payments" no earlier than 1 January 2017. This withholding would potentially apply to payments in respect of the Notes (assuming that they qualify as debt for U.S. federal income tax purposes) if they are materially modified on or after the "grandfathering date," which is the date that is six months after the date on which final U.S. Treasury regulations defining the term "foreign passthru payment" are filed with the Federal Register.

The United States and Ireland have entered into an agreement to facilitate the implementation of FATCA (the "**US-Ireland IGA**"). Pursuant to FATCA and the US-Ireland IGA, the Issuer expects to be treated as a "**Reporting FI**" not subject to withholding under FATCA on any payments it receives and not be required to withhold under FATCA or the US-Ireland IGA (or any law implementing the US-Ireland IGA) (any such withholding being "**FATCA Withholding**") from payments it makes. It would, however, still be required to report certain information in respect of its account holders and investors to the Irish tax authorities or to the IRS. There can be no assurance, however, that the Issuer will be treated as a Reporting FI, or that if it is so treated initially it would continue to be so treated during the entire period ending on the Maturity Date, or that it would in the future not be required to deduct FATCA Withholding from payments it makes. The Issuer and financial institutions through which payments on the Notes are made may be required to withhold FATCA Withholding if (i) any FFI through or to which payment on such Notes is made is not a Participating FFI, a Reporting FI, or otherwise exempt from or in deemed compliance with FATCA or (ii) an investor is a Recalcitrant Holder.

FATCA is particularly complex and its application is uncertain at this time. The above description is based in part on U.S. Treasury Regulations, official guidance, the US-Ireland IGA, Irish SI No 33 of 2013, the draft Irish Financial Account Reporting Regulations 2014, and the draft guidance notes on the implementation of FATCA in Ireland, all of which are subject to change. Prospective investors should consult their tax advisers on how these rules may apply to the Issuer and to payments they may receive in connection with the Notes.

TO ENSURE COMPLIANCE WITH IRS CIRCULAR 230, EACH TAXPAYER IS HEREBY NOTIFIED THAT: (A) ANY TAX DISCUSSION HEREIN IS NOT INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED BY THE TAXPAYER FOR THE PURPOSE OF AVOIDING U.S. FEDERAL INCOME TAX PENALTIES THAT MAY BE IMPOSED ON THE TAXPAYER; (B) ANY SUCH TAX DISCUSSION WAS WRITTEN TO SUPPORT THE PROMOTION OR MARKETING OF THE TRANSACTIONS OR MATTERS ADDRESSED HEREIN; AND (C) THE TAXPAYER SHOULD SEEK ADVICE BASED ON THE TAXPAYER'S PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISER.

SUBSCRIPTION AND SALE

Subscription of the Notes

Pursuant to the Subscription Agreement, the Joint Lead Managers have agreed, subject to certain conditions, to subscribe or, on a best efforts basis, to procure subscriptions for, the Class A Notes and the Class B Notes. The Issuer has agreed to reimburse each of the Managers for certain of its expenses in connection with the issue of the Class A Notes and the Class B Notes.

In the Subscription Agreement, the Issuer has made certain representations and warranties in respect of its legal and financial matters. The Subscription Agreement entitles the Joint Lead Managers to terminate the Managers' obligations thereunder in certain circumstances prior to payment of the purchase price of the Class A Notes and the Class B Notes. The Issuer has agreed to indemnify the Managers against certain liabilities in connection with the offer and sale of the Class A Notes and the Class B Notes.

The issuances of the Class A Notes and the Class B Notes may be preplaced with third party investors and/or an affiliate of Santander Consumer Bank S.A. for the purpose of entering into a financing operation with a non-affiliated third party. Such third party may include the Joint Lead Managers or any affiliate thereof.

Selling Restrictions

United States of America and its territories

The Class A Notes and the Class B Notes have not been and will not be registered under the Securities Act and may not be offered, or sold within the United States or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to the registration requirements of the Securities Act. Each Manager has represented and agreed that it has not offered or sold the Class A Notes or the Class B Notes, and will not offer or sell the Class A Notes or the Class B Notes within the United States or to, or for the account or benefit of, U.S. persons (i) as part of its distribution at any time and (ii) otherwise until 40 calendar days after the completion of the distribution of all Class A Notes and all Class B Notes except in accordance with Rule 903 of the Regulation S promulgated under the Securities Act. None of the Managers and the Arrangers, nor their respective Affiliates nor any persons acting on the Managers' or their respective Affiliates' behalf have engaged or will engage in any directed selling efforts with respect to the Class A Notes and the Class B Notes, and it and they have complied and will comply with the offering restrictions requirements of Regulation S under the Securities Act. At or prior to confirmation of sale of the Class A Notes and the Class B Notes, it will have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration that purchases Class A Notes or Class B Notes from it during the distribution compliance period a confirmation or notice to substantially the following effect:

"The Securities covered hereby have not been registered under the U.S. Securities Act of 1933, as amended (the "Securities Act") and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons by any person referred to in Rule 903(b)(2)(iii), (x) as part of their distribution at any time or (y) otherwise until 40 calendar days after the completion of the distribution of Securities as determined and certified by the Managers, except in either case in accordance with Regulation S under the Securities Act. Terms used above have the meaning given to them by Regulation S under the Securities Act."

In addition, until 40 days after the commencement of the offering, an offer or sale of the Class A Notes or the Class B Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

Terms used in this clause have the meaning given to them by Regulation S under the Securities Act.

United Kingdom

Each Manager has represented, warranted and agreed that:

- (a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 (the "**FSMA**") received by it in connection with the issue or sale of any Class A Notes or any Class B Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and
- (b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Class A Notes or any Class B Notes in, from or otherwise involving the United Kingdom.

As used herein, "**United Kingdom**" means the United Kingdom of Great Britain and Northern Ireland.

Ireland

Each Manager has represented, warranted and agreed that:

- (a) it will not underwrite the issue of, or place the Class A Notes or the Class B Notes, otherwise than in conformity with the provisions of S.I. No. 60 of 2007, European Communities (Markets in Financial Instruments) Regulations 2007 (MiFID Regulations), including, without limitation, Parts 6, 7, and 12 thereof and the provisions of the Investor Compensation Act 1998;
- (b) it will not underwrite the issue of, or place, the Class A Notes or the Class B Notes, otherwise than in conformity with the provisions of the Central Bank Acts 1942–2013 (as amended) and any codes of conduct rules made under Section 117(1) thereof;
- (c) it will not underwrite the issue of, or place, or do anything in Ireland in respect of the Class A Notes or the Class B Notes otherwise than in conformity with the provisions of the Prospectus (Directive 2003/71/EC) Regulations 2005 (as amended) and any rules issued under Section 51 of the Irish Investment Funds, Companies and Miscellaneous Provisions Act 2005 by the Central Bank of Ireland (the "**Central Bank**");
- (d) it will not underwrite the issue of, place or otherwise act in Ireland in respect of the Class A Notes or the Class B Notes, otherwise than in conformity with the provisions of the Irish Market Abuse (Directive 2003/6/EC) Regulations 2005 (as amended) and any rules issued under Section 34 of the Irish Investment Funds, Companies and Miscellaneous Provisions Act 2005 (as amended) by the Central Bank; and
- (e) to the extent applicable it has complied with and will comply with all applicable provision of the Irish Companies Acts 1963 – 2013.

Poland

None of the Prospectus, the Class A Notes, the Class B Notes or any other offering or marketing material relating to the Issuer, the Class A Notes or the Class B Notes constitutes, or shall be deemed to constitute a public offering in Poland within the meaning of the Act of 29 July 2005 on public offerings, conditions governing the introduction of the financial instruments to organized trading and

on public companies (unified text Journal of Laws of 2013, item 1382, as amended) ("**Act on Public Offerings**"). For the purposes of the above, the term "public offering" shall mean a communication made in any form and by any means, directed at 150 or more people or at an unnamed addressee, containing information on the securities and the terms of their acquisition which is sufficient enough to enable an investor to decide on the securities' acquisition.

Accordingly, the Class A Notes and the Class B Notes may not be offered or sold, directly or indirectly in Poland except:

- (a) to fewer than 150 persons; or
- (b) under another exception provided in the Act on Public Offerings.

Furthermore, the Class A Notes and the Class B Notes may not be admitted to trading on a regulated market in Poland unless registered in the Central Securities Depository of Poland (*Krajowy Depozyt Papierów Wartościowych S.A.*) ("**KDPW**").

The Issuer and the Managers may decide to apply for the Class A Notes to be admitted to trading on the regulated market in Poland operated by the Warsaw Stock Exchange (*Giełda Papierów Wartościowych w Warszawie S.A.*) ("**WSE**") or BondSpot S.A. ("**BondSpot**"). If such an application is made within the period during which this Prospectus remains valid, the Prospectus approved by the competent authority in Ireland ("**Home Member State**") may be used as the basis for an admission of the Class A Notes to trading on the regulated market in Poland ("**Host Member State**"), provided that the competent authority of the Home Member State provides the competent authority of the Host Member State with a certificate of approval of the Prospectus (in accordance with the Prospectus Directive). The Issuer would also be required to file certain applications for the registration of the Class A Notes in the KDPW and admission of the Class A Notes to trading on the regulated market operated by the WSE or BondSpot.

European Economic Area

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**"), each of the Managers has represented and agreed with the Issuer that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "**Relevant Implementation Date**"), there has not been and there will not be an offer of the Notes to the public in that Relevant Member State other than on the basis of an approved prospectus in conformity with the Prospectus Directive or:

- 1. to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- 2. to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the Directive 2010/73/EU of the European Parliament and of the Council of 24 November 2010 (the "**2010 PD Amending Directive**"), 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospectus Directive; or
- 3. in any other circumstances falling within Article 3(2) of the Prospectus Directive.

For the purposes of this provision, the expression an "**offer of the Notes to the public**" in relation to any Notes in any Relevant Member State means 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 the Notes, as the same may be varied in that Member State by any

measure implementing the Prospectus Directive in that Member State, the expression "**Prospectus Directive**" means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State and the expression "**2010 PD Amending Directive**" means Directive 2010/73/EU.

General

All applicable laws and regulations must be observed in any jurisdiction in which Class A Notes or the Class B Notes may be offered, sold or delivered. Each Manager has agreed in respect of the Class A Notes and the Class B Notes that it will not offer, sell or deliver any of the Class A Notes or the Class B Notes, directly or indirectly, or distribute this Prospectus or any other offering material relating to the Class A Notes or the Class B Notes, in or from any jurisdiction except under circumstances that will to the best knowledge and belief of each Manager result in compliance with the applicable laws and regulations thereof and that will not impose any obligations on the Issuer except as set out in the Subscription Agreement.

ARTICLES 405-409 OF THE CAPITAL REQUIREMENTS REGULATION

Please refer to paragraph entitled **"Regulatory initiatives may result in increased regulatory capital requirements and/or decreased liquidity in respect of the Notes"** of the section entitled **"RISK FACTORS"** for further information on the implications of Articles 405-409 of the CRR for certain investors in the Notes.

Retention statement

The Seller will, on an on-going basis, retain a material net economic interest of at least 5% in this securitisation transaction in accordance with Article 405 of the CRR. As at the Note Issuance Date, such interest will take the form of a first loss retention within the meaning of Article 405(1)(d) of the CRR. The Seller shall satisfy such retention requirement by making and holding the Subordinated Loan. The Seller will confirm its on-going retention of the net economic interest described above in the Monthly Reports and any change to the manner in which such interest is held will be notified to the Class A Noteholders and the Class B Noteholders.

Disclosure to investors

With a view to compliance with Article 409 of the CRR, the Seller in its capacity as Servicer will, on a monthly basis after the Note Issuance Date, provide relevant information to investors in the form of the Monthly Report, including data with regard to the Purchased Receivables and an overview of the retention of the material net economic interest. The Seller will make each Monthly Report available to the Noteholders, potential investors and firms that generally provide services to investors on its website www.santanderconsumer.com and such information will be updated on a periodic basis.

Investors to assess compliance

Each prospective investor that is required to comply with Articles 405-409 of the CRR is required to independently assess and determine the sufficiency of the information described above, in this Prospectus generally and in any servicer and/or investor reports made available and/or provided to investors for the purposes of complying with Articles 405-409 of the CRR, and none of the Issuer, the Managers, the Seller or any other party to the Transaction Documents makes any representation that any such information is sufficient in all circumstances for such purposes. Prospective investors who are uncertain as to the requirements under Articles 405-409 of the CRR which apply to them in respect of their relevant jurisdiction, should seek guidance from their regulator.

USE OF PROCEEDS

The aggregate net proceeds from the issue of the Notes will amount to PLN 1,367,000,000. The proceeds will be used by the Issuer (i) to finance part of the purchase price for the acquisition of the Receivables and Related Collateral from the Seller on the Note Issuance Date and (ii) to fund certain expenses relating to the issue of the Notes by the Issuer.

GENERAL INFORMATION

Subject of this Prospectus

This Prospectus relates to PLN 1,158,000,000 aggregate principal amount of the Class A Notes and PLN 209,000,000 aggregate principal amount of the Class B Notes issued by SC Poland Auto 2014-1 Limited, Dublin, Ireland.

This Prospectus discloses all material Seller and Issuer undertakings, representations and warranties (including, but not limited to, corporate and asset matters) relating to the Transaction.

Authorisation

The issue of the Notes was authorised by a resolution of the board of directors of the Issuer passed on 25 June 2014.

Litigation

Neither the Issuer is, or has been since its incorporation, nor the Seller is, or has during its last two fiscal years been, engaged in any governmental, litigation or arbitration proceedings which may have or have had during such period a significant effect on their respective financial position, and, as far as the Issuer and the Seller are aware, no such governmental, litigation or arbitration proceedings are pending or threatened, respectively.

Payment information

In connection with the Class A Notes and the Class B Notes, the Issuer will procure the notification to the Irish Stock Exchange of the Interest Amounts, the Interest Periods and the Interest Rates and, the payments of principal on the Class A Notes and the Class B Notes, in each case in the manner described in the Note Conditions.

Payments and transfers of the Class A Notes and the Class B Notes will be settled through Clearstream, Luxembourg and Euroclear, as described herein. The Class A Notes and the Class B Notes have been accepted for clearing by Clearstream, Luxembourg and Euroclear.

All notices to the Class A Noteholders and the Class B Noteholders hereunder shall be published by delivery to the Clearing Systems and the Companies Announcement Office section of the Irish Stock Exchange website of the relevant notice for communication to the Class A Noteholders and the Class B Noteholders.

Material change

Save as disclosed in this Prospectus, there has been no material adverse change in the financial position or prospects of the Issuer since its incorporation.

Miscellaneous

No statutory or non-statutory accounts in respect of any fiscal year of the Issuer have been prepared other than as contained in this Prospectus. The Issuer will not publish interim accounts. The fiscal year in respect of the Issuer is the calendar year.

Irish listing

The Prospectus has been approved by the Central Bank of Ireland, as competent authority under the Prospectus Directive. The Central Bank of Ireland only approves this Prospectus as meeting the requirements imposed under Irish and EU law pursuant to the Prospectus Directive. Application has been made to the Irish Stock Exchange for the Class A Notes and the Class B Notes to be admitted to the Official List and trading on its regulated market as defined Article 2(j) of the Prospectus Directive in conjunction with Article 4.1(14) of Directive 2004/39/EC of the European Parliament and of the Council. The Issuer has appointed A&L Listing Limited as listing agent for the Irish Stock Exchange. Prior to such listing of the Notes, the constitutional documents of the Issuer and legal notices relating to the issue of the Notes will be registered with the Registrar of Companies where such documents are available for inspection and copies of these documents may be obtained, free of charge, upon request. Upon approval of the Prospectus by the Central Bank, the Prospectus will be filed with the Companies Registration Office within 14 days in accordance with Regulations 38(1)(b) of the Prospectus (Directive 2003/71/EC) Regulations 2005.

Copies of such documents may also be obtained free of charge during customary business hours at the specified offices of the Principal Paying Agent and at the registered office of the Issuer.

A&L Listing Limited is acting solely in its capacity as listing agent of the Issuer in relation to the Class A Notes and the Class B Notes and is not itself seeking admission of such Notes to the Official List of the Irish Stock Exchange or to trading on the Main Securities Market of the Irish Stock Exchange.

Availability of documents

From the date hereof as long as the Prospectus is valid and as long as the Notes remain outstanding, the following documents will be available for inspection in physical form during customary business hours on any Business Day at the registered office of the Issuer and the specified office of the Principal Paying Agent:

- (a) the memorandum and articles of association of the Issuer;
- (b) the resolution of the board of directors of the Issuer approving the issue of the Notes;
- (c) the future annual financial statements of the Issuer (interim financial statements will not be prepared);
- (d) all notices given to the Noteholders pursuant to the Note Conditions;
- (e) this Prospectus, the forms of the Notes and the Receivables Purchase Agreement, the Servicing Agreement, the Registered Pledge Agreement, the Security Trust Deed, the Corporate Administration Agreement, the Transaction Account Agreement, the Registered Pledge Account Agreement, the Note Trust Deed, the Agency Agreement, and the Custody Agreement;
- (f) annual financial statements of the Seller for the years ended 2012 and 2013;
- (g) a cash flow model setting out the Transaction cash flows assuming zero losses; and
- (h) detailed summary statistics in respect of the Purchased Receivables and the Servicer shall make available updates to such information on a periodic basis.

Furthermore, prior to the Note Issuance Date, the Issuer shall make available such information as is required, including detailed statistics on the Purchased Receivables, to enable actual or prospective Noteholders or third party contractors to build a cash flow model setting out the transaction cash

flows assuming zero losses. From the Note Issuance Date to the Maturity Date, the Issuer shall make available updates to such information on a periodic basis.

Post-issuance Reporting

Following the Note Issuance Date, the Principal Paying Agent will provide the Issuer, the Note Trustee, the Corporate Administrator and, on behalf of the Issuer, by means of notification in accordance with Note Condition 17 (*Notices to Noteholders*), the Noteholders, and so long as any of the Notes are listed on the Official List and traded on the regulated market of the Irish Stock Exchange, the Irish Stock Exchange, with the following information, all in accordance with the Agency Agreement and the Note Conditions:

- (a) with respect to each Payment Date, the Interest Amount pursuant to Note Condition 4.1 (*Interest calculation*);
- (b) with respect to each Payment Date, of the Interest Period pursuant to Note Condition 4.4 (*Interest Period*);
- (c) with respect to each Payment Date, of the Interest Rate pursuant to Note Condition 4.5 (*Interest Rate*);
- (d) with respect to each Payment Date, the amount of any Interest Shortfall pursuant to Note Condition 4.7 (*Interest Shortfall*);
- (e) with respect to each Payment Date, of the amount of principal on each Class A Note and each Class B Note pursuant to Note Condition 5 (*Redemption*) to be paid on such Payment Date;
- (f) with respect to each Payment Date, the Note Principal Amount of each Class A Note and each Class B Note and the Class A Principal Amount and the Class B Principal Amount as from such Payment Date; and
- (g) in the event the payments to be made on a Payment Date constitute the final payment with respect to the Notes pursuant to Note Condition 5.2 (*Maturity Date*) or Note Condition 5.3 (*Optional redemption for taxation reasons*), of the fact that such is the final payment.

In addition the Servicer, on behalf of the Issuer shall disclose in the first investor report the amount of Notes:

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

The Servicer, on behalf of, the Issuer shall also disclose (to the extent possible), in relation to any amount initially retained by a member of the Seller's group, but subsequently placed with investors which are not in the Seller's group, such placement in the next investor report.

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

Copies of each investor report shall be available for inspection in physical form during customary business hours on any Business Day at the registered office of the Issuer and the specified office of the Principal Paying Agent.

In each case, such notification shall be made by the Principal Paying Agent on the WIBOR Determination Date preceding the relevant Payment Date.

Clearing Codes

Class A Notes ISIN: XS1070423931

Class B Notes ISIN: XS1079309651

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