

MOTOR 2011 PLC

(incorporated with limited liability in England and Wales under registered number 7312004)

Notes	Initial Principal Amount	Issue Price	Interest Reference Rate	Relevant Margin	Redemption Profile	Legal Maturity Date	Expected Ratings (Moody's/Fitch / DBRS)
Class A1	£499,846,000	100%	1 month LIBOR	0.70%	Pass through	March 2019	Aaa(sf)/AAAsf/ AAA (sf)
Class A2	£480,000,000	100%	1 month LIBOR	0.70%	Pass through	March 2019	Aaa(sf)/AAAsf/A AA (sf)
Class B	£304,356,426	100%	1 month LIBOR	0.80%	Pass through	March 2019	NR/NR/NR

Issue Date	The Issuer will issue the Notes set out above on or about the Closing Date.
Stand alone/ programme issuance	Stand alone issuance.
Underlying Assets	The Issuer will make payments on the Notes from, <i>inter alia</i> , payments received in respect of a portfolio of receivables that are comprised of rights to amounts payable under the Underlying Agreements that will be purchased by the Issuer on or about the Closing Date. See the section entitled " <i>DESCRIPTION OF THE PORTFOLIO</i> " for more information.
Key Structural Features	<ul style="list-style-type: none"> • <u>Credit Enhancement Features</u> <ul style="list-style-type: none"> • Reserve Fund. • Excess spread. • Subordination of the Class B Notes. <p>See the section entitled "<i>Credit Structure</i>" for more information.</p> <ul style="list-style-type: none"> • <u>Liquidity Support Features</u> <ul style="list-style-type: none"> • Reserve Fund. • Liquidity Facility. <p>See the section entitled "<i>CREDIT STRUCTURE</i>" for more information.</p>
Redemption Provisions	For information on optional and mandatory redemption of the Notes, see the section entitled " <i>OUTLINE OF THE TRANSACTION – The Notes</i> " and Condition 7 (<i>Redemption</i>) of the Terms and Conditions of the Notes.
Rating Agencies	<p>Moody's, Fitch and DBRS.</p> <p>The Class A1 Notes and the Class A2 Notes have been rated Aaa (sf) by Moody's. These credit ratings have been issued by Moody's, which is established in the European Union and has applied for registration under Regulation (EC) No 1060/2009 (the "CRA Directive"), although notification of the corresponding registration decision has not yet been provided by the relevant competent authority.</p> <p>The Class A1 Notes and the Class A2 Notes have been rated AAAsf by Fitch. These credit ratings have been issued by Fitch, which is established in the European Union and has applied</p>

	<p>for registration under Regulation (EC) No. 1060/2009, although notification of the corresponding registration decision has not yet been provided by the relevant competent authority.</p> <p>The Class A1 Notes and the Class A2 Notes have been rated AAA (sf) by DBRS. These credit ratings have been issued by DBRS, which is established in the European Union and has applied for registration under Regulation (EC) No. 1060/2009, although notification of the corresponding registration decision has not yet been provided by the relevant competent authority.</p>
Ratings	<p>Ratings will be assigned to the Class A Notes by the Rating Agencies as set out above on or before the Closing Date.</p> <p>The ratings reflect the views of the Rating Agencies and are based on the Purchased Receivables, the Related Collateral and the structural features of the transaction, including, <i>inter alia</i>, the ratings of the Basis Rate Swap Counterparty.</p> <p>The ratings assigned by Fitch address the likelihood of full and timely payment to the Class A Noteholders (i) of interest due on each Payment Date and (ii) of principal on a date that is not later than the Legal Maturity Date.</p> <p>The ratings assigned by Moody's address expected losses to a Class A Noteholder in proportion to the Aggregate Note Principal Amount Outstanding of the Class A Notes held by the Class A Noteholder by the Legal Maturity Date. In Moody's opinion, the structure allows for timely payment of interest and principal at par on the Legal Maturity Date.</p> <p>The ratings assigned by DBRS address the full and timely payment to the Class A Noteholders (i) of interest due on each Payment Date and (ii) of principal on a date that is not later than the Legal Maturity Date.</p> <p>The assignment of ratings to the Class A Notes is not a recommendation to invest in the Class A Notes and may be revised, suspended, qualified or withdrawn at any time.</p>
Listing	<p>This prospectus (the "Prospectus") comprises a prospectus for the purpose of Directive 2003/71/EC (the "Prospectus Directive"). 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 Limited (the "Irish Stock Exchange") for the Notes to be admitted to the Official List (the "Official List") and trading on its regulated market.</p>
Obligations	<p>The Notes will be obligations of the Issuer alone and will not be the obligations of, or guaranteed by, or be the responsibility of, any other entity. In particular, the Notes will not be obligations, or guaranteed by, or be the responsibility of any Transaction Party, other than the Issuer.</p>
Definitions	<p>Please refer to the section entitled "<i>INDEX OF DEFINED TERMS</i>" for definitions of defined terms.</p>

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

Lead Managers

Citibank International plc	Lloyds Bank Corporate Markets	Santander Global Banking & Markets
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This Prospectus is dated 19 April 2011

The Class A1 Notes, the Class A2 Notes and the Class B Notes (each such class, a "Class", and all Classes collectively, the "Notes") of Motor 2011 PLC (the "Issuer") are backed by a portfolio of receivables, which are sold and assigned or purported to be assigned or held on trust by the Seller to the Issuer in accordance with the terms of the Receivables Sale Agreement (the "Purchased Receivables"), that are comprised of rights to amounts payable under retail auto Conditional Sale Agreements, Fixed-Sum Loan Agreements and PCP Agreements (each defined individually in "DESCRIPTION OF THE PORTFOLIO", and each represented by an Underlying Agreement, where "Underlying Agreement" means any agreement entered into between the Seller and any Customer for the purpose of financing the acquisition of certain passenger cars, light commercial vehicles ("LCVs"), off-road vehicles, vans or light trucks in each case located in the United Kingdom (the "Financed Vehicles") and (except in the case of Fixed-Sum Loan Agreements) the Related Collateral (defined in "OUTLINE OF THE TRANSACTION – The Portfolio: Purchased Receivables and Related Collateral") and, together with the Purchased Receivables, the "Portfolio"). Except in respect of Fixed-Sum Loan Agreements, title to the Financed Vehicles will remain with Santander Consumer (UK) plc (the "Seller" or "SC UK") until it is transferred to the relevant obligors under the Underlying Agreements (the "Customers") in accordance with the relevant Underlying Agreement or sold by SC UK following repossession of the Financed Vehicles from the relevant Customer. Under a vehicle proceeds declaration of trust dated on or about the Closing Date (the "Vehicle Proceeds Declaration of Trust"), SC UK will hold any proceeds of sale of any Financed Vehicles on trust for the Issuer. Deutsche Trustee Company Limited will act as trustee (the "Trustee") for the holders of the Notes (the "Noteholders") and the other Secured Creditors pursuant to a trust deed dated on or about the Closing Date (the "Trust Deed"), and the obligations of the Issuer under the Notes will be secured by first-ranking security interests granted to the Trustee for the holders of the Notes and the other Secured Creditors pursuant to a deed of charge dated on or about the Closing Date (the "Deed of Charge"). Although the Notes will share in the same Security (defined in "OUTLINE OF THE TRANSACTION – Security"), the Class A Notes will rank in priority to the Class B Notes in the event of the Security being enforced, see "THE MAIN PROVISIONS OF THE DEED OF CHARGE". The Issuer will on or about the Closing Date purchase and acquire from SC UK the Purchased Receivables and Related Collateral constituting the Portfolio. Certain characteristics of the Purchased Receivables and the Related Collateral are described under "DESCRIPTION OF THE PORTFOLIO" herein.

The Notes will be issued at the issue price indicated above on or about 21 April 2011 (the "Closing Date"). The Issuance of the Notes and the transactions contemplated by the Receivables Sale Agreement, the Servicing Agreement, the Trust Deed, the Deed of Charge, the Scottish Transfer, the Scottish Supplemental Security, the Basis Rate Swap, the Subordinated Loan Agreement, the Cash Administration Agreement, the Account Bank Agreement, the Seller Accounts Declaration of Trust, the Vehicle Proceeds Declaration of Trust, the Paying Agency Agreement, the Subscription Agreement, the Liquidity Facility Agreement, the Corporate Administration Agreement (each as defined herein) and any amendment, terminations, replacements or supplements relating to any such agreement (the "Transaction Documents") are referred to as the "Transaction".

The Notes have not been, and will not be registered under the United States Securities Act of 1933, as amended (the "Securities Act") or the securities laws of any state of the United States or any other relevant jurisdiction. The Notes are being offered solely outside the United States to non-U.S. Persons in offshore transactions (as defined in Regulation S under the Securities Act ("Regulation S")) in reliance on Regulation S. The Issuer has not been and will not be registered under the United States Investment Company Act of 1940 (as amended).

Each Noteholder, by purchasing the Notes, will agree that the Notes may not be resold, pledged or otherwise transferred except in a transaction exempt from registration under the Securities Act or pursuant to an effective registration statement thereunder, in each case in accordance with any applicable securities laws of any state of the United States.

This Prospectus constitutes a prospectus for the purpose of Article 5.3 of 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, 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 (the "Irish Stock Exchange") for the Notes to be admitted to the Official List and trading on its regulated market. Upon approval of the Prospectus by the Central Bank of Ireland, the Prospectus will be filed with the Irish Companies Registration Office in accordance with Regulation 38(l)(b) of the Prospectus (Directive 2003/71/EC) Regulations 2005. Such approval relates only to the Notes which are 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. The Issuer designates Ireland as Home Member State for the purpose of the Notes to be issued and the approval of the Prospectus.

Banco Santander, S.A., Lloyds TSB Bank plc and Citibank International plc (the "Lead Managers") will purchase the Notes from the Issuer and will offer the Notes, from time to time, in negotiated transactions or otherwise, at varying prices to be determined at the time of the sale. The Lead Managers do not intend to make a market for the Notes.

Pursuant to Article 122a ("Article 122a") of Directive 2006/48/EC (as amended) referred to as the Capital Requirements Directive ("CRD") (which does not take into account any implementing rules of the CRD in a relevant jurisdiction), the Seller will undertake to retain not less than 5 per cent. of the net economic interest in the Transaction. Article 122a of the CRD became applicable as of 1 January 2011.

As at the Closing Date, such interest will be comprised of an interest in the Class B Notes which is not less than 5 per cent. of the nominal value of the securitised exposures in accordance with paragraph 1(d) of Article 122a. Any change to this manner in which this interest is held will be notified to Noteholders. Please refer to the section entitled "Article 122a of the Capital Requirements Directive" for further information.

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.

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

Each of the Class A1 Notes, the Class A2 Notes and the Class B Notes will be represented by a global note in registered form (each, a "Global Note") without interest coupons attached. The Class A1 Notes will be recorded in the records of Euroclear and Clearstream Luxembourg (as defined below) (see "OUTLINE OF THE TRANSACTION — The Notes — Form and Denomination"). The Class A1 Global Note will be deposited with a common depository (the "Common Depository") for Euroclear Bank S.A./N.V. ("Euroclear") and Clearstream Banking, *Société anonyme* ("Clearstream, Luxembourg" and, together with Euroclear, the "Clearing Systems") and registered in the name of a nominee of the Common Depository, the Class A2 Global Note will be deposited with the Class A2 Noteholder and registered in the name of the Class A2 Noteholder and the Class B Global Note will be deposited with the Class B Noteholder and registered in the name of the Class B Noteholder. The Class A1 Notes may be transferred in book-entry form only. The Notes will be issued in denominations of GBP 100,000 and integral multiples of GBP 1,000. Except in the limited circumstances described herein, Notes in definitive, certificated and fully registered form ("Definitive Notes") will not be issued in exchange for beneficial interests in a Global Note. The Notes will be governed by the laws of England and Wales. See "TERMS AND CONDITIONS OF THE NOTES — Form and Denomination".

THE NOTES REPRESENT OBLIGATIONS OF THE ISSUER ONLY AND DO NOT REPRESENT AN INTEREST IN OR OBLIGATION OF THE LEAD MANAGERS, THE SELLER, THE SERVICER (IF DIFFERENT), THE BASIS RATE SWAP COUNTERPARTY, THE TRUSTEE, THE ACCOUNT BANK, THE COLLECTION ACCOUNT BANK, THE BACK-UP SERVICER FACILITATOR, THE PRINCIPAL PAYING AGENT, THE REGISTRAR, THE AGENT BANK, THE CALCULATION AGENT, THE CASH ADMINISTRATOR, THE LIQUIDITY FACILITY PROVIDER, THE SUBORDINATED LOAN PROVIDER, THE LISTING AGENT, THE COMMON DEPOSITARY OR ANY OF THEIR RESPECTIVE AFFILIATES OR ANY OTHER PARTY TO THE TRANSACTION DOCUMENTS (OTHER THAN THE ISSUER). NEITHER THE NOTES NOR THE PURCHASED RECEIVABLES WILL BE INSURED OR GUARANTEED BY ANY GOVERNMENTAL AGENCY OR INSTRUMENTALITY OR BY THE LEAD MANAGERS, THE SELLER, THE SERVICER, THE BASIS RATE SWAP COUNTERPARTY, THE TRUSTEE, THE ACCOUNT BANK, THE COLLECTION ACCOUNT BANK, THE BACK-UP SERVICER FACILITATOR, THE PRINCIPAL PAYING AGENT, THE REGISTRAR, THE AGENT BANK, THE CALCULATION AGENT, THE CASH ADMINISTRATOR, THE LIQUIDITY FACILITY PROVIDER, THE SUBORDINATED LOAN PROVIDER, THE LISTING AGENT, THE COMMON DEPOSITARY OR ANY OF THEIR 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.

Class	Class Principal Amount	Interest Rate	Issue Price	Expected Rating (Moody's/Fitch/DBRS)	Legal Maturity Date	ISIN	Common Code
A1	GBP 499,846,000	1 month LIBOR + 0.70%	100%	Aaa(sf)/AAAsf/ AAA (sf)	Payment Date falling in March 2019	XS0605545952	060554595
A2	GBP 480,000,000	1 month LIBOR + 0.70%	100%	Aaa(sf)/AAAsf/ AAA (sf)	Payment Date falling in March 2019	N/A	N/A
B	GBP 304,356,426	1 month LIBOR + 0.80%	100%	NR/NR/NR	Payment Date falling in March 2019	N/A	N/A

Interest on the Notes will accrue at a per annum rate equal to the sum of LIBOR for 1 month Sterling deposits (in the case of the first Interest Period, the linear interpolation of 1 month and 2 month Sterling deposits) and 0.70% in the case of the Class A1 Notes, 0.70% in the case of the Class A2 Notes and 0.80% in the case of the Class B Notes. Interest will be payable in Sterling by reference to successive interest accrual periods (each, an "**Interest Period**") monthly in arrear on the 21st 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 Interest Period will commence on the Closing Date and end on the first Payment Date, which will be the Payment Date falling on 21 May 2011 (the "**First Payment Date**"). "**Business Day**" shall mean a day on which commercial banks and foreign exchange markets are open or required to be open for business in New York, London, England and in Dublin, Ireland. "**LIBOR**" shall mean the rate for deposits in Sterling for a period of 1 month (with respect to the first Interest Period the linear interpolation between 1 month and 2 months) which appears on Reuters 3000 page LIBOR01 (or such other page as may replace such page on that service for the purpose of displaying London inter-bank offered rate quotations of major banks) as of 11:00 a.m. (London time) on the first day of such Interest Period (each, a "**LIBOR Determination Date**"), all as determined by the Calculation Agent. If Reuters 3000 Page LIBOR01 is not available or if no such quotation appears thereon, in each case as at such time, the Calculation Agent shall request the principal London office of the Reference Banks selected by it to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for one month deposits in Sterling at approximately 11:00 a.m. (London time) on the relevant LIBOR Determination Date to prime banks in the London inter-bank market for the relevant Interest Period and in an amount that is representative for a single transaction in that market at that time. If two or more of the selected Reference Banks provide the Calculation Agent with such offered quotations, LIBOR for such Interest Period shall be the arithmetic mean of such offered quotations (rounded if necessary to the nearest one thousandth of a percentage point, with 0.000005 being rounded upwards). If on the relevant LIBOR Determination Date fewer than two of the selected Reference Banks provide the Calculation Agent with such offered quotations, LIBOR for such Interest Period shall be the rate per annum which the Calculation Agent determines as being the arithmetic mean (rounded if necessary to the nearest one thousandth of a percentage point, with 0.000005 being rounded upwards) of the rates communicated to (and at the request of) the Calculation Agent by major banks in London, selected by the Calculation Agent, at approximately 11:00 a.m. (London time) on such LIBOR Determination Date for loans in Sterling to leading European banks for such Interest Period and in an amount that is representative for a single transaction in that market at that time. In relation to LIBOR "**Reference Banks**" shall mean four major banks in the London inter-bank market. See "*TERMS AND CONDITIONS OF THE NOTES — Payments of 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. See "*TERMS AND CONDITIONS OF THE NOTES — Redemption*".

The Notes will mature on the Payment Date falling in March 2019 (the "**Legal Maturity Date**"), unless previously redeemed in full. The scheduled maturity date of the Notes is the Payment Date falling in October 2013 (for the Class A Notes) and the Payment Date falling in February 2016 (for the Class B Notes) (in respect of each relevant Class, the "**Scheduled Maturity Date**"). The Notes may be redeemed on any Payment Date falling on or after the Scheduled Maturity Date for the Class A Notes, subject to the exercise by the Seller of the Scheduled Call Option (defined in "*OUTLINE OF THE TRANSACTION – Scheduled Maturity Date*") and the repurchase by the Seller of all outstanding Purchased Receivables and Related Collateral in accordance with the Receivables Sale Agreement, unless previously redeemed in full. The exercise of the Scheduled Call Option will be subject to there being sufficient proceeds from the repurchase of the Purchased Receivables and Related Collateral to redeem the Notes in full and to pay senior expenses of the Issuer. In addition, the Notes will be subject to partial redemption, early redemption and/or optional redemption in whole before the Legal Maturity Date in specific circumstances and subject to certain conditions. See "*TERMS AND CONDITIONS OF THE NOTES — Redemption*".

The Class A Notes are expected, on issue, to be rated AAAsf by Fitch Ratings Limited, or any successor to its credit rating business ("**Fitch**"), AAA (sf) by DBRS, Inc., DBRS Ratings Limited or any successor to its credit rating business ("**DBRS**") and Aaa(sf) by Moody's Investors Service Limited or any successor to its credit rating business ("**Moody's**", and together with Fitch and DBRS, the "**Rating Agencies**"). It is

a condition of the issue of each Class of Notes that the Class A Notes are assigned the ratings indicated in the above table. The Class B Notes will be unrated.

The ratings assigned to the Class A 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 any Class of 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 any Class of Notes or, if it does, what rating would be assigned by such other rating agency. The rating assigned to the Class A Notes by such other rating agency could be lower than the respective ratings assigned by the Rating Agencies.

In this Prospectus, references to "£", "pounds", "pounds sterling", "GBP," "sterling" or "Sterling" are to the lawful currency for the time being of the United Kingdom of Great Britain and Northern Ireland.

Responsibility for the Contents of this Prospectus

The Issuer assumes responsibility for the information contained in this Prospectus except for the section entitled "Article 122a of the Capital Requirements Directive" or as otherwise stated herein. The Issuer 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 herein for which the Issuer is responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.

SC UK accepts responsibility for the section of this Prospectus headed "Article 122a of the Capital Requirements Directive" (but not, for the avoidance of doubt, any information set out in the sections referred to in the section headed "Article 122a of the Capital Requirements Directive"). To the best of the knowledge of SC UK, which has taken all reasonable care to ensure that such is the case, the information in such section is in accordance with the facts and contains no omission 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 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 Trustee, the Seller or the Lead 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.** The Lead Managers make no representation, recommendation 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. The Lead Managers do not 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 Lead Managers.*

No action has been taken by the Issuer or the Lead 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 and the Lead 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 and the Lead Managers to inform themselves about and to observe any such restriction.

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, SOLD OR DELIVERED WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF US PERSONS EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT. EACH OF THE LEAD MANAGERS HAS REPRESENTED AND AGREED THAT IT HAS NOT OFFERED AND SOLD THE NOTES, AND WILL NOT OFFER AND 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 REGULATIONS PROMULGATED UNDER THE SECURITIES ACT. NEITHER THE LEAD MANAGERS, THEIR RESPECTIVE AFFILIATES NOR ANY PERSONS ACTING ON ITS OR THEIR BEHALF HAVE ENGAGED OR WILL ENGAGE IN ANY DIRECTED SELLING EFFORTS WITH RESPECT TO THE 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 NOTES, IT 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 LEAD 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.

EACH OF THE LEAD MANAGERS HAS REPRESENTED, WARRANTED AND UNDERTAKEN 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 THE 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 THE NOTES IN, FROM OR OTHERWISE INVOLVING THE UNITED KINGDOM.

IN THE FOREGOING PARAGRAPH, "**UNITED KINGDOM**" SHALL MEAN THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND.

EACH OF THE LEAD MANAGERS HAS REPRESENTED, WARRANTED AND AGREED THAT (i) IT HAS NOT AND WILL NOT UNDERWRITE THE ISSUE OF OR PLACE OR OTHERWISE ACT IN IRELAND IN RESPECT OF THE NOTES, OTHERWISE THAN IN CONFORMITY WITH THE PROVISIONS OF THE IRISH PROSPECTUS DIRECTIVE (DIRECTIVE 2003/71/EC) REGULATIONS 2005 AND ANY RULES ISSUED UNDER S.51 OF THE IRISH INVESTMENT FUNDS, COMPANIES AND MISCELLANEOUS PROVISIONS ACT 2005 BY THE CENTRAL BANK OF IRELAND; (ii) IT WILL NOT UNDERWRITE THE ISSUE OF, PLACE, SELL, OFFER OR OTHERWISE ACT IN IRELAND IN RESPECT OF THE NOTES, OTHERWISE THAN IN COMPLIANCE WITH THE PROVISIONS OF THE IRISH EUROPEAN COMMUNITIES (MARKETS IN FINANCIAL INSTRUMENTS) REGULATIONS 2007 (S.I. NO. 60 OF 2007) (AS AMENDED) (MiFID) REGULATIONS, INCLUDING, WITHOUT LIMITATION, PARTS 6, 7 AND 12 THEREOF AND ANY CODE OF CONDUCT USED IN CONNECTION THEREWITH AND THE PROVISIONS OF THE INVESTOR COMPENSATION ACT 1998; (iii) IT WILL NOT UNDERWRITE THE ISSUE OF, SELL, PLACE, OFFER OR OTHERWISE ACT IN IRELAND IN RESPECT OF THE NOTES, OTHERWISE THAN IN COMPLIANCE WITH THE PROVISIONS OF THE MARKET ABUSE DIRECTIVE (2003/6/EC) REGULATIONS 2005 AND ANY RULES ISSUED UNDER S.34 IRISH INVESTMENT FUNDS COMPANIES AND MISCELLANEOUS PROVISIONS ACT 2005 BY THE CENTRAL BANK OF IRELAND; AND (v) IT HAS NOT AND WILL NOT UNDERWRITE THE ISSUE OF ANY NOTES IN IRELAND OTHERWISE THAN IN COMPLIANCE WITH THE PROVISIONS OF THE IRISH CENTRAL BANK ACTS 1924-2010 (AS AMENDED) AND ANY CODES OF CONDUCT RULES MADE UNDER SECTION 117(1) OF THE CENTRAL BANK ACT 1989.

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 Lead 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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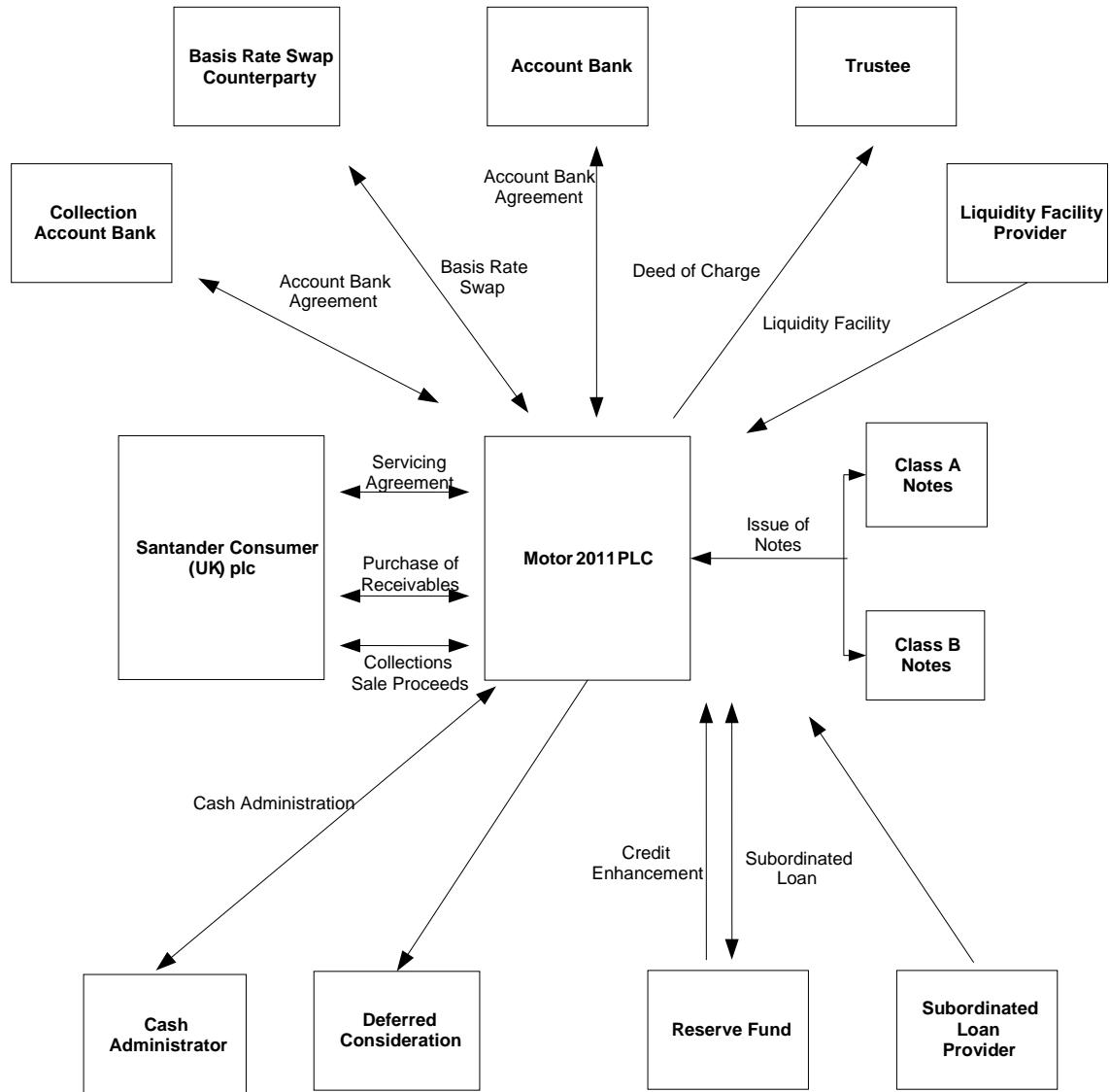
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TRANSACTION STRUCTURE

Diagrammatic Overview

(as of the close of business on the Closing 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.



FULL CAPITAL STRUCTURE OF THE NOTES

	Class A1	Class A2	Class B
Currency	£	£	£
Initial Principal Amount	£499,846,000	£480,000,000	£304,356,426
Credit Enhancement Features	Reserve Fund, excess spread, subordination of the Class B Notes	Reserve Fund, excess spread, subordination of the Class B Notes	Reserve Fund, excess spread
Liquidity Support Features	Reserve Fund, Liquidity Facility	Reserve Fund, Liquidity Facility	Reserve Fund, Liquidity Facility
Issue Price	100%	100%	100%
Interest Rate	1 month LIBOR + Margin	1 month LIBOR + Margin	1 month LIBOR + Margin
Margin	0.70% per annum	0.70% per annum	0.80% per annum
Interest Accrual Method	ACT/365	ACT/365	ACT/365
Calculation Date	The last Business Day of the calendar month immediately preceding each Payment Date	The last Business Day of the calendar month immediately preceding each Payment Date	The last Business Day of the calendar month immediately preceding each Payment Date
Payment Dates	The Business Day falling on or around the 21st day of each month, commencing on the First Payment Date	The Business Day falling on or around the 21st day of each month, commencing on the First Payment Date	The Business Day falling on or around the 21st day of each month, commencing on the First Payment Date
Business Day Convention	Following	Following	Following
First Payment Date	21 May 2011	21 May 2011	21 May 2011
First Interest Period	The period from and including the Closing Date to but excluding the First Payment Date	The period from and including the Closing Date to but excluding the First Payment Date	The period from and including the Closing Date to but excluding the First Payment Date
Pre-Enforcement Redemption Profile	Pass through redemption on each Payment Date to the extent of the Available Distribution Amount, subject to and in accordance with the Pre-Enforcement Priority of Payments. See Condition 7.7 (<i>Pre-Enforcement Priority of Payments</i>)	Pass through redemption on each Payment Date to the extent of the Available Distribution Amount, subject to and in accordance with the Pre-Enforcement Priority of Payments. See Condition 7.7 (<i>Pre-Enforcement Priority of Payments</i>)	Pass through redemption on each Payment Date to the extent of the Available Distribution Amount, subject to and in accordance with the Pre-Enforcement Priority of Payments. See Condition 7.7 (<i>Pre-Enforcement Priority of Payments</i>)

	Class A1	Class A2	Class B
Currency	£	£	£
Post-Enforcement Redemption Profile	Pass through redemption, subject to and in accordance with the Post Enforcement Priority of Payments. See Condition 7.8 (<i>Post-Enforcement Priority of Payments</i>)	Pass through redemption, subject to and in accordance with the Post Enforcement Priority of Payments. See Condition 7.8 (<i>Post-Enforcement Priority of Payments</i>)	Pass through redemption, subject to and in accordance with the Post Enforcement Priority of Payments. See Condition 7.8 (<i>Post-Enforcement Priority of Payments</i>)
Early Redemption (Clean-up Call)	Any Payment Date on which the Aggregate Note Principal Amount Outstanding is less than 10 per cent. of the Aggregate Note Principal Amount Outstanding on the Closing Date and the Seller exercises its option to repurchase the Purchased Receivables in full, which requires the Issuer to redeem the Notes. See Condition 7.4 (<i>Early Redemption</i>)	Any Payment Date on which the Aggregate Note Principal Amount Outstanding is less than 10 per cent. of the Aggregate Note Principal Amount Outstanding on the Closing Date and the Seller exercises its option to repurchase the Purchased Receivables in full, which requires the Issuer to redeem the Notes. See Condition 7.4 (<i>Early Redemption</i>)	Any Payment Date on which the Aggregate Note Principal Amount Outstanding is less than 10 per cent. of the Aggregate Note Principal Amount Outstanding on the Closing Date and the Seller exercises its option to repurchase the Purchased Receivables in full, which requires the Issuer to redeem the Notes. See Condition 7.4 (<i>Early Redemption</i>)
Scheduled Redemption (Scheduled Call)	On any Payment Date falling on or after the Scheduled Maturity Date for the Class A Notes where the Seller exercises its option to repurchase the Purchased Receivables in full, which requires the Issuer to redeem the Notes. See Condition 7.2 (<i>Scheduled Maturity Date</i>)	On any Payment Date falling on or after the Scheduled Maturity Date for the Class A Notes where the Seller exercises its option to repurchase the Purchased Receivables in full, which requires the Issuer to redeem the Notes. See Condition 7.2 (<i>Scheduled Maturity Date</i>)	On any Payment Date falling on or after the Scheduled Maturity Date for the Class A Notes where the Seller exercises its option to repurchase the Purchased Receivables in full, which requires the Issuer to redeem the Notes. See Condition 7.2 (<i>Scheduled Maturity Date</i>)
Other Early Redemption in Full Events	Tax/optional early redemption. Please refer to Condition 7.5 (<i>Optional Redemption for Taxation Reasons</i>)	Tax/optional early redemption. Please refer to Condition 7.5 (<i>Optional Redemption for Taxation Reasons</i>)	Tax/optional early redemption. Please refer to Condition 7.5 (<i>Optional Redemption for Taxation Reasons</i>)
Scheduled Maturity Date	The Payment Date falling in October 2013	The Payment Date falling in October 2013	The Payment Date falling in February 2016
Legal Maturity Date	The Payment Date falling in March 2019	The Payment Date falling in March 2019	The Payment Date falling in March 2019
Form of the Notes	Registered Notes	Registered Notes	Registered Notes
Application for Listing	Irish Stock Exchange	Irish Stock Exchange	Irish Stock Exchange

	Class A1	Class A2	Class B
Currency	£	£	£
ISIN	XS0605545952	N/A	N/A
Common Code	060554595	N/A	N/A
Clearance/ Settlement	Euroclear/ Clearstream, Luxembourg	N/A	N/A
Minimum Denomination	£100,000	£100,000	£100,000
Regulation	Reg S	Reg S	Reg S
Commission	nil	nil	nil

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 summary and the information provided elsewhere in this Prospectus, the latter shall prevail.

THE PARTIES

Issuer	Motor 2011 PLC, a special purpose company incorporated with limited liability under the laws of England and Wales and which has its registered office at Winchester House, Mailstop 428, 1 Great Winchester Street, London EC2N 2DB. See " <i>THE ISSUER</i> ".
Holdings	Motor 2011 Holdings Limited (" Holdings "), a special purpose company incorporated with limited liability under the laws of England and Wales and which has its registered office at Winchester House, Mailstop 428, 1 Great Winchester Street, London EC2N 2DB. See " <i>THE ISSUER</i> ".
Share Trustee	Deutsche International Finance (Ireland) Limited (the " Share Trustee ").
Corporate Administrator	Deutsche Bank AG, London Branch (the " Corporate Administrator "). See " <i>OUTLINE OF THE OTHER PRINCIPAL TRANSACTION DOCUMENTS — Corporate Administration Agreement</i> ".
Seller	SC UK, which has its registered office at 3 Princess Way, Redhill, RH1 1SR, United Kingdom.
Servicer	The Purchased Receivables will be serviced by the Seller (in this capacity, the " Servicer "). See " <i>OUTLINE OF THE OTHER PRINCIPAL TRANSACTION DOCUMENTS — Servicing Agreement</i> ".
Trustee	Deutsche Trustee Company Limited. See " <i>THE TRUSTEE</i> ".

Basis Rate Swap Counterparty	Banco Santander, S.A. (the " Basis Rate Swap Counterparty "), which has its registered office at Paseo de Pereda 9-12, Santander, Spain. See " <i>OUTLINE OF THE OTHER PRINCIPAL TRANSACTION DOCUMENTS — Basis Rate Swap</i> " and " <i>CREDIT STRUCTURE — Basis Rate Swap</i> ".
Subordinated Loan Provider	SC UK (the " Subordinated Loan Provider "). See " <i>OUTLINE OF THE OTHER PRINCIPAL TRANSACTION DOCUMENTS — Subordinated Loan Agreement</i> ".
Liquidity Facility Provider	Santander UK plc (the " Liquidity Facility Provider "), which has its registered office at 2 Triton Square, Regent's Place, London, NW1 3AN. See " <i>OUTLINE OF THE OTHER PRINCIPAL TRANSACTION DOCUMENTS — Liquidity Facility Agreement</i> ".
Account Bank	Deutsche Bank AG, London Branch (the " Account Bank "), appointed pursuant to the agreement so named dated on or about the Closing Date between the Issuer, the Seller, the Cash Administrator, the Account Bank, the Collection Account Bank and the Trustee (the " Account Bank Agreement "). See " <i>THE ISSUER ACCOUNTS</i> ".
Collection Account Bank	Santander UK plc, or such other bank as may be determined by the Seller from time to time (the " Collection Account Bank ").
Lead Managers	Banco Santander, S.A., Lloyds TSB Bank plc and Citibank International plc. See " <i>OUTLINE OF THE OTHER PRINCIPAL TRANSACTION DOCUMENTS — Subscription Agreement</i> ".
Cash Administrator	Deutsche Bank AG, London Branch (the " Cash Administrator "). See " <i>OUTLINE OF THE OTHER PRINCIPAL TRANSACTION DOCUMENTS — Cash Administration Agreement</i> ".
Principal Paying Agent, Agent Bank and Calculation Agent	Deutsche Bank AG, London Branch (the " Principal Paying Agent ", the " Agent Bank " and the " Calculation Agent "). See " <i>OUTLINE OF THE OTHER PRINCIPAL TRANSACTION DOCUMENTS — Paying Agency Agreement</i> ".
Registrar	Deutsche Bank Luxembourg S.A (the " Registrar ").
Listing Agent	Deutsche Bank Luxembourg S.A (the " Listing Agent ").
Rating Agencies	Moody's, Fitch and DBRS.
THE NOTES	
The Transaction	The Seller will sell, transfer and assign the Purchased Receivables, together with the Related Collateral, to the Issuer on or before the Closing Date pursuant to a receivables sale agreement dated on or about the Closing Date and entered into between, among others, the Issuer and the Seller (the " Receivables Sale Agreement "). See " <i>OUTLINE OF THE OTHER PRINCIPAL TRANSACTION DOCUMENTS — Receivables Sale</i> ".

Agreement".

Classes of Notes

The GBP 499,846,000 Class A1 asset backed floating rate notes due on the Payment Date falling in March 2019 (the "**Class A1 Notes**"), the GBP 480,000,000 Class A2 asset backed floating rate notes due on the Payment Date falling in March 2019 (the "**Class A2 Notes**" and, together with the Class A1 Notes, the "**Class A Notes**") and the GBP 304,356,426 Class B asset backed floating rate notes due on the Payment Date falling in March 2019 (the "**Class B Notes**"). See "*TERMS AND CONDITIONS OF THE NOTES*".

Closing Date

21 April 2011.

Form and Denomination

Each of the Class A1 Notes, the Class A2 Notes and the Class B Notes will be represented by a Global Note of the relevant Class, without interest coupons attached. The Class A1 Global Notes will be deposited with a common depositary for Clearstream, Luxembourg and Euroclear and each of the Class A2 Global Note and the Class B Global Note will be deposited with the Class A2 Noteholders and the Class B Noteholder, respectively. The Class A1 Notes will be transferred in book-entry form only. The Notes will be issued in denominations of GBP 100,000 and integral multiples of GBP 1,000. Except in the limited circumstances described herein, Definitive Notes will not be issued in exchange for beneficial interests in a Global Note. See "*TERMS AND CONDITIONS OF THE NOTES — Form and Denomination*".

Status and Priority

The Notes will constitute direct, secured and (subject to Condition 3.2 (*Limited Recourse*) of the terms and conditions of the Notes (the "**Terms and Conditions**")) unconditional obligations of the Issuer. The Class A Notes will rank *pari passu* among themselves in respect of security. Following the delivery of an Enforcement Notice (as defined in Condition 3.8 (*Issuer Event of Default*)), the Class A Notes will rank as set out in the Post-Enforcement Priority of Payments. The Class B Notes will rank *pari passu* among themselves in respect of security. Following the delivery of an Enforcement Notice, the Class B Notes will rank as set out in the Post-Enforcement Priority of Payments, see "*CREDIT STRUCTURE — Post-Enforcement Priority of Payments*" and "*TERMS AND CONDITIONS OF THE NOTES — Status and Priority*".

Prior to the delivery of an Enforcement Notice, the Issuer's obligation to make payments of principal and interest on the Class A Notes and the Class B Notes will rank in accordance with the Pre-Enforcement Priority of Payments.

The Issuer's obligations to make payments of principal and interest on the Class B Notes will be subordinated to the Issuer's obligation to make payments of principal and interest on the Class A Notes (and to certain other payment obligations of the Issuer as set out in the Pre-Enforcement Priority of Payments) in accordance with the

Terms and Conditions, see "*CREDIT STRUCTURE — Pre-Enforcement Priority of Payments*" and "*TERMS AND CONDITIONS OF THE NOTES — Redemption — Pre-Enforcement Priority of Payments*".

Limited Recourse

The Notes will be limited recourse obligations of the Issuer. See "*TERMS AND CONDITIONS OF THE NOTES — Provision of Security; Limited Payment Obligation; Issuer Event of Default*" and "*RISK FACTORS — Liability under the Notes; Limited Recourse*".

Interest

On each Payment Date, interest on each Class A1 Note, Class A2 Note and Class B Note will be payable monthly in arrear by applying LIBOR plus the relevant margin to the Note Principal Amount Outstanding (as defined in Condition 5.2 (*Note Principal Amount*) of the Terms and Conditions) of such Note. With respect to the Class A1 Notes, the margin will be 0.70 per cent. per annum, with respect to the Class A2 Notes, the margin will be 0.70 per cent. per annum and, with respect to the Class B Notes, the margin will be 0.80 per cent. per annum. See "*TERMS AND CONDITIONS OF THE NOTES — Payments of Interest*".

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 Closing Date and ending on (but excluding) the first Payment Date. See "*TERMS AND CONDITIONS OF THE NOTES — Payments of Interest*".

Payment Dates

Payments of principal and interest will be made to the Noteholders on the 21st day of any calendar month, unless such date is not a Business Day, in which case the Payment Date will be the next succeeding Business Day. The First Payment Date will be the Payment Date falling on 21 May 2011.

Legal Maturity Date

Unless previously redeemed as described herein, each Class of Notes will be redeemed on the Payment Date falling in March 2019, subject to the limitations set forth in Condition 3.2 (*Limited Recourse*) of the Terms and Conditions. The Issuer will be under no obligation to make any payment under the Notes in respect of any period after the Legal Maturity Date. See "*TERMS AND CONDITIONS OF THE NOTES — Redemption — Legal Maturity Date*".

Scheduled Maturity Date

The Payment Date falling in October 2013 (in respect of the Class A Notes) and the Payment Date falling in February 2016 (in respect of the Class B Notes). See "*TERMS AND CONDITIONS OF THE NOTES — Redemption — Scheduled Maturity Date*". The Seller will have, subject to certain conditions, an option under the Receivables Sale Agreement to repurchase all outstanding Purchased Receivables (together with any Related Collateral) held by the Issuer on any Payment Date on or after the Scheduled Maturity Date for the Class A Notes (the "**Scheduled Call Option**") and the Issuer shall, upon

due exercise of the Scheduled Call Option, redeem all (but not some only) of the Notes on the relevant Payment Date.

The repurchase price for the outstanding Purchased Receivables and Related Collateral (the "**Repurchase Price**") will be the then Aggregate Asset Amount Outstanding plus accrued finance charges thereon. The exercise of the Scheduled Call Option will be subject to there being sufficient proceeds from the repurchase of the Purchased Receivables and Related Collateral to redeem the Notes in full and to pay senior expenses of the Issuer. See "*TERMS AND CONDITIONS OF THE NOTES — Redemption — Early Redemption*".

Amortisation

On each Payment Date, 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 up to the Class A Target Principal Amount and thereafter the Class B Notes up to the Class B Target Principal Amount.

The "**Class A Target Principal Amount**" means, as of any Payment Date, (i) if no Accelerated Amortisation Event has occurred on the related Calculation Date (or there has been a Waiver of such Accelerated Amortisation Event), the excess (if any) of (a) the Adjusted Aggregate Asset Amount Outstanding as of the Calculation Date immediately preceding such Payment Date over (b) the Aggregate Note Principal Amount Outstanding of the Class B Notes as of the Calculation Date immediately preceding such Payment Date (such excess amount, the "**Regular Class A Target Amount**") or (ii) if an Accelerated Amortisation Event exists on such Calculation Date (and there has not been a Waiver of such Accelerated Amortisation Event), the Regular Class A Target Amount minus an amount equal to the aggregate of (a) the amount (if any) which would be payable on such Payment Date by the Issuer in respect of the Subordinated Loan in the absence of a continuing Accelerated Amortisation Event and (b) the amount (if any) of Deferred Consideration which would be payable to the Seller on such Payment Date in the absence of a continuing Accelerated Amortisation Event.

The "**Class B Target Principal Amount**" means, prior to the date on which all Class A Notes have been redeemed in full, the Aggregate Note Principal Amount Outstanding of the Class B Notes as of the Closing Date, and as of any Payment Date falling on or after the date on which all Class A Notes have been redeemed in full, the Adjusted Aggregate Asset Amount Outstanding as of the Calculation Date immediately preceding such Payment Date (such Calculation Date being, for the avoidance of doubt, the Calculation Date immediately preceding the date on which the Class A Notes have been redeemed in full). See "*TERMS AND CONDITIONS OF THE NOTES — Redemption - Amortisation*".

Clean-up Call

On any Payment Date on which the Aggregate Note Principal Amount Outstanding has been reduced to less than 10 per cent. of the Aggregate Note Principal Amount

Outstanding of the Notes as of the Closing Date, the Seller will have, subject to certain conditions, an option under the Receivables Sale Agreement to repurchase all of the outstanding Purchased Receivables (together with any Related Collateral) held by the Issuer at the Repurchase Price (the "**Clean-up Call**"), and the Issuer shall, upon due exercise of such repurchase option, redeem all (but not some only) of the Notes on the Early Redemption Date. The exercise of the Clean-up Call will be subject to there being sufficient proceeds from the repurchase of the Purchased Receivables and Related Collateral to redeem the Notes in full and to pay senior expenses of the Issuer. See "*TERMS AND CONDITIONS OF THE NOTES — Redemption — Early Redemption*".

**Optional Redemption for
Taxation Reasons**

In the event that the Issuer is required by law to deduct or withhold any 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 Aggregate Note Principal Amount Outstanding, together with accrued interest (if any) to the date (which must be a Payment Date) fixed for redemption. See "*TERMS AND CONDITIONS OF THE NOTES — Redemption — Optional Redemption for Taxation Reasons*".

Taxation

All payments of principal of 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 in any applicable jurisdiction, unless such withholding or deduction is required by law. If any such withholding or deduction is imposed, neither the Issuer, the Principal Paying Agent nor any other person will be obliged to pay any additional or further amounts as a result thereof. See "*TAXATION*".

Resolutions of Noteholders

The Notes will contain provisions pursuant to which the Noteholders may agree by Extraordinary Resolution (as defined in Condition 12(a) (*Meetings of Noteholders, modifications, waiver, substitution and exchange — Meetings of Noteholders*)) (whether by voting at a meeting of Noteholders or by written resolution) to amend the Terms and Conditions. As set out in the Terms and Conditions, Extraordinary Resolutions providing for certain material amendments to the Terms and Conditions will require a majority of not less than 75 per cent. of the votes cast. Resolutions regarding other amendments are passed by a simple majority of the votes cast. See "*TERMS AND CONDITIONS OF THE NOTES — Resolutions of Noteholders*".

Secured Creditors

The Trustee, the Noteholders, the Basis Rate Swap Counterparty, the Seller, the Servicer, the Subordinated Loan Provider, the Account Bank, the Collection Account Bank, the Cash Administrator, the Principal Paying Agent, the Registrar, the Agent Bank, the Calculation Agent, the Corporate Administrator, the Liquidity Facility Provider and any Receiver appointed pursuant to the Deed of Charge will constitute the "**Secured Creditors**".

Security

The obligations of the Issuer under the Notes will be secured by first ranking security interests granted to the Trustee for the benefit of the Noteholders and the other Secured Creditors in respect of (i) the Issuer's claims in respect of the Purchased Receivables and the Related Collateral acquired by the Issuer pursuant to the Receivables Sale Agreement, (ii) the Issuer's claims under the Transaction Documents and (iii) all amounts standing to the credit of the Issuer Accounts, all of which have been assigned and transferred by way of security or charged to the Trustee pursuant to the Deed of Charge (collectively, the "**Security**").

Following the delivery of an Enforcement Notice, the Trustee will enforce or will arrange for the enforcement of the Security and any proceeds obtained from the enforcement of the Security pursuant to the Deed of Charge will be applied exclusively in accordance with the Post-Enforcement Priority of Payments. See "*THE MAIN PROVISIONS OF THE DEED OF CHARGE — Post-Enforcement Priority of Payments*".

The Portfolio: Purchased Receivables and Related Collateral

The Portfolio underlying the Notes consists of payment obligations arising under the Underlying Agreements entered into between the Seller and the Customers for the purpose of financing the acquisition of the Financed Vehicles and which were originated by the Seller in its ordinary course of business. The Aggregate Asset Amount Outstanding as of the beginning of business on 1 April 2011 (the date from which such payment obligations were initially determined) was GBP 1,284,202,426, where "**Aggregate Asset Amount Outstanding**" means in respect of all Purchased Receivables at any time, the aggregate of the Asset Amount Outstanding of all Purchased Receivables which, as of such time, are not Defaulted Receivables, where "**Asset Amount Outstanding**" means, with respect to any Purchased Receivable at any time, the outstanding balance (the "**Principal Amount**") which is scheduled to become due on or after the Cut-Off Date less the amount of the principal portion of the Collections received by the Issuer and applied to the Principal Amount of such Purchased Receivable in accordance with the Underlying Agreement, provided that Collections shall not be treated as received by the Issuer until credited to the Sterling Account. See "*DESCRIPTION OF THE PORTFOLIO*".

Except in respect of Fixed-Sum Loan Agreements, title to the Financed Vehicles will remain with the Seller until it is transferred to the relevant Customers in accordance with the relevant Underlying Agreements or sold by the Servicer following repossession of the Financed Vehicles from the relevant Customer. Under the Vehicle Proceeds Declaration of Trust, the Seller will hold on trust for the Issuer any VAT-exclusive proceeds of sale of Financed Vehicles.

The Purchased Receivables, together with the Related Collateral, will be sold and assigned to the Issuer on or about the Closing Date pursuant to the Receivables Sale Agreement. The "**Related Collateral**" means with respect

to any Purchased Receivable:

- (a) any and all other present and future claims and rights in respect of the relevant Underlying Agreement, including, without limitation, (i) amounts (if any) received by the Seller arising from claims by a Customer against the relevant insurer under any Insurance Agreement entered into by the Customer in connection with the relevant specified Financed Vehicles or the financing of their acquisition by the relevant Customer and (ii) amounts received by the Seller arising from damage compensation claims based on contracts or torts against the respective Customers or against third parties (including insurers) due to damage to, or loss of, the Financed Vehicles;
- (b) any sureties, guarantees, and any and all present and future rights and claims or arrangements from time to time supporting or securing payment of such Purchased Receivable whether pursuant to the Underlying Agreement relating to such Purchased Receivable or otherwise;
- (c) all Records relating to the Purchased Receivables and/or the Related Collateral under items (a), (b) and (d); and
- (d) any claims to receive proceeds which arise from the disposal of, or recourse to, the Related Collateral, **provided that** any costs incurred by the Seller or (if different) the Servicer in connection with such disposal or recourse and any amounts which are due to the relevant Customer in accordance with the relevant Underlying Agreement shall be deducted from such proceeds,

and, for the avoidance of doubt, any rights or benefits specified in items (a) to (d) above shall only constitute Related Collateral if and when the Seller is entitled to transfer such rights or benefits.

In respect of the definition of Related Collateral, "**Insurance Agreement**" means any insurance agreement entered into by the relevant Customer as insurance policy holder in connection with the financing of the acquisition of a Financed Vehicle where the relevant Customer is the insured person.

See "*OUTLINE OF THE OTHER TRANSACTION DOCUMENTS — Receivables Sale Agreement*".

Servicing of the Portfolio

The Purchased Receivables and the Related Collateral will be serviced by the Seller in its capacity as Servicer under a servicing agreement (the "**Servicing Agreement**") dated on or about the Closing Date, and, upon termination of the appointment of the Servicer following receipt of a notice from the Issuer in relation to the occurrence of a Servicer Termination Event, by a substitute servicer appointed by the Issuer with the consent of the Trustee. Under the

Servicing Agreement, the Issuer will pay to the Servicer a servicing fee of 0.75 per cent. per annum of the Aggregate Asset Amount Outstanding on the relevant Calculation Date (inclusive of VAT (if any)). See "*OUTLINE OF THE OTHER PRINCIPAL TRANSACTION DOCUMENTS – Servicing Agreement*" and "*CREDIT AND COLLECTION POLICY*".

Upon the occurrence of a change of control of the Servicer (so long as it is SC UK), or the unsecured, unsubordinated debt obligations of Santander UK plc (so long as it is the parent company of the Servicer), cease to have long-term ratings of at least Baa2 by Moody's, BBB by DBRS (to the extent rated by DBRS) and BBB by Fitch, Banco Santander S.A. will undertake in the Servicing Agreement to act as a back-up servicer facilitator (a "**Back-up Servicer Facilitator**"), which will require it to (i) select a bank or financial institution 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, (ii) review the information provided to it by the Servicer under the Servicing Agreement, (iii) enter into appropriate data confidentiality provisions and (iv) notify the Servicer if it requires further assistance.

For these purposes, "**control**" means the power, direct or indirect (A) to vote more than 50 per cent. of the securities having ordinary voting power for the election of directors of the Servicer, or (B) to direct or cause the direction of the management and policies of the Servicer whether by contract or otherwise (provided that assumption of control by an Affiliate of SC UK shall not constitute a change of control provided that such Affiliate and its immediate parent have long-term ratings of at least Baa2 by Moody's, BBB by DBRS (to the extent rated by DBRS) and BBB by Fitch).

Upon the occurrence of an Insolvency Event with respect to the Seller and where requested by an Insolvency Official of the Seller, the Servicer will negotiate the variable component of the Administrator Incentive Recovery Fee with the Seller's Insolvency Official with a view to maximising recoveries where the Seller's Insolvency Official disposes of, arranges for the disposal of or otherwise assists with the disposal of the relevant Financed Vehicles. See "*Outline of the Other Principal Transaction Documents – Servicing Agreement*" for more information.

Collections

Payments by Customers with respect to any Purchased Receivable and any Related Collateral, all cash collections, Net Sale Proceeds, finance charges, interest, late payment or similar charges and other cash proceeds received by the Seller of such Purchased Receivable or other amounts received or recovered in respect thereof (but excluding any Guaranteed Future Value Payments, Pre-Closing Interest Amounts and any Excess Recoveries Amounts), including, without limitation, all assigned proceeds received by the Seller from insurance policies relating to the Financed Vehicles or otherwise entered into

in connection with the financing of the acquisition of the Financed Vehicles, all cash proceeds received by the Seller of any Related Collateral, any proceeds from the repurchase by the Seller of any Purchased Receivables (together with the relevant Related Collateral) received by the Issuer under the Receivables Sale Agreement and any other amounts which the Seller or the Servicer has the obligation to pay to the Issuer under and in accordance with the Transaction Documents ("**Collections**") will be paid into accounts in the name of the Seller at Santander UK plc, with bank account numbers 90004027, 90004073, 90004049, 90004038 and 90004084 and bank sort code 09-00-92, and accounts in the name of the Seller at the Royal Bank of Scotland, with bank account numbers 39028763 and 39028771 and bank sort code 54-30-36 (the "**Seller Accounts**"). The Collections will be transferred within one Business Day following receipt by the Seller in the Seller Accounts to a bank account held in the name of the Issuer with bank account number 90022169 and sort code 09-02-40 at the Collection Account Bank, to which monies from the Seller Accounts are paid as well as any other bank account specified as such by or on behalf of the Issuer with the consent of the Trustee in the future in addition to or as substitute for such collection account (the "**Collection Account**"). On the Business Day before each Payment Date the Cash Administrator will transfer certain amounts standing to the credit of the Collection Account into a sterling account maintained by the Account Bank in the name of the Issuer with bank account number 0123350000 GBP 000 CTA and IBAN GB82DEUT40508112335001 and designated the "**Sterling Account**". Subject to the Pre-Enforcement Priority of Payments, the Collections received on the Portfolio will be available for the payment of interest and principal on the Notes. For these purposes "**Pre-Closing Interest Amounts**" means any amounts received by the Issuer in respect of the Purchased Receivables in the Portfolio after the Closing Date in respect of arrears accrued prior to the 1 April 2011, other than any arrears which have been capitalised as at 1 April 2011 and, "**Excess Recoveries Amount**" means an amount equal to any amount received by the Issuer which is in excess of the aggregate of amounts due from a Customer in respect of a Purchased Receivable (including related fees and costs associated with any recoveries) either as a result of any indemnity amounts received from any Dealer in respect of an Underlying Agreement, insurance providers or other third parties or following a Purchased Receivable becoming a Defaulted Receivable which has been repurchased by the Seller pursuant to the Receivables Sale Agreement (including, but not limited to the sale of any Financed Vehicles).

Seller Accounts Declaration of Trust

The Seller will declare a trust over the aggregate amount standing to the credit of the Seller Accounts in favour of the Issuer and itself pursuant to a seller accounts declaration of trust (the "**Seller Accounts Declaration of Trust**") and the Issuer will be a beneficiary of such trust to the extent that such amounts credited to the Seller Accounts relate to the Purchased Receivables or the

Related Collateral.

Seller Asset Warranties

Under the Receivables Sale Agreement the Seller will make certain representations and warranties to the Issuer with respect to the Purchased Receivables on the Purchase Date (see "*OUTLINE OF THE OTHER PRINCIPAL TRANSACTION DOCUMENTS - Receivables Sale Agreement - Seller Asset Warranties*").

Any matter or circumstance which is a breach of a Seller Asset Warranty will be deemed to be a "**Seller Asset Warranty Breach**" if it materially and adversely affects the Issuer's interest in the affected Purchased Receivable (without regard to credit enhancement, if any) or the Collectability of such Purchased Receivables and if such matter or circumstance is capable of remedy and has not been remedied with 30 Business Days of the Seller becoming actually aware, or being notified, of the occurrence of such Seller Asset Warranty Breach, where "**Collectability**" means, in respect of a Purchased Receivable (other than in respect of a Customer's ability or willingness to pay (unless such affected Purchased Receivable did not comply with the Eligibility Criteria as of the Cut-Off Date)), the ability to collect or the amount collected or the timing of collecting in respect of such Purchased Receivable.

If a Seller Asset Warranty Breach occurs, pursuant to the Receivables Sale Agreement the Seller will be obliged to repurchase the affected Purchased Receivables and Related Collateral at a repurchase price equal to the aggregate of:

- (a) the Asset Amount Outstanding in respect of such Purchased Receivables;
- (b) an amount equal to all other amounts due from the relevant Customers in respect of the relevant Purchased Receivables as at the date of the repurchase;
- (c) unpaid interest or finance charges accrued but not yet due and payable in respect of the relevant Purchased Receivables as at the date of the repurchase; and
- (d) an amount equal to the reasonable costs incurred by the Issuer in relation to such repurchase,

after deducting an amount equal to any interest or finance charges not yet accrued but paid in advance to the Issuer in respect of such Purchased Receivables.

If the relevant Receivable does not exist, the Seller will not be obliged to repurchase the relevant Receivable(s), but will be required to indemnify the Issuer in an amount, as calculated by the Servicer, equal to any loss suffered by the Issuer resulting directly from such breach of representation and warranty by the Seller.

Defaulted Receivables

Pursuant to the Receivables Sale Agreement, the Seller

may from time to time repurchase from the Issuer any Purchased Receivable which has either been written off by the Servicer in accordance with the credit and collection policies and practices (the "**Credit and Collection Policy**") as applied by the Seller and/or the Servicer (excluding, for the avoidance of doubt, a Purchased Receivable which is written off as a result of Voluntary Termination by the relevant Customer, where "**Voluntary Termination**" means the exercise by the relevant Customer of a statutory right to voluntarily terminate the related Underlying Agreement by written notice, provided that such Underlying Agreement has not been (i) previously terminated by SC UK or by payment in full or otherwise (in respect of certain Conditional Sale Agreements and PCP Agreements), in accordance with the relevant Underlying Agreement or which is (ii) included in the 6 or more Instalments overdue bracket in any "**Monthly Report**" (being any monthly report in the form (based on a Microsoft Office template) as set out in a schedule to the Servicing Agreement or otherwise agreed between the Seller, the Servicer (if different) and the Issuer, which shall be prepared by the Servicer with respect to each Collection Period and delivered to the Issuer with a copy to the Cash Administrator, the Trustee, the Back-up Servicer Facilitator and, where the Servicer is not SC UK, the Seller at the latest 7 Business Days prior to each Payment Date) for the Collection Period ending on or immediately preceding such date (the "**Defaulted Receivable(s)**"). "**Instalment**" means the monthly obligation of a Customer to pay any principal, interest, finance charges and any fees, costs, prepayment penalties (if any), and default interest owed under any relevant Underlying Agreement and any Related Collateral, but shall exclude any Guaranteed Future Value Payments, Pre-Closing Interest Amounts and any Excess Recoveries Amount payable under an Underlying Agreement.

The repurchase price for the repurchase of the Defaulted Receivables identified in the Repurchase Notice (the "**Defaulted Receivable Repurchase Price**") shall be an amount equal to the Face Amount of such Purchased Receivables of each particular Debt Type multiplied by the Relevant Multiplier, and such amount shall be set out in the relevant Repurchase Notice, where "**Face Amount**" means, in relation to a Purchased Receivable, the Asset Amount Outstanding of such Purchased Receivable plus any interest accrued as of the relevant Calculation Date (after the application of any applicable rebate of insurance premium financed on the Underlying Agreement and the application of applicable rebate of interest due to the relevant Customer pursuant to the Consumer Credit (Early Settlement) Regulations 2004 as amended from time to time) but including any costs and fees relating to trace agents, cash collection agents, vehicle log book replacement, the cost of collection of the Financed Vehicle and damage repair charges or personal contract plans (including excess mileage charges) in all cases where applicable where such costs, fees or charges have been notified to the relevant Customer in accordance with the Consumer Credit Act 1974, as amended, supplemented or

varied from time to time (the "CCA"). For definitions of "Debt Type" and "Relevant Multiplier" and for additional information see the section entitled "*Outline of the Other Principal Transaction Documents – Receivables Sale Agreement*".

In the event that the Seller takes possession of a Financed Vehicle in accordance with an Underlying Agreement related to a PCP Agreement, the proceeds recovered in respect of such Financed Vehicle will be applied first towards any amounts outstanding under the Underlying Agreement other than in respect of any Guaranteed Future Value Payment, and then towards any Guaranteed Future Value Payments then outstanding.

On 6 May 2010, the Seller entered into a forward flow debt sale contract with an external collection agency. Under this forward flow debt sale contract, the Seller may at its option, and subject to certain eligibility criteria, sell all or some Defaulted Receivables from time to time to the collection agency that will then continue collection activities in respect of such Defaulted Receivables. The Seller will receive an aggregate purchase amount with respect to Purchased Receivables repurchased from the Issuer and sold to the collection agency on an ongoing periodic basis.

Reserve Fund

The Notes will have the benefit of a reserve fund which will provide limited protection against shortfalls in the amounts required to pay senior expenses in accordance with the relevant Priority of Payments (defined in Condition 15 (*Definitions*)), interest and principal on the Notes (the "**Reserve Fund**"). See "*CREDIT STRUCTURE – Reserve Fund*" and "*RISK FACTORS – Limited Availability of the Reserve Fund*". The Reserve Fund will be maintained as a ledger to the Collection Account. Prior to the delivery of an Enforcement Notice, to the extent the amounts standing to the credit of the Reserve Fund have been applied to meet the payment obligations of the Issuer in accordance with Condition 7.1 (*Amortisation*) of the Terms and Conditions and the Pre-Enforcement Priority of Payments, the Reserve Fund will be replenished on each Payment Date up to the Required Reserve Amount in accordance with the Pre-Enforcement Priority of Payments. See "*TERMS AND CONDITIONS OF THE NOTES – Redemption – Pre-Enforcement Priority of Payments*" and "*CREDIT STRUCTURE – Pre-Enforcement Priority of Payments*".

To the extent that the Required Reserve Amount for the Notes is lower than the amount credited to the Reserve Fund at any time prior to the delivery of an Enforcement Notice, the difference between the Required Reserve Amount for the Notes and the actual amount standing to the credit of the Reserve Fund will be used to meet certain other payment obligations of the Issuer in accordance with the Pre-Enforcement Priority of Payments, including (without limitation) to repay the Subordinated Loan.

Required Reserve Amount

Pursuant to the Terms and Conditions of the Notes, the Required Reserve Amount will be equal to (a) on the

Closing Date and as of any Calculation Date prior to (but excluding) the Amortisation Threshold Date, an amount equal to the Reserve Percentage of the Aggregate Note Principal Amount Outstanding on the Closing Date, (b) on the Calculation Date falling on the Amortisation Threshold Date and any Calculation Date following the Amortisation Threshold Date, (i) an amount equal to 2 times the Reserve Percentage of the Aggregate Note Principal Amount Outstanding after payment of any Class A Notes Principal and any Class B Notes Principal in accordance with the Pre-Enforcement Priority of Payments on the Payment Date immediately following the relevant Calculation Date or (ii) if, in determining the Required Reserve Amount pursuant to (b)(i) above, a Reserve Shortfall were to occur on the Payment Date immediately following such Calculation Date or had occurred on any Payment Date preceding such Calculation Date, an amount equal to 2 times the Reserve Percentage of the Aggregate Note Principal Amount Outstanding as of the Calculation Date immediately preceding the first Payment Date upon which a Reserve Shortfall would occur or would have occurred in determining the Required Reserve Amount pursuant to (b)(i) above, **provided that**, in each of (b)(i) and (ii), the Required Reserve Amount will not be less than GBP 7,000,000 and (c) on the Calculation Date prior to the immediately following Payment Date on which the Aggregate Note Principal Amount Outstanding will equal zero after payment of any Class A Notes Principal and any Class B Notes Principal in accordance with the Pre-Enforcement Priority of Payments, an amount equal to zero. "**Amortisation Threshold Date**" will mean the first Calculation Date as of which the Aggregate Note Principal Amount Outstanding is less than 50 per cent. of the Aggregate Note Principal Amount Outstanding on the Closing Date. "**Reserve Shortfall**" shall occur if the credit standing to the Reserve Fund as of any Payment Date, after crediting the Reserve Fund in accordance with the *twelfth* item of the Pre-Enforcement Priority of Payments, falls short of the Required Reserve Amount as of the Calculation Date immediately preceding such Payment Date. "**Reserve Percentage**" shall mean 3 per cent. See "**CERTAIN DEFINITIONS — Required Reserve Amount**".

Issuer's Sources of Income

The following amounts will be used by the Issuer to pay interest on and principal of the Notes and to pay any amounts due to the other creditors of the Issuer: (i) all payments received by the Issuer under or with respect to the Purchased Receivables and the Related Collateral pursuant to the Receivables Sale Agreement and/or the Servicing Agreement, (ii) all amounts received by the Issuer under the Basis Rate Swap, (iii) (in respect of interest due under the Class A Notes and items *first* to *fourth* and *sixth* of the Pre-Enforcement Priority of Payments and items *first* to *fourth* and *sixth* of the Post-Enforcement Priority of Payments) amounts received by the Issuer under the Liquidity Facility Agreement; (iv) all amounts of interest earned on the Collection Account and the Sterling Account (the "**Issuer Accounts**"), (v) all amounts standing to the credit of the Collection Account which represent amounts standing to the credit of the

Reserve Fund, and (vi) all other amounts which constitute the Available Distribution Amount and which are not referred to in (i) to (v) above.

Available Distribution Amount

"**Available Distribution Amount**" shall mean, with respect to any Calculation Date and the Collection Period ending on such Calculation Date, an amount calculated by the Servicer pursuant to the Servicing Agreement as of such Calculation Date and notified to the Issuer, the Cash Administrator and the Trustee not later than the seventh Business Day preceding the Payment Date following such Calculation Date (or, if the Servicer fails to calculate such amount, the amount calculated by the Cash Administrator with respect to such Calculation Date on the basis of the information available to the Cash Administrator at that time (for the avoidance of doubt, the Cash Administrator will not be obliged to request such information from any party to the Transaction Documents (other than the Principal Paying Agent and the Calculation Agent as long as the Cash Administrator, the Principal Paying Agent and the Calculation Agent are the same entity) or any other third party) and notified to the Issuer and the Trustee not later than on the fourth Business Day preceding the Payment Date following such Calculation Date), as the sum of (without double counting):

- (a) the amounts standing to the credit of the Reserve Fund as of such Calculation Date;
- (b) any Collections (excluding, for the avoidance of doubt, any Guaranteed Future Value Payments, Pre-Closing Interest Amounts, any Excess Recoveries Amounts, and any amounts received by the Issuer but held on trust for the benefit of the Seller in accordance with the Receivables Sale Agreement) received by the Issuer during the Collection Period ending on such Calculation Date;
- (c) any amount payable by the Basis Rate Swap Counterparty to the Issuer under the Basis Rate Swap on or before and with respect to the Payment Date immediately following such Calculation Date (excluding, for the avoidance of doubt, any collateral posted by the Basis Rate Swap Counterparty under any Credit Support Annex and any interest thereon, but including any proceeds from such collateral applied in satisfaction of payments due to the Issuer in accordance with the Basis Rate Swap and upon termination of the Basis Rate Swap, including any proceeds from such collateral);
- (d) (in respect of interest due under the Class A Notes and items *first* to *fourth* and *sixth* of the Pre-Enforcement Priority of Payments and items *first* to *fourth* and *sixth* of the Post-Enforcement Priority of Payments) any amount paid by the Liquidity Facility Provider to the Issuer on or before and with respect to the Payment Date immediately following such Calculation Date

(excluding, for the avoidance of doubt any cash collateral posted by the Liquidity Facility Provider and any interest thereon or any Standby Drawing made by the Issuer and any interest thereon, but including any proceeds from such cash collateral or Standby Drawing applied in satisfaction of payments due to the Issuer in accordance with the Liquidity Facility Agreement);

- (e) (i)(A) any default interest on unpaid sums due and paid 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 Sale Agreement and (ii) any default interest and indemnities paid by the Servicer to the Issuer pursuant to the Servicing Agreement, 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 Sale 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 collected during such Collection Period;
- (g) any amounts to which the Issuer is entitled and paid under the Vehicle Proceeds Declaration of Trust;
- (h) any amounts earned (if any) in respect of any Authorised Investments; and
- (i) any interest earned (if any) on the Issuer Accounts during such Collection Period.

Pre-Enforcement Priority of Payments

On each Payment Date prior to the delivery of an Enforcement Notice except in the case of a redemption of the Notes in full pursuant to Condition 7.2 (*Scheduled Maturity Date*), Condition 7.3 (*Legal Maturity Date*), Condition 7.4 (*Early Redemption*) or Condition 7.5 (*Optional Redemption for Taxation Reasons*), the Available Distribution Amount as of the Calculation Date immediately preceding such Payment Date will be applied in accordance with the following order of priorities:

first, to retain a reserved profit of the Issuer of GBP 2,500 on each of the first eight Payment Dates and GBP 100 on each subsequent Payment Date (which the Issuer may apply to pay any corporation tax due thereon);

second, to pay *pari passu* and *pro rata* any fees, costs, expenses, indemnities and other amounts due and payable to the Trustee under the Transaction Documents;

third, to pay *pari passu* and *pro rata* any fees, costs, expenses, indemnities and other amounts due and payable

to the Cash Administrator under the Cash Administration Agreement, to the Collection Account Bank and the Account Bank under the Account Bank Agreement, to the Principal Paying Agent, the Registrar, the Agent Bank and the Calculation Agent under the Paying Agency Agreement, to the Corporate Administrator under the Corporate Administration Agreement, any other Third Party Expenses due and payable by the Issuer in connection with the establishment or corporate administration of the Issuer or in relation to any annual return, filing, registration and registered office or licence, and to the Insolvency Official of the Seller following an Insolvency Event of the Seller, the Administrator Incentive Recovery Fee under the Servicing Agreement (if any);

fourth, to pay *pari passu* and *pro rata* any fees, out of pocket costs, expenses and other amounts due and payable to the Servicer under the Servicing Agreement, and any amounts due and payable to any substitute 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 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;

fifth, to pay any amounts due and payable by the Issuer to the Seller under the Receivables Sale Agreement in respect of any required return in whole or in part of a direct debit (to the extent such returns do not reduce the Collections for the Collection Period ending on such Calculation Date);

sixth, to pay any amount due and payable to the Basis Rate Swap Counterparty under the Basis Rate Swap, other than any termination payment (as determined pursuant to the Basis Rate Swap) due and payable to the Basis Rate Swap Counterparty, if an event of default has occurred under the Basis Rate Swap with respect to the Basis Rate Swap Counterparty;

seventh, to pay first, any accrued commitment fees, then interest and then principal and any other amounts due and payable under the Liquidity Facility Agreement in respect of outstanding drawings (including any standby drawings) with respect to any previous Payment Date;

eighth, to pay Class A Notes Interest due and payable on such Payment Date *pro rata* on each Class A Note;

ninth, to pay Class A Notes Principal as of such Calculation Date, *pro rata* on each Class A Note, but only until the Aggregate Note Principal Amount Outstanding of the Class A Notes following such payment is equal to the Class A Target Principal Amount;

tenth, to pay Class B Notes Interest due and payable on

such Payment Date *pro rata* on each Class B Note;

eleventh, to pay Class B Notes Principal due and payable on such Payment Date *pro rata* on each Class B Note, but only until the Aggregate Note Principal Amount Outstanding of the Class B Notes following such payment is equal to the Class B Target Principal Amount;

twelfth, to credit to the Reserve Fund with effect as from such Payment Date up to the amount of the Required Reserve Amount as of such Calculation Date;

thirteenth, to pay (except where an Accelerated Amortisation Event has occurred and there has not been a Waiver of such Accelerated Amortisation Event) first, interest (including accrued interest) due and payable under the Subordinated Loan Agreement and thereafter, outstanding principal under the Subordinated Loan Agreement;

fourteenth, to pay any termination payment due and payable to the Basis Rate Swap Counterparty under the Basis Rate Swap if an event of default has occurred under the Basis Rate Swap with respect to the Basis Rate Swap Counterparty; and

fifteenth, to pay (except where an Accelerated Amortisation Event has occurred and there has not been a Waiver of such Accelerated Amortisation Event) any amounts relating to the Deferred Consideration to the Seller in accordance with the Receivables Sale Agreement.

Termination Event

A "**Termination Event**" occurs when

- (1) the Seller fails to make a payment due under the Receivables Sale Agreement at the latest on the fifth Business Day after its due date, or, in the event no due date has been determined, if payable, within 5 Business Days after the written demand for payment;
- (2) the Seller fails within 5 Business Days to perform any of its obligations (other than those referred to in (1) above) owed to the Issuer under or pursuant to the Receivables Sale Agreement after its due date, or, in the event no due date has been determined, if performance is due, within 5 Business Days after the written demand for performance and such failure would have, in the opinion of the Trustee, a Material Adverse Effect on the Collectability of the Purchased Receivables or on the Issuer's ability to perform its obligations; or
- (3) the Seller is unable to pay its debts when they fall due, becomes insolvent or the Seller is wound up or an order is made or an effective resolution is passed for the winding-up of the Seller or the Seller initiates or consents or otherwise becomes subject to liquidation, examinership, insolvency, reorganisation, or similar proceedings under any

applicable law, and the Seller fails to remedy such status within 30 Business Days.

Issuer Event of Default

An "**Issuer Event of Default**" shall occur when:

- (i) the Issuer is deemed unable to pay its debts within the meaning of Section 123(1)(b), (c) or (d) of the Insolvency Act 1986 (as that section may be amended) or becomes unable to pay its debts as they fall due or the Issuer is wound up (except for a voluntary winding up by its shareholders) or an order is made or an effective resolution is passed for the winding up of the Issuer or the Issuer initiates or consents or otherwise becomes subject to liquidation, examinership, insolvency, reorganisation or similar proceedings under any applicable law; or
- (ii) the Issuer (i) defaults on the payment of any interest due on the Notes of the Controlling Class when the same becomes due and payable on each Payment Date and such default continues for a period of five Business Days or more, (ii) defaults on the payment of any principal due in respect of the Notes of the Controlling Class when the same becomes due and payable and such default continues for a period of five calendar days or more, provided that such a failure to pay principal on the Class B Notes or, prior to the Legal Maturity Date, on the Class A Notes, will only constitute an Issuer Event of Default if the Available Distribution Amount as of the immediately preceding Calculation Date would have been sufficient to pay such amounts in full accordance with the applicable Priority of Payments;
- (iii) the Issuer fails to perform or comply with any one or more of its other obligations (other than a failure to perform or comply with obligations which failure, in the opinion of the Trustee, is not materially prejudicial to the interests of the Noteholders) and (except where such failure is not capable of remedy when no such notice as is hereinafter referred to will be required) such failure continues for more than 30 calendar days (or such longer period as the Trustee at the direction of the Controlling Class (acting by Extraordinary Resolution) may permit) following the service by the Trustee on the Issuer of notice requiring the same to be remedied (the "**Remedy Notice**"); or
- (iv) a distress, execution, diligence, attachment or other legal process is levied or enforced upon or sued out against all or any substantial part of the assets of the Issuer and is, in the opinion of the Trustee, materially prejudicial to the interests of the Noteholders, and is not discharged or does not otherwise cease to apply within 30 calendar days of being levied, enforced or sued out or legal

proceedings are commenced for any of the aforesaid, or the Issuer makes a conveyance, assignation, trust or assignment for the benefit of its creditors generally.

In respect of an Issuer Event of Default under limb (iii) above, the Trustee shall assume without liability therefor, that where such failure is capable of remedy, the applicable remedy period will be within 30 calendar days following the Remedy Notice, unless the Controlling Class have directed the Trustee (by means of an Extraordinary Resolution) of any longer remedy period within such 30 calendar days.

Post-Enforcement Priority of Payments

Either (i) following the delivery of an Enforcement Notice and prior to the full discharge of all Secured Obligations or (ii) in the case of a redemption of the Notes in full pursuant to Condition 7.2 (*Scheduled Maturity Date*), Condition 7.3 (*Legal Maturity Date*), Condition 7.4 (*Early Redemption*) or Condition 7.5 (*Optional Redemption for Taxation Reasons*), any credit (other than (i) any collateral posted by the Basis Rate Swap Counterparty under any Credit Support Annex and any interest thereon and (ii) any cash collateral posted by the Liquidity Facility Provider by means of a Standby Drawing and (in each case) interest thereon, except where available to be applied by the Issuer under the terms of the Liquidity Facility Agreement) on the Issuer Accounts shall be applied on subsequent Payment Dates in the following order towards fulfilling the payment obligations of the Issuer, in each case only to the extent that payments due and payable on the relevant Payment Date of a higher priority have been made in full:

first to pay any fees, costs, expenses, indemnities and other amounts due and payable to the Trustee under the Transaction Documents and any receiver, manager, receiver and manager or administrative receiver appointed in respect of the Issuer in accordance with the Deed of Charge;

second, to pay *pari passu* and *pro rata* any fees, out of pocket costs, expenses and other amounts due and payable to the Servicer under the Servicing Agreement, and any such amounts due to any substitute 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 Sale 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;

third, to pay *pari passu* and *pro rata* any fees, costs, expenses, indemnities and other amounts due and payable to the Corporate Administrator under the Corporate Administration Agreement, to the Collection Account Bank and the Account Bank under the Account Bank Agreement, to the Principal Paying Agent, the Registrar, the Agent Bank and the Calculation Agent under the Paying Agency Agreement, to the Cash Administrator

under the Cash Administration Agreement, and any other amounts due by the Issuer in connection with the liquidation or dissolution of the Issuer and to the Insolvency Official of the Seller, under the Servicing Agreement following an Insolvency Event of the Seller, the Administrator Incentive Recovery Fee (if any);

fourth, to pay any amount due and payable to the Basis Rate Swap Counterparty under the Basis Rate Swap, other than any termination payment (as determined pursuant to the Basis Rate Swap) due to the Basis Rate Swap Counterparty if an event of default has occurred under the Basis Rate Swap with respect to the Basis Rate Swap Counterparty;

fifth, to pay first, any accrued commitment fees, then interest and then principal and any other amounts due and payable under the Liquidity Facility Agreement in respect of outstanding drawings (including any standby drawings) with respect to any previous Payment Date (or, on the final Payment Date on which the Post-Enforcement Priority of Payments is applied, in respect of any outstanding drawings);

sixth, to pay Class A Notes Interest due and payable on such Payment Date, *pro rata* on each Class A Note;

seventh, to pay any Class A Notes Principal as of such Payment Date, *pro rata* on each Class A Note;

eighth, to pay Class B Notes Interest due and payable on such Payment Date, *pro rata* on each Class B Note;

ninth, to pay any Class B Notes Principal as of such Payment Date, *pro rata* on each Class B Note;

tenth, to pay interest (including accrued interest) due and payable under the Subordinated Loan Agreement;

eleventh, to repay outstanding principal due and payable under the Subordinated Loan Agreement;

twelfth, to pay any termination payment due and payable to the Basis Rate Swap Counterparty under the Basis Rate Swap if an event of default has occurred under the Basis Rate Swap with respect to the Basis Rate Swap Counterparty;

thirteenth, to retain a reserved profit of the Issuer of GBP 2,500 on each of the first eight Payment Dates and GBP 100 on each subsequent Payment Date (which the Issuer may, in each case, apply to pay any corporation tax due thereon); and

fourteenth, to pay any remaining amounts to the Seller as Deferred Consideration in accordance with the Receivables Sale Agreement.

Basis Rate Swap

The Issuer will enter into a swap agreement dated on or about the Closing Date (the "**Basis Rate Swap**") with the Basis Rate Swap Counterparty under which it will swap the aggregate amount of interest and/or finance charges

received by it with respect to the Purchased Receivables which are not Defaulted Receivables in a relevant Calculation Period against payment by the Basis Rate Swap Counterparty of LIBOR (plus a margin) multiplied by the Aggregate Asset Amount Outstanding of all Purchased Receivables which are not Defaulted Receivables in that relevant Calculation Period. See "*OUTLINE OF THE OTHER PRINCIPAL TRANSACTION DOCUMENTS — Basis Rate Swap*".

Liquidity Facility

For the period from the Closing Date until the earlier of (i) the date on which the Class A Notes have been redeemed in full, and (ii) the date that the Issuer designates as the date for the early redemption of the Notes under Condition 7.4 (*Early redemption*) or Condition 7.5 (*Optional redemption for taxation reasons*) (the "**Availability Period**") the Issuer will, subject to satisfaction of certain conditions, be entitled on each Payment Date during the Availability Period to make drawings (a "**Facility Drawing**") under a liquidity facility (the "**Liquidity Facility**") provided by the Liquidity Facility Provider pursuant to the liquidity facility agreement dated on or about the Closing Date between, among others, the Issuer and the Liquidity Facility Provider (the "**Liquidity Facility Agreement**") between (among others) the Issuer and the Liquidity Facility Provider.

The maximum amount available to be drawn under the Liquidity Facility will be £39,193,840 (the "**Commitment**").

The Issuer will be entitled to make Facility Drawings for the payment of interest on the Class A Notes on any Payment Date and the payment of prior-ranking items (other than in respect of the *seventh* item of the Pre-Enforcement Priority of Payments and the *fifth* item of the Post-Enforcement Priority of Payments) in accordance with the relevant Priority of Payments, to the extent that the Available Distribution Amount in respect of the relevant Payment Date would otherwise be insufficient to enable such payments to be made provided that, following the delivery of an Enforcement Notice, any such Facility Drawing under the Liquidity Facility Agreement shall be made by the Calculation Agent.

If the Liquidity Facility Provider is required to find a replacement liquidity facility provider in accordance with the Liquidity Facility Agreement, then the Issuer will make a drawing (a "**Standby Drawing**") in an amount equal to the Commitment minus any Facility Drawings that are then outstanding and not yet repaid (the "**Available Facility**") and credit such amount to the Collection Account (with an appropriate entry made to a standby drawing ledger (the "**Standby Drawing Ledger**"). The Issuer will be permitted to make withdrawals from the Standby Drawing Ledger, credit the Sterling Account, and apply such amounts in accordance with the relevant Priority of Payments to the extent that such drawing would have been available as Facility Drawings but for the making of such Standby Drawing or

to make a repayment of a Standby Drawing.

Ratings	The Class A Notes are expected on issue to be assigned a long-term rating of AAAsf by Fitch, a long-term rating of AAA (sf) by DBRS and a long-term rating of Aaa (sf) by Moody's. The Class B Notes will be unrated.
Listing	Application has been made to the Irish Stock Exchange for the Notes to be admitted to the Official List and trading on its regulated market. The direct cost of the admission of the Notes to trading on the regulated market of the Irish Stock Exchange amounts to approximately GBP 16,000.
Clearing	In respect of the Class A1 Notes, Euroclear and Clearstream, Luxembourg.
Governing Law	The Notes will be governed by, and construed in accordance with, the laws of England and Wales. All of the Transaction Documents will be governed by English law or, in the case of certain security and sale provisions, Scots or Northern Irish law.
Transaction Documents	The Receivables Sale Agreement, the Servicing Agreement, the Trust Deed, the Deed of Charge, the Basis Rate Swap, the Seller Accounts Declaration of Trust, the Vehicle Proceeds Declaration of Trust, the Scottish Transfer, the Scottish Supplemental Security, the Subordinated Loan Agreement, the Corporate Administration Agreement, the Liquidity Facility Agreement, the Cash Administration Agreement, the Account Bank Agreement, the Paying Agency Agreement, the Subscription Agreement and any amendments, terminations, supplements or replacements relating to any such documents. For a detailed description of the Transaction Documents, see " <i>OUTLINE OF THE OTHER PRINCIPAL TRANSACTION DOCUMENTS</i> ".

ARTICLE 122A OF THE CAPITAL REQUIREMENTS DIRECTIVE

Capital Requirements Directive

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 Article 122a for investors.

Retention statement

Pursuant to Article 122a of the CRD (which does not take into account any implementing rules of the CRD in a relevant jurisdiction), the Seller will undertake to retain not less than 5 per cent. of the net economic interest in the Transaction. Article 122a of the CRD became applicable as of 1 January 2011.

As at the Closing Date, such interest will be comprised of an interest in the Class B Notes which is not less than 5 per cent. of the nominal value of the securitised exposures. Any change to this manner in which this interest is held will be notified to Noteholders.

Investors to assess compliance

Each prospective investor is required to independently assess and determine the sufficiency of the information described above and in this Prospectus generally for the purposes of complying with Article 122a and none of the Issuer, the Lead Managers nor the other Transaction Parties make any representation that the information described above or in this Prospectus is sufficient in all circumstances for such purposes. In addition each prospective Noteholder should ensure that they comply with the implementing provisions in respect of Article 122a in their relevant jurisdiction. Investors who are uncertain as to the requirements which apply to them in respect of their relevant jurisdiction, should seek guidance from their regulator.

TRIGGERS TABLES

Rating Triggers Table

Transaction Party:	Required Ratings:	Contractual requirements if the ratings triggers are breached include the following:
Basis Rate Swap Counterparty	<p>(i) The short term unsecured, unsubordinated and unguaranteed debt obligations of the Basis Rate Swap Counterparty are assigned a rating of at least F1 (or its equivalent) by Fitch and P-1 (or its equivalent) by Moody's and (ii) the long term unsecured, unsubordinated and unguaranteed debt obligations of the Basis Rate Swap Counterparty are assigned a rating of at least A (or its equivalent) by Fitch (unless where the long-term unsecured, unsubordinated and unguaranteed debt obligations of the Basis Rate Swap Counterparty are assigned a rating of A+ by Fitch and this rating is placed on "Ratings Watch Negative" by Fitch), A (or its equivalent) by DBRS (to the extent that the Basis Rate Swap Counterparty is rated by DBRS) and A2 by Moody's, provided that if Moody's has not assigned any rating to the short term unsecured, unsubordinated and unguaranteed debt obligations of the Basis Rate Swap Counterparty, A1 (or its equivalent) by Moody's, and provided that, if the Basis Rate Swap Counterparty's long term, unsecured, unsubordinated and unguaranteed obligations have been placed on "Ratings Watch Negative" by Fitch, the Basis Rate Swap Counterparty has long-term, unsecured, unsubordinated and unguaranteed ratings of at least A+ by Fitch.</p>	<p>The Basis Rate Swap Counterparty will be obliged, within a period prescribed in the Basis Rate Swap for each of Moody's, Fitch and DBRS (as applicable), at its own cost, to post collateral for its obligations in accordance with the provisions of the Credit Support Annex, and in addition, will be obliged, within a period prescribed in the Basis Rate Swap for each of Moody's, Fitch and DBRS (as applicable), at its cost, to either:</p> <ul style="list-style-type: none"> (i) obtain a guarantee of its obligations under the Basis Rate Swap from a third party with the Basis Rate Swap Counterparty Required Ratings; (ii) transfer all of its rights and obligations under the Basis Rate Swap to a third party with the Basis Rate Swap Counterparty Required Ratings; or (iii) take such other actions as a result of which the Class A Notes will be rated by the Rating Agencies at the same level as immediately prior to such event.
Account Bank	<p>The Account Bank's unsecured, unsubordinated, unguaranteed debt obligations are assigned a long term rating of not less than, in the case of Moody's, A2; in the case of Fitch, A and in the case of DBRS (to the extent rated by DBRS), BBB (high), and such other rating as may be agreed with the Rating Agencies (and a short term rating of not less than, in the case of Moody's, P-1; in</p>	<p>The Cash Administrator (on behalf of the Issuer) will be required, with the consent of the Trustee, within 30 calendar days, to transfer any amounts credited to the Sterling Account and procure that all amounts to be received be deposited at no cost to the Issuer or the Trustee, to an alternative bank with at least the Required Rating.</p>

Transaction Party:	Required Ratings:	Contractual requirements if the ratings triggers are breached include the following:
	<p>the case of Fitch, F1 and in the case of DBRS (to the extent rated by DBRS), R-1 (low), provided that, if the Account Bank's long term ratings have been placed on "Ratings Watch Negative" by Fitch, the Account Bank will be required to have a long term rating of at least A+ by Fitch, or such other rating as may be agreed with the Rating Agencies (the "Required Rating") or either such rating has been withdrawn by any of the Rating Agencies.</p>	
Collection Account Bank	<p>The Collection Account Bank's unsecured, unsubordinated, unguaranteed debt obligations are assigned a long term rating of not less than, in the case of Moody's, A2; in the case of Fitch, A and in the case of DBRS, BBB (high), and such other rating as may be agreed with the Rating Agencies (and a short term rating of not less than, in the case of Moody's, P-1; in the case of Fitch, F1 and in the case of DBRS, R-1 (low), provided that, if the Collection Account Bank's long term ratings have been placed on "Ratings Watch Negative" by Fitch, the Collection Account Bank will be required to have the Required Rating or either such rating has been withdrawn by any of the Rating Agencies.</p>	<p>The Cash Administrator (on behalf of the Issuer) will be required, with the consent of the Trustee, within 30 calendar days, to transfer any amounts credited to the Collection Account (including, for the avoidance of doubt, the Reserve Ledger), at no cost to the Issuer or the Trustee, to an alternative bank with at least the Required Rating.</p>
Servicer	<p>The occurrence of a change of control of the Servicer (so long as it is SC UK) or the unsecured, unsubordinated debt obligations of Santander UK plc (so long as it is the parent company of the Servicer) ceases to have any of the following long-term ratings: at least Baa2 by Moody's, at least BBB by Fitch or at least BBB by DBRS (to the extent rated by DBRS) (the "Minimum Rating"), where "control" means the power, direct or indirect (A) to vote more than 50 per cent. of the securities having ordinary voting power for the election of directors of the Servicer, or (B) to direct or cause the direction of the management and</p>	<p>Banco Santander, S.A. undertakes to the Issuer and the Trustee to select a bank or a financial institution having the Minimum Rating and willing to act as Successor Servicer in accordance with clause 24 (<i>Appointment of Successor Servicer</i>) of the Servicing Agreement.</p>

Transaction Party:	Required Ratings:	Contractual requirements if the ratings triggers are breached include the following:
	<p>policies of the Servicer whether by contract or otherwise (provided that assumption of control by an Affiliate of SC UK shall not constitute a change of control provided that such Affiliate and its immediate parent have long-term ratings of at least Baa2 by Moody's, BBB by DBRS (to the extent rated by DBRS) and BBB by Fitch).</p>	
<p>Liquidity Facility Provider</p>	<p>The Liquidity Facility Provider's unsecured, unsubordinated, unguaranteed debt obligations are assigned a long term rating of not less than A3 by Moody's, A by DBRS (to the extent rated by DBRS) and A by Fitch (and a short term rating of not less than P-1 by Moody's, R-1 (low) by DBRS (to the extent rated by DBRS) and F1 by Fitch) or such other ratings as may be agreed with the Rating Agencies, provided that, if the Liquidity Facility Provider's long term ratings have been placed on "Ratings Watch Negative" by Fitch, the Liquidity Facility Provider will be required to have long term ratings of at least A+ by Fitch, or such other rating as may be agreed with the Rating Agencies or either such rating has been withdrawn by any of the Rating Agencies.</p>	<p>The Liquidity Facility Provider will be required, within 14 calendar days to post cash collateral in Sterling with the Issuer, and within 30 calendar days, to find a replacement liquidity facility provider with an alternative bank whose unsecured, unsubordinated, unguaranteed debt obligations are assigned a long term rating of not less than A by Fitch and A2 by Moody's (and a short term rating of not less than F1 by Fitch and P-1 by Moody's) or such other rating as may be agreed with the Rating Agencies or, if no replacement liquidity facility provider is appointed within 30 days, the available facility will be drawn and deposited in the Collection Account.</p>

Non-Rating Triggers Table

Nature of Trigger:	Description of Trigger:	Contractual requirements upon the occurrence of the following triggers:
Termination Event	<p>The occurrence of any of the following:</p> <ul style="list-style-type: none"> (i) the Seller fails to make a payment due under the Receivables Sale Agreement at the latest on the fifth Business Day after its due date, or, in the event no due date has been determined, if payable, within 5 Business Days after the written demand for payment, (ii) the Seller fails within 5 Business Days to perform any of its obligations (other than those referred to in (i) above) owed to the Issuer under or pursuant to the Receivables Sale Agreement after its due date, or, in the event no due date has been determined, if performance is due, within 5 Business Days after the written demand for performance and such failure would have, in the opinion of the Trustee, a Material Adverse Effect on the Collectability of the Purchased Receivables or the Issuer's ability to perform its obligations, (iii) the Seller is unable to pay its debts when they fall due, becomes insolvent or the Seller is wound up or an order is made or an effective resolution is passed for the winding-up of the Seller or the Seller initiates or consents or otherwise becomes subject to liquidation, examinership, insolvency, reorganisation or similar proceedings under any applicable law, and the Seller fails to remedy such status within 30 Business Days. 	An Accelerated Amortisation Event is triggered where a Termination Event has occurred.
Accelerated Amortisation Event	As of any Calculation Date, either of the following: (i) a Termination Event and/or a Servicer Termination	In accordance with the Pre-Enforcement Priority of Payments, amortisation of Class A Notes

Nature of Trigger:	Description of Trigger:	Contractual requirements upon the occurrence of the following triggers:
	Event has occurred and/or (ii) a Seller/Servicer Warranty Breach has occurred and has been continuing for more than 30 calendar days after the Seller or, as applicable, the Servicer has become actually aware of, or has received written notification evidencing, the breach of the relevant Seller/Servicer Warranty.	Principal accelerates in respect of each Payment Date on which an Accelerated Amortisation Event exists and there has been no Waiver of the Accelerated Amortisation Event.

Nature of Trigger:	Description of Trigger:	Contractual requirements upon the occurrence of the following triggers:
Issuer Event of Default	<p>The occurrence of any of the following:</p> <p>(i) the Issuer is deemed unable to pay its debts within the meaning of Section 123(1)(b), (c) or (d) of the Insolvency Act 1986 (as that section may be amended) or becomes unable to pay its debts as they fall due or the Issuer is wound up (except for a voluntary winding up by its shareholders) or an order is made or an effective resolution is passed for the winding up of the Issuer or the Issuer initiates or consents or otherwise becomes subject to liquidation, examinership, insolvency, reorganisation or similar proceedings under any applicable law; or</p> <p>(ii) the Issuer (i) defaults on the payment of any interest due on the Notes of the Controlling Class when the same becomes due and payable on each Payment Date and such default continues for a period of five Business Days or more or (ii) defaults on the payment of any principal due in respect of the Notes of the Controlling Class when the same becomes due and payable and such default continues for a period of five calendar days or more, provided that such a failure to pay principal on the Class B Notes or, prior to the Legal Maturity Date, on the Class A Notes, will only constitute an Issuer Event of Default if the Available Distribution Amount as of the immediately preceding Calculation Date would have been sufficient to pay such amounts in full in accordance with the applicable Priority of Payments;</p>	<p>The Trustee may in its absolute discretion, and if so directed by an Extraordinary Resolution of the holders of the Controlling Class or so requested in writing by the holders of at least 50 per cent. of the Aggregate Note Principal Amount Outstanding of the Controlling Class, will (subject, in each case, to being indemnified and/or secured to its satisfaction) give an Enforcement Notice to the Issuer copied to the Account Bank and the Principal Paying Agent declaring the Notes to be due and payable and each Note will accordingly forthwith become immediately due and payable at its principal amount outstanding together with accrued interest (if any).</p>

Nature of Trigger:	Description of Trigger:	Contractual requirements upon the occurrence of the following triggers:
	<p>(iii) the Issuer fails to perform or comply with any one or more of its other obligations (other than a failure to perform or comply with obligations which failure, in the opinion of the Trustee, is not materially prejudicial to the interests of the Noteholders) and (except where such failure is not capable of remedy when no such notice as is hereinafter referred to will be required) such failure continues for more than 30 calendar days (or such longer period as the Trustee at the direction of the Controlling Class (acting by Extraordinary Resolution) may permit) following the service by the Trustee on the Issuer of notice requiring the same to be remedied (the "Remedy Notice "); or</p> <p>(iv) a distress, execution, attachment diligence or other legal process is levied or enforced upon or sued out against all or any substantial part of the assets of the Issuer and is, in the opinion of the Trustee, materially prejudicial to the interests of the Noteholders, and not discharged or does not otherwise cease to apply within 30 calendar days of being levied, enforced or sued out or legal proceedings are commenced for any of the aforesaid, or the Issuer makes a conveyance, assignation trust or assignment for the benefit of its creditors generally.</p> <p>In respect of an Issuer Event of Default under limb (iii) above, the Trustee shall assume without liability therefor, that where such failure is capable of remedy, the applicable remedy period will be within 30 calendar days following the Remedy Notice, unless the Controlling Class have directed the Trustee (by means</p>	

Nature of Trigger:	Description of Trigger:	Contractual requirements upon the occurrence of the following triggers:
	of an Extraordinary Resolution) of any longer remedy period within such 30 calendar days.	
Cash Administrator Termination Events	<p>The occurrence of any of the following:</p> <p>(a) non-compliance with a covenant or an obligation which has, in the opinion of the Trustee, a Material Adverse Effect on the interests of the Noteholders; or</p>	Termination of appointment of Cash Administrator (subject to the appointment of a substitute cash administrator).
	(b) certain insolvency events in respect of the Cash Administrator.	
Servicer Termination Events	<p>The occurrence of any of the following:</p> <p>(a) the Servicer fails to make a payment due under the Servicing Agreement at the latest on the second Business Day after its due date, or, in the event no due date has been determined, if payable, within 3 Business Days after the written demand for payment;</p> <p>(b) following a demand for performance the Servicer fails within 5 Business Days to perform its material (as determined by the Issuer or the Trustee) obligations (other than those referred to in (a) above) owed to the Issuer under the Servicing Agreement and such failure would, in the opinion of the Trustee, have a Material Adverse Effect on the Purchased Receivables and Related Collateral;</p> <p>(c) the Servicer is (i) unable to pay its debts when they fall due or (ii) intends to commence insolvency (including preliminary insolvency proceedings) or reorganisation proceedings or is subject to insolvency (including preliminary insolvency proceedings) or dissolution proceedings and, other than with respect to (i), the Servicer fails to remedy such status within 60 Business Days;</p>	Termination of appointment of Servicer.

Nature of Trigger:	Description of Trigger:	Contractual requirements upon the occurrence of the following triggers:
	<p>and</p> <p>(d) any material 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 conditions.</p>	
<p>Insolvency Event of the Seller</p>	<p>The occurrence of an Insolvency Event with respect to the Seller and where requested by the Insolvency Official of the Seller.</p>	<p>The Servicer will negotiate the variable component of the Administrator Incentive Recovery Fee with the Seller's Insolvency Official with a view to maximising recoveries in respect of the relevant Financed Vehicles where the Seller's Insolvency Official disposes of, arranged for the disposal of or otherwise assists with the disposal of the relevant Financed Vehicles. For definitions of Administrator Incentive Recovery Fee and Insolvency Official, see "<i>OUTLINE OF THE OTHER PRINCIPAL TRANSACTION DOCUMENTS – Servicing Agreement</i>" for more information.</p>

FEES

The following table sets out the on-going fees to be paid by the Issuer to the Transaction Parties.

Type of Fee	Amount of Fee	Priority in cashflow waterfall	Frequency
Servicing fees	0.75% per annum of the Aggregate Asset Amount Outstanding (inclusive of VAT, if any)	Ahead of all outstanding Notes	Monthly in arrear on each Payment Date
Cash Administrator fees	£4,250 (exclusive of VAT, if any)	Ahead of all outstanding Notes	Monthly in arrear on each Payment Date
Liquidity Facility commitment fee	0.55 per cent. p.a. of the Commitment (inclusive of VAT, if any)	Ahead of Class A Notes Interest, Class A Notes Principal, Class B Notes Interest and Class B Notes Principal	Monthly in advance on each Payment Date
Other fees and expenses of the Issuer	Estimated at £90,000 per annum in total (exclusive of VAT)	Ahead of all outstanding Notes	Monthly in arrear on each Payment Date
Expenses related to the admission to trading of the Notes	£16,000 (exclusive of any applicable VAT)	N/A	On or about the Closing Date

RISK FACTORS

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

The Notes will be solely contractual obligations of the Issuer. The Notes will not be obligations or responsibilities of, or guaranteed by, any of the Seller, the Servicer (if different), the Back-up Servicer Facilitator, the Trustee, the Account Bank, the Collection Account Bank, the Basis Rate Swap Counterparty, the Principal Paying Agent, the Registrar, the Subordinated Loan Provider, the Liquidity Facility Provider, the Agent Bank, the Calculation Agent, the Cash Administrator, the Lead Managers, the Corporate Administrator, the Listing Agent, the Common Depositary 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. Furthermore, no person other than the Issuer will accept any liability whatsoever to Noteholders in respect of any failure by the Issuer to pay any amount due under the Notes.

Because the Class A1 Global Note is held by or on behalf of Euroclear and Clearstream, Luxembourg, investors will have to rely on their procedures for transfer, payment and communication with the Issuer.

The Class A1 Notes will be represented by a Global Note (the "**Class A1 Global Note**") except in certain limited circumstances described therein. The Class A1 Global Note will be deposited with the Common Depositary for Euroclear and Clearstream, Luxembourg. Euroclear and Clearstream, Luxembourg will maintain records of the beneficial interests in the Class A1 Global Notes. While the Class A1 Notes are represented by a Global Note, investors will be able to trade their beneficial interests only through Euroclear and Clearstream, Luxembourg.

The Issuer will discharge its payment obligation under the Class A1 Notes by making payments to or to the order of the Common Depositary for Euroclear and Clearstream, Luxembourg for distribution to their account holders. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Class A1 Global Note.

Holders of beneficial interests in the Class A1 Global Note will not have a direct right to vote in respect of the Class A1 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.

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 Trustee, the Account Bank, the Collection Account Bank, the Basis Rate Swap Counterparty, the Principal Paying Agent, the Registrar, the Subordinated Loan Provider, the Liquidity Facility Provider, the Agent Bank, the Calculation Agent, the Cash Administrator, the Lead Managers, the Corporate Administrator, the Listing Agent, the Common Depositary 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.

If at any time following:

- (a) the occurrence of either:
 - (i) the Legal Maturity Date or any earlier date upon which all of the Notes of each Class are due and payable; or

- (ii) the delivery of an Enforcement Notice; and
- (b) Realisation of the Security and application in full of any amounts available to pay amounts due and payable under the Notes in accordance with the applicable Priority of Payments,

the proceeds of such Realisation are insufficient, after payment of all other claims ranking in priority in accordance with the applicable Priority of Payments, to pay in full all amounts then due and payable in respect of the Notes in accordance with the applicable Priority Payments then the amount remaining to be paid (after such application in full of the amounts first referred to in (b) above) in respect of the Notes shall, on the day following such application in full of the amounts referred to in (b) above, cease to be due and payable by the Issuer. "**Realisation**" is defined in Condition 3.2 (*Limited Recourse*).

Non-Existence of Purchased Receivables

The Issuer retains the right to bring indemnification claims against the Seller against the risk that the Purchased Receivables do not exist or cease to exist in accordance with the Receivables Sale Agreement. If the relevant Purchased Receivable does not exist, the Seller will not be obliged to repurchase the relevant Purchased Receivable(s), but will be required to indemnify the Issuer in an amount, as calculated by the Servicer, equal to any loss suffered by the Issuer resulting directly from such breach of representation and warranty by the Seller. For more information see "*OUTLINE OF THE OTHER PRINCIPAL TRANSACTION DOCUMENTS – Receivables Sale Agreement*".

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 the purchase and financing of the Purchased Receivables. Therefore, the ability of the Issuer to meet its obligations under the Notes will depend, *inter alia*, upon receipt of:

- payments of principal and interest and certain other payments received under the Purchased Receivables and Related Collateral pursuant to the Servicing Agreement and the Receivables Sale Agreement;
- funds (if due) from the Liquidity Facility Provider under the Liquidity Facility Agreement;
- funds (if due) from the Basis Rate Swap Counterparty under the Basis Rate Swap;
- interest earned on the Issuer Accounts;
- amounts paid by the Seller as the purchase price for Defaulted Receivables and any relevant Related Collateral;
- payments (if any) under the other Transaction Documents in accordance with the terms thereof.

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

Non-Petition

None of the Noteholders, the Trustee nor the other Secured Creditors (nor any other person acting on behalf of any of them) shall be entitled at any time to institute against the Issuer, or join in any institution against the Issuer of, any bankruptcy, winding up, re-organisation, examinership, arrangement, insolvency or liquidation proceedings or other proceedings under any applicable bankruptcy or similar law in connection with any obligations relating to the Notes, the Trust Deed or the other documents relating to the issue of the Notes (save for lodging a claim in any liquidation of the Issuer which is initiated by another party or taking proceedings to obtain a declaration or judgment as to the obligations of the Issuer) for two years and one day after the latest date on which the Notes are due to mature.

Subordination

The Issuer's obligations under the Basis Rate Swap will be secured by the Security and such obligations (excluding termination payments due to the Basis Rate Swap Counterparty because of an event of default relating to it) will rank, in respect of payment and security following the delivery of an Enforcement

Notice, senior to the Issuer's obligations under the Notes. See "*THE MAIN PROVISIONS OF THE DEED OF CHARGE — Post-Enforcement Priority of Payments*".

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

Holders of Class B Notes will bear more credit risk than holders of Class A Notes and will incur losses, if any, prior to holders of Class A Notes. The Class B Notes will bear greater risk than the Class A Notes because no payments of interest or principal will be made on the Class B Notes until all of the Issuer's expenses (including the servicing fee), all payments due to the Basis Rate Swap Counterparty (other than certain termination payments due and payable under the Basis Rate Swap) and interest on the Class A Notes then due are paid in full.

Noteholders may be subject to basis rate risk

Payments made to the Seller by any Customer under an Underlying Agreement which enables such Customer to purchase a Financed Vehicle comprise monthly amounts calculated with respect to a fixed interest rate. However, payments of interest on the Class A1 Notes, the Class A2 Notes and the Class B Notes are calculated with respect to LIBOR, in each case plus a margin. In order to protect the Issuer against any material interest rate discrepancy, the Issuer and the Basis Rate Swap Counterparty have entered into the Basis Rate Swap under which the Issuer will make payments by reference to interest and/or finance charges received on the Purchased Receivables which are not Defaulted Receivables and the Basis Rate Swap Counterparty will make payments by reference to LIBOR (plus a margin), calculated with respect to the Aggregate Asset Amount Outstanding of all Purchased Receivables which are not Defaulted Receivables.

The Basis Rate Swap Counterparty is obliged only to make payments under the Basis Rate Swap as long as the Issuer makes timely payments under the Basis Rate Swap. If the Basis Rate Swap Counterparty is not obliged to make payments of, or if it defaults in its obligations to make payments of, amounts equal to the full amount scheduled to be paid to the Issuer on the dates for payment specified under the Basis Rate Swap or the Basis Rate Swap is otherwise terminated, the Issuer will be exposed to changes in or differences between the relevant basis rates. In any of these events, unless a replacement Basis Rate Swap is entered into, the Issuer may have insufficient funds to make payments due on the Notes.

Termination payments under the Basis Rate Swap may adversely affect the funds available to make payments on the Notes

If the Basis Rate Swap terminates, the Issuer may be obliged to pay a termination payment to the Basis Rate Swap Counterparty. The amount of the applicable termination payment will be based on the cost of entering into a replacement swap transaction.

Except where termination of the Basis Rate Swap is as a result of a default or a downgrade of the Basis Rate Swap Counterparty in circumstances where the Basis Rate Swap with the Basis Rate Swap Counterparty is not replaced, the Issuer's obligation to make any termination payment due by the Issuer under the Basis Rate Swap will rank in priority to payments due on the Notes. Any additional amounts required to be paid by the Issuer following termination of the Basis Rate Swap (including any extra costs incurred (for example, from entering into other hedging transactions) if the Issuer cannot immediately enter into a replacement swap) will also rank in priority to payments due on the Notes.

The Issuer cannot give Noteholders any assurance that it will have the funds available to make any termination payment under the Basis Rate Swap Transactions or to make subsequent payments to Noteholders in respect of each class of Notes. Nor can the Issuer give any assurance that it will be able to enter into a replacement swap, or if one is entered into, that the credit rating of the replacement swap counterparty (notwithstanding the terms of the Transaction Documents) will be sufficiently high to prevent a reduction, qualification or withdrawal of the then current ratings of the Class A Notes by the Rating Agencies.

See "*Credit Structure - Basis Rate Swap Transaction*", and "*Credit Structure – Pre-Enforcement Interest Priority of Payments*".

Contractual Priorities of Payments

The validity of contractual priorities of payments such as those contemplated in this transaction has been challenged in the English and U.S. courts. The hearings have arisen due to the insolvency of a secured creditor (in that case a swap counterparty) and have considered whether such payment priorities breach the "anti-deprivation" principle under English and U.S. insolvency law. This principle prevents a party from agreeing to a provision that deprives its creditors of an asset upon its insolvency. It was argued that where a secured creditor subordinates itself to noteholders in the event of its insolvency, that secured creditor effectively deprives its own creditors. The Court of Appeal in *Perpetual Trustee Co Ltd v BNY Corporate Trustee Services Ltd* [2009] EWCA Civ 1160, dismissed this argument and upheld the validity of similar priorities of payment, stating that the anti-deprivation principle was not breached by such provisions.

In parallel proceedings in New York, Judge Peck of the U.S. Bankruptcy Court for the Southern District of New York granted Lehman Brothers Special Finance Inc.'s motion for summary judgement on the basis that the effect was that the provisions do infringe the ipso facto rule in a U.S. insolvency. Judge Peck acknowledged that this resulted in the U.S. courts coming to a decision "directly at odds with the judgement of the English Courts". The English Supreme Court granted leave to appeal the Court of Appeal's decision. In New York however, whilst leave to appeal was granted, the case was settled before an appeal was heard. Notwithstanding the New York settlement, the appeal by one of the appellants, Lehman Brothers Special Financing Inc., against two of the respondents, Belmont Park Investments Pty and BNY Corporate Trustee Services Ltd, in the English courts was heard in early March 2011 and the judgement is awaited. Therefore concerns still remain that the English and U.S. courts will diverge in their approach which, in the case of an unfavourable decision either in England or New York, may adversely affect the Issuer's ability to make payments on the Notes. Given the current state of U.S. and English law, this is likely to be an area of continued judicial focus particularly in respect of multi-jurisdictional insolvencies.

Non-availability of Subordinated Loan

After the Closing Date, the Issuer will not be entitled to make any further drawings under the Subordinated Loan to replenish the Reserve Fund up to the Required Reserve Amount or otherwise to make payments in respect of principal or interest on the Notes. See "*OUTLINE OF THE OTHER PRINCIPAL TRANSACTION DOCUMENTS — Subordinated Loan Agreement*".

Conflicts of Interest

SC UK is acting in a number of capacities in connection with this transaction. SC UK 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. SC UK, 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 therefor in connection with this transaction.

Deutsche Bank AG, London Branch and Deutsche Trustee Company Limited are acting in a number of capacities in connection with this transaction. Each of Deutsche Bank AG, London Branch and Deutsche Trustee Company 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. Each of Deutsche Bank AG, London Branch and Deutsche Trustee Company Limited, in its respective 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 therefor in connection with this transaction.

The Servicer may hold and/or service claims against the Customers other than the Purchased Receivables. 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.

Each of the Lead Managers may engage in commercial relationships, in particular, be a lender, provide investment banking and other financial services to the Customers and other parties. In such relationships

the Lead Managers are not obliged to take into account the interests of the Noteholders. Accordingly, conflicts of interest may arise in this transaction.

Notes may be preplaced by the Lead Managers with investors, who may include members of the Santander Group.

Notes may be purchased by the Lead Managers or their affiliates on the Closing Date with a view to transferring such Notes to a special purpose financing vehicle (a "**Conduit**") after the Closing Date or to obtaining financing from the Conduit in respect of such Notes on or after the Closing Date. Any such purchase and associated financing arrangements may include the transfer of the voting rights associated with such Notes to the Conduit. In such event, the administrator of the Conduit will have the right to exercise any voting or consent rights given to the holder of the relevant Class of Notes under the Terms and Conditions of the Notes, including if the holders of such Notes are the Controlling Class, exercising the rights given to the holders of the Controlling Class. The Conduit in exercising such rights will have no obligation to consider the interests of the holders of any Notes and may exercise such rights in a manner that is adverse to the holders of the Notes.

SC UK may enter into business dealings with investors, such as Conduits, in connection with the investor's arrangements for financing the purchase of their Notes. In connection with these business dealings, SC UK may also derive revenues or pay fees from such arrangements. In such cases, the terms on which such an investor purchases Notes may differ from the terms on which other investors purchase Notes.

Ratings of the Class A Notes

Each rating assigned to the Class A Notes by the Rating Agencies takes into consideration the structural and legal aspects associated with the Class A Notes and the underlying Purchased Receivables, the credit quality of the Portfolio, the extent to which the Customers' payments under the Purchased Receivables are adequate to make the payments required under the Class A Notes as well as other relevant features of the structure, including, *inter alia*, the credit situation of the Basis Rate Swap Counterparty, the Account Bank, the Collection Account Bank, the Liquidity Facility Provider, the Seller and the Servicer (if different). Each Rating Agency's rating reflects only the view of that Rating Agency.

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

Rating Agencies may revise their rating methodologies which may affect the rating of the Class A Notes

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

In order for the Transaction Documents to comply with new rating methodologies, amendments may need to be made to the Transaction Documents and such amendments would either have to be agreed by: (a) the Trustee exercising its discretion in accordance with the terms of the Trust Deed; or (b) an Extraordinary Resolution of the Noteholders. Noteholders should note that, if the amendments required to comply with such new rating methodologies are not implemented, this may ultimately have an adverse impact on the ratings assigned by the relevant Rating Agency to the Class A Notes.

Resolutions of Noteholders

The Notes provide for resolutions of Noteholders to be passed by vote taken without meetings. Each Noteholder is subject to the risk of being outvoted. As resolutions properly adopted are binding on all Noteholders, certain rights of such Noteholder against the Issuer under the Terms and Conditions may be amended or reduced or even cancelled. For the purpose of the right to vote by written resolution, those Notes (if any) which are for the time being held by the Issuer, the Seller or any of its Affiliates shall (unless and until ceasing to be so held) be deemed not to be or remain outstanding.

So long as the Class A1 Notes and the Class A2 Notes are outstanding, the Controlling Class is, together, the Class A1 Notes and the Class A2 Notes. The Trust Deed provides that an Extraordinary Resolution to approve any matter other than a Reserved Matter will not be effective unless sanctioned by the Controlling Class and that any ordinary resolution passed by the Controlling Class will be binding on the other Classes. In the event that the Trustee receives conflicting or inconsistent directions or requests from two or more groups of holders of the Controlling Class, the Trustee will give priority to the group which holds the greatest amount of Notes outstanding of the Controlling Class.

There is no active trading market for the Notes

The Notes are new securities which may not be widely distributed and for which there is no active trading market. Application has been made to the Irish Stock Exchange for the Notes to be admitted to the Official List and trading on its regulated market.

There is currently no secondary market for the Notes, and there can be no assurance that a secondary market for the Notes will develop or that a market will develop for either Class of Notes or, if it develops, that it will provide Noteholders with liquidity of investment, or that it will continue for the whole life of the 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 Notes must be prepared to hold such Notes for an indefinite period of time or until final redemption or maturity of such Notes. The market values of the Notes are likely to fluctuate. Any such fluctuation may be significant and could result in significant losses to investors in the 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 Notes in the secondary market.

Noteholders also should be aware of the prevailing and widely reported global credit market conditions (which continue at the date hereof), whereby there is a general lack of liquidity in the secondary market for instruments similar to the Notes. The Issuer cannot predict when these circumstances will change nor, if and when they do, whether conditions of general market illiquidity for the Notes and instruments similar to the Notes will return in the future.

Investor Considerations

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

In addition, an investor should be aware that the average lives of the Notes are subject to factors largely outside of the Issuer's control. For more information, see "*Expected Maturity and Average Life of the Notes and Assumptions*".

The Notes may not be a suitable investment for all investors

Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- (a) have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Prospectus;
- (b) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;
- (c) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes;
- (d) understand thoroughly the terms of the Notes and be familiar with the behaviours of any relevant indices and financial markets; and
- (e) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Investors may not rely on the Issuer, the Seller, the Servicer (if different), the Back-up Servicer Facilitator, the Account Bank, the Collection Account Bank, the Principal Paying Agent, the Cash Administrator, the Lead Managers, the Basis Rate Swap Counterparty, the Liquidity Facility Provider, the Registrar, the Subordinated Loan Provider, the Trustee or any other person who is party to a Transaction Document (each a "**Transaction Party**" and some or all of them the "**Transaction Parties**") in connection with its determination as to the legality of acquisition of the Notes or as to the other matters referred to in the "Risk Factors" section of the Prospectus. Neither the Issuer nor any other Transaction Party is acting as an investment adviser, or assumes any fiduciary obligation, to any investor in the Notes. The Transaction Parties and the Issuer do not assume any responsibility for conducting or failing to conduct any investigation into the business, financial condition, prospects, creditworthiness, status and/or affairs of any of the Transaction Parties.

Volatility

The market value of the Notes may fluctuate with changes in prevailing rates of interest, market perceptions of the risks associated with the Notes, supply and other market conditions. Consequently, any sale of Notes by Noteholders in any secondary market which may develop may be at a discount to the original purchase price of such Notes.

Legal Structure

No Legal Interest in Underlying Agreements

The ownership of a Note does not confer any right to, or interest in, any Underlying Agreement, Financed Vehicle, nor any right against the Customer nor any third party under or in connection with the Underlying Agreements or against the Seller, the Servicer or the Subordinated Loan Provider.

Change of Law

The structure of the Trust Deed, the Deed of Charge, the Receivables Sale Agreement and the other Transaction Documents and the issue of the Notes as well as the ratings which are to be assigned to the Class A Notes are based on English, Scots and Northern Irish law and administrative practice in effect as at the date of this Prospectus as they affect the parties to the transaction and the Portfolio, and having regard to the expected tax treatment of all relevant entities under such law and practice. No assurance can be given as to the impact of any possible change of English, Scots or Northern Irish law (including any change in regulation which may occur without a change in primary legislation) or administrative practice or tax treatment after the date of this Prospectus.

Commercial Risks

Basis Rate Swap

If the Basis Rate Swap Counterparty defaults in respect of its obligations under the Basis Rate Swap which results in a termination of the Basis Rate Swap, the Issuer will be obliged to enter into a replacement arrangement with another appropriately rated entity. A failure to enter into such a replacement arrangement may result in a downgrading of the rating of the Class A Notes. See "*OUTLINE OF THE OTHER PRINCIPAL TRANSACTION DOCUMENTS —Basis Rate Swap*".

Liquidity Facility

If the appointment of the Liquidity Facility Provider is terminated under the Liquidity Facility Agreement, the Liquidity Facility Provider will be obliged to find an appropriately rated entity to act as a replacement liquidity facility provider. A failure to enter into such a replacement arrangement may result in a downgrading of the rating of the Class A Notes. See "*OUTLINE OF THE OTHER PRINCIPAL TRANSACTION DOCUMENTS — Liquidity Facility Agreement*".

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 Sale Agreement, the Issuer has certain rights of recourse against the Seller. These rights are not collateralised with respect to the Seller except that, in the case of a breach of a Seller Asset Warranty where the relevant matter or circumstance materially and adversely affects the Issuer's interest in the affected Purchased Receivable (without regard to credit enhancement, if any) or the Collectability of such Purchased Receivables and if such matter or circumstance is capable of remedy and has not been remedied within 30 Business Days of the Seller becoming actually aware or being notified of the occurrence of such breach, the Seller will be required to repurchase the affected Purchased Receivables at a repurchase price equal to the aggregate of:

- (a) the Asset Amount Outstanding in respect of such Purchased Receivables;
- (b) an amount equal to all other amounts due from the relevant Customers in respect of the relevant Purchased Receivables as at the date of the repurchase;
- (c) unpaid interest or finance charges accrued but not yet due and payable in respect of the relevant Purchased Receivables as at the date of the repurchase; and
- (d) an amount equal to the reasonable costs incurred by the Issuer in relation to such repurchase,

after deducting an amount equal to any interest or finance charges not yet accrued but paid in advance to the Issuer in respect of such Purchased Receivables. With respect to breaches of warranties under the Receivables Sale Agreement that are not Seller Asset Warranties, the Seller is obliged to indemnify the Issuer against any liability, losses and damages directly resulting from such breaches. 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. If the relevant Receivable does not exist, the Seller will not be obliged to repurchase the relevant Receivable(s), but will be required to indemnify the Purchaser in an amount, as calculated by the Servicer, equal to any loss (such loss being equal to the Purchase Price of the relevant Receivable(s)) suffered by the Purchaser resulting directly from such breach of representation and warranty by the Seller (see "*OUTLINE OF THE OTHER PRINCIPAL TRANSACTION DOCUMENTS – Receivables Sale Agreement*").

Reliance on Third Parties

The Servicer will service the Purchased Receivables and the Related Collateral in accordance with the Servicing Agreement.

Accordingly, the Noteholders are relying on the business judgement and practices of the Servicer when enforcing claims against the Customers, including taking decisions with respect to enforcement in respect of the Purchased Receivables and the Related Collateral. 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. Any substitute servicer which may replace the Servicer in accordance with the terms of the Servicing Agreement would have to be able to service the Purchased Receivables and the Related Collateral in accordance with the terms of the Servicing Agreement and be duly qualified and licensed to administer finance contracts in the United Kingdom such as the Underlying Agreements and may be subject to certain regulatory requirements. Further, it should be noted that any substitute servicer (other than a (direct or indirect) subsidiary of the Seller or of a parent of the Seller to which the servicing and collection of the purchased receivables and the related collateral of the Seller is outsourced) may charge a servicing fee on a basis different from that of the Servicer. See "*OUTLINE OF THE OTHER PRINCIPAL TRANSACTION DOCUMENTS — Receivables Sale Agreement*" and "*OUTLINE OF THE OTHER PRINCIPAL TRANSACTION DOCUMENTS — Servicing Agreement*".

Under the Receivables Sale Agreement, Banco Santander, S.A. has agreed to act as Back-up Servicer Facilitator to, in the event of a change of control of the Servicer (so long as it is SC UK) or the unsecured, unsubordinated debt obligations of Santander UK plc (so long as it is the parent company of the Servicer) ceases to have any of the following long-term ratings: at least Baa2 by Moody's, BBB by Fitch or BBB by DBRS (to the extent rated by DBRS), where "**control**" means the power, direct or indirect (A) to vote more than 50 per cent. of the securities having ordinary voting power for the election of directors of the Servicer, or (B) to direct or cause the direction of the management and policies of the Servicer whether by contract or otherwise (provided that assumption of control by an Affiliate of SC UK shall not constitute a change of control provided that such Affiliate and its immediate parent have long-term ratings of at least Baa2 by Moody's, BBB by DBRS (to the extent rated by DBRS) and BBB by Fitch), (i) select a bank or financial institution 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, (ii) review the information provided to it by the Servicer under the Servicing Agreement, (iii) enter into appropriate data confidentiality provisions and (iv) notify the Servicer if it requires further assistance.

No Independent Investigation and Limited Information

None of the Lead Managers, the Trustee nor the Issuer has undertaken or will undertake any investigations, searches or other actions to verify the details of the Purchased Receivables or to establish the creditworthiness of any Customer or any other party to the Transaction Documents. Each such person will rely solely on the accuracy of the representations and warranties given by the Seller to the Issuer in the Receivables Sale Agreement in respect of, *inter alia*, the Purchased Receivables, the Customers, the Underlying Agreements relating to the Purchased Receivables and the Related Collateral, including, without limitation, retention of title in those Financed Vehicles owned by the Seller. The benefit of all such representations and warranties given to the Issuer will be transferred by the Issuer in favour of the Trustee under the Trust Deed and under the Deed of Charge.

The Seller is under no obligation to, and will not, provide the Lead Managers, the Trustee nor the Issuer with financial or other information specific to individual Customers and certain Underlying Agreements to which the Purchased Receivables relate. The Lead Managers, the Trustee and the Issuer will only be supplied with general information in relation to the aggregate of the Customers and the Underlying Agreements. Further, none of the Lead Managers, the Trustee nor the Issuer will have any right to inspect the internal records of the Seller.

Risk of Losses on the Purchased Receivables

The risk to the "**Class A Noteholders**", being the persons who for the time being are holders of the Class A1 Notes and/or the Class A2 Notes, 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 to the Class A Notes as well as the amounts credited to the Reserve Fund 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.

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

There is no assurance that the "**Class B Noteholders**", being the persons who for the time being are holders of the Class B Notes, will receive for each Class B Note the total initial Note Principal Amount plus interest as stated in the Terms and Conditions nor that the distributions and amortisations which are made will correspond to the monthly payments originally agreed upon in the Underlying Agreements. 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 Reserve Fund 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.

Limited Availability of the Reserve Fund in respect of Interest and Principal due on the Notes

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

Risk of Late Forwarding of Payments received by the Servicer

No assurance can be given that the Servicer will promptly forward all amounts collected from Customers pursuant to the relevant Underlying Agreements to the Issuer in respect of a particular Collection Period in accordance with the Servicing Agreement. It should be noted that 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. However, the Servicer has undertaken to transfer any Collections received by it (in its capacity as Seller) to the Collection Account within one Business Day following receipt by the Seller into the Seller Accounts. Pursuant to the Servicing Agreement, if the Servicer fails to make a payment due under the Servicing Agreement at the latest on the second Business Day after its due date, or, in the event no due date has been determined, within 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 - Termination of the Servicer*".

Delays in collecting payments could occur if SC UK ceases to be the Servicer

If SC UK resigns or its appointment is terminated as Servicer, the processing of payments on the Purchased Receivables and the transmission of information relating to collections and the recovery and resale of the Financed Vehicles could be delayed. This could cause delays in payments being made on the Notes. SC UK may be removed as Servicer if it defaults on its servicing obligations or it becomes subject to insolvency proceedings. There is no guarantee that a substitute servicer could be found that would be willing and able to service the Purchased Receivables. Further, a substitute servicer, even if willing and able to act in accordance with the terms of the Servicing Agreement, may be less effective in this role than SC UK given SC UK's experience in servicing the Purchased Receivables. Finally, any substitute servicer may charge a fee on a basis different from that of SC UK and payment of this fee will rank prior to the payments of interest on the Notes.

Performance of the Purchased Receivables is uncertain

The performance of the Purchased Receivables depends on a number of factors, including general economic conditions, unemployment levels, the circumstances of individual Customers, SC UK's underwriting standards at origination and the success of SC UK's servicing and collection strategies. Consequently, no accurate prediction can be made of how the Purchased Receivables will perform based on credit evaluation scores or other similar measures.

Right to Financed Vehicles

The Issuer will acquire from the Seller certain interests in the Purchased Receivables, including rights to receive payments from Customers under the Underlying Agreements, the Financed Vehicle proceeds and other ancillary rights under the Underlying Agreements.

It may be difficult to trace and repossess any Financed Vehicle. In addition, any proceeds of sale of a Financed Vehicle may be less than the amount owed under the related Underlying Agreement and any Financed Vehicle may be subject to an existing lien (for example, in respect of repairs carried out by a garage for which no payment has yet been pursued if to do so would be uneconomic) .

No transfer of title to Financed Vehicles

In relation to Underlying Agreements in respect of which the Seller retains title to the vehicle, although SC UK will hold the VAT-exclusive proceeds of sale of the Financed Vehicles on trust for the Issuer, the Issuer will not obtain title to the Financed Vehicles nor will it have any direct right to repossess a Financed Vehicle if a Customer defaults.

SC UK will grant a power of attorney to the Issuer, under which the Issuer will be entitled, on behalf of SC UK, to make demands and sue for amounts due under the Underlying Agreement or to repossess or sell the related Financed Vehicle.

Notice of assignment

The assignment and transfer of the Purchased Receivables will only be disclosed to Customers upon termination of SC UK's appointment as Servicer or where SC UK agrees otherwise. The Customer may:

- until it has been notified of the assignment and transfer of the purchased receivables, effect payment with discharging effect to SC UK or enter into any other transaction with respect to the Purchased Receivable with SC UK;
- following such notification raise defences against the Issuer and the Trustee arising from its relationship with SC UK which are existing at the time of the assignment and transfer of the Purchased Receivable, and
- following such notification be entitled to set-off against the Issuer and the Trustee any claims against SC UK, unless the Customer has knowledge of the assignment and transfer upon acquiring such claims or such claims become due only after the respective payments of the relevant Purchased Receivable become due either as scheduled under the related Underlying Agreement or in full as a consequence of an early termination.

The benefit of the Purchased Receivables governed by Scots law (the "**Scottish Receivables**", and each a "**Scottish Receivable**") will be held on trust by SC UK absolutely for the Issuer under a Scottish transfer entered into on the Closing Date by the Seller in favour of the Issuer (the "**Scottish Transfer**").

Although differing in technical detail, a trust constituted by the Scottish Transfer has a broadly similar effect in relation to Scottish Receivables governed by Scots law to that of the corresponding English equitable interests in relation to Purchased Receivables governed by English law. Once assigned to the Issuer, notice to a Customer will again have broadly similar effect in relation to Purchased Receivables governed by Scots law to that described above in relation to Purchased Receivables governed by English law.

Until notice is given to the Customer of the assignment by the Seller to the Issuer of the Purchased Receivables and Related Collateral, equitable set-offs (such as for misrepresentation and breach of contract) may accrue in favour of the Customer in respect of the obligation to make payments under the relevant Underlying Agreement. These may, therefore, result in the Issuer receiving less moneys than anticipated from the Purchased Receivables. The assignment of any Purchased Receivables to the Issuer will be subject both to any prior equities which have arisen in favour of the Customer before the assignment and to any equities which may arise in the Customer's favour after the assignment until (if ever) receipt of actual notice of the assignment. If a Customer claims that a right of set-off or counterclaim has arisen in his favour against the Seller and fails to pay in full all amounts due from him under the relevant Underlying Agreement, the Seller will indemnify the Issuer against the amount set-off or counterclaimed by such Customer.

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 Security created by the Issuer in favour of the Trustee will be used in accordance with the Post-Enforcement Priority of Payments to satisfy claims of all Secured Creditors thereunder. See "*THE MAIN PROVISIONS OF THE DEED OF CHARGE — Post-Enforcement Priority of Payments*".

Regulatory and Tax Risks

Risks resulting from customer protection laws

As discussed in more detail below, United Kingdom customer protection laws apply to finance contracts, including all of the Underlying Agreements relating to the Purchased Receivables. If any Underlying Agreement does not comply with these laws, the Servicer may be prevented from or delayed in collecting amounts due under such Purchased Receivable. Where a credit contract provides the funding for the relevant goods such as a vehicle (in a loan agreement only) or related insurances (in any credit agreement), certain claims and defences that the Customer might have against the supplier of such goods or services for misrepresentation or breach of contract may also be raised as a claim or set-off against SC UK and, accordingly, may also be raised as a set-off against the Issuer's claim for payment under the relevant Purchased Receivable. In addition, the Customers have a statutory right to terminate certain Underlying Agreements early without payment in full of all amounts outstanding under such Purchased Receivable.

Early settlement and termination

The Consumer Credit Act 1974 regulates any Underlying Agreement under which the Customer is not a body corporate (or for agreements made from 6 April 2007 a partnership of 4 or more individuals) and for agreements made prior to 6 April 2008 was in respect of credit of £25,000 or less, unless otherwise exempt. On 1 April 2011 (the "**Cut-Off Date**"), substantially all of the Underlying Agreements were regulated by the Consumer Credit Act 1974. This will have several consequences, including the following:

Termination of Underlying Agreements

- (a) In the case of a Conditional Sale Agreement or PCP Agreement, a Customer has a statutory right to terminate the relevant Underlying Agreement at any time, provided the agreement has not been terminated by SC UK or by payment or otherwise. In this case SC UK is entitled to:
 - (i) all arrears of payments due and damages incurred for any breach of the Underlying Agreement by the Customer prior to such termination;
 - (ii) in particular, any amount which the Customer is liable to pay as a result of a breach of his duty to take reasonable care of the vehicle;
 - (iii) the amount (if any) by which (1) one half of the total amount which would have been payable for the vehicle under the Underlying Agreement if it had run its course exceeds (2) the aggregate of sums already paid by the Customer and amounts due from the Customer for the vehicle under the Underlying Agreement immediately before termination;
 - (iv) possession of the vehicle and any net proceeds of its sale; and
 - (v) any other sums due but unpaid by the Customer under the Underlying Agreement for the vehicle and for ancillary products less (on early settlement) a rebate (as described below).
- (b) SC UK has the right to terminate the Underlying Agreement if there is an unremedied repudiatory breach of agreement by the Customer. In this case SC UK is entitled to repossess the vehicle (provided that, where the Customer has paid at least one third of the total amount payable for the vehicle, the vehicle becomes "protected" under the Consumer Credit Act 1974 with the consequences described in "*Protected Goods*" below) and recover either:

- (i) all arrears of payments due and damages incurred for any breach of the Underlying Agreement by the Customer prior to such termination;
- (ii) in particular, any amount which the Customer is liable to pay as a result of a breach of his duty to take reasonable care of the vehicle;
- (iii) any excess mileage charges payable;
- (iv) possession of the vehicle and any net proceeds of its sale; and
- (v) any other sums due but unpaid by the Customer under the Underlying Agreement, for the vehicle and for ancillary products less (on early settlement) a rebate (as described below),

or such lesser amount as a court considers will compensate SC UK for its loss.

Rebate on early settlement

A rebate may be due on early settlement in full or in part or termination of an Underlying Agreement, determined by reference to regulations made in relation to the Consumer Credit Act 1974.

Time orders, other relief

If certain default or enforcement proceedings are taken or notice of default or termination is served on a Customer, the Customer can apply to the court for a time order to change the timing of payments under his Underlying Agreement or to repay the outstanding sum by lower periodic payments as provided for in his Underlying Agreement. There is a risk that the court may impose conditions on, or suspend, any court order in relation to the relevant Underlying Agreement. There is a risk that the court may amend the relevant Underlying Agreement in consequence of a court order made under the Consumer Credit Act, 1974.

Enforcement of improperly executed, documented or modified Underlying Agreements

If an Underlying Agreement has not been executed, documented or modified in accordance with the provisions of the Consumer Credit Act 1974 it will be unenforceable without a court order being obtained and, in certain cases, will be completely unenforceable. There is a risk that a regulated agreement will be unenforceable without an OFT order where SC UK or any broker did not hold a licence under the Consumer Credit Act, 1974 at the time of execution, modification or enforcement of the contract.

Liability for dealer's misrepresentations and breach of contract

Under the Consumer Credit Act 1974, SC UK may be liable for any misrepresentations, acts, omissions or statements made by a dealer to a customer during negotiations between them prior to the execution of a regulated Underlying Agreement by the customer and SC UK. In addition to such rights as any such customer may have against a dealer, the customer may make a claim for such misrepresentation or breach of contract or seek to exercise rights of set-off against SC UK and, accordingly, to exercise rights of set-off against the Issuer. Under the Sale of Goods Act 1979, a customer may also make a claim for breach of contract or seek to exercise rights of set-off against SC UK and, accordingly, to exercise rights of set-off against the Issuer if the vehicle the subject of the Underlying Agreement is (among other things) not of satisfactory quality or fit for the intended purpose. In all of the above circumstances, SC UK has a right to be indemnified by the dealer, pursuant to an agreement between SC UK and the dealer, against any loss SC UK may suffer or expense to which it may put in concluding any proceedings arising from such claims. It has been SC UK's experience that such claims by customers are rare. There is a risk that a customer may (a) rescind, claim past payments, not pay future payments and claim damages, or (b) affirm and claim damages including difference in contractual value had the vehicle complied and true value. There is also a risk that the dealer may lack funds to pay indemnity to SC UK.

Protected Goods

If, under a Conditional Sale Agreement or PCP Agreement, the Customer had paid SC UK at least one-third of the total amount payable for the vehicle under the relevant Underlying Agreement, the relevant vehicle becomes "protected" pursuant to the Consumer Credit Act 1974 and SC UK is not entitled to

repossess the vehicle unless it first obtains a court order or the Customer's consent at the time of surrendering the relevant vehicle. If, however, the Customer were to terminate the Underlying Agreement in circumstances where the Customer was in default, the vehicle would cease to be "protected" and SC UK would then be able to effect repossession unless the customer were to obtain from court a "time order" rescheduling the Customer's outstanding liabilities under the relevant Underlying Agreement. There is a risk that if SC UK recovers protected goods without a required order, the Customer may claim past payments and not pay future payments.

Consumer Credit Act 2006

The Consumer Credit Act 2006 ("**CCA 2006**") has made a number of changes to the Consumer Credit Act 1974.

The CCA 2006 introduces the concept of "unfair relationship" in place of the former provisions in the Consumer Credit Act 1974 relating to "extortionate credit bargains". The CCA 2006 gives the court extensive powers to make orders in relation to an agreement where it finds that a relationship between a customer and a creditor arising out of the agreement (and any related agreement) is "unfair" to the customer. The court has a wide discretion and may consider any matter it thinks is relevant, and if it finds any unfair relationship has broad powers of remedy. The unfair relationship concept applies to all existing and new credit agreements entered into by individuals. There is a risk that if the customer alleges an unfair relationship, it is for the creditor to prove to the contrary. There is also a risk of Customer claim and set-off against the Issuer.

From 6 April 2007 the jurisdiction of the Financial Ombudsman Service ("**FOS**") was extended to cover licence holders under the Consumer Credit Act 1974 by the CCA 2006, and such licence holders are required to have in place satisfactory complaints-handling procedures. FOS is required to make decisions on, among others, complaints relating to the terms in agreements on the basis of what, in their opinion, would be fair and reasonable in all the circumstances of the case, taking into account, among others, law and guidance. Complaints brought before FOS for consideration must be decided on a case-by-case basis, with reference to the particular facts of any individual case. Each case would first be adjudicated by an adjudicator. Either party to the case may appeal against the adjudication. In the event of an appeal, the case proceeds to a final decision by the Ombudsman. FOS may order a money award to a Customer, which may adversely affect the value at which the Purchased Receivables in the Underlying Agreements could be realised and accordingly the ability of the Issuer to meet its obligations under the Notes.

On 1 October 2008 certain new requirements to provide post contract information to Customers under regulated agreements came into force. These include a requirement to provide an annual statement for fixed-sum credit agreements (section 77A of Consumer Credit Act 1974), a requirement to give a notice of sums in arrears where the consumer has arrears equal to or in excess of the last two regular payments (Section 86B of Consumer Credit Act 1974) and a requirement to give notice of any default sum added to the account (section 86E of the Consumer Credit Act 1974). In addition creditors will not be able to charge compound interest on any default sum added to the account (section 86F of Consumer Credit Act 1974). Failure to comply with the relevant sections can impact on the ability to enforce any Underlying Agreement. If a creditor fails to provide an annual statement within the prescribed period and in the prescribed form the creditor cannot enforce the agreement during the period of non-compliance. A similar sanction applies where a creditor fails to provide a notice of sums in arrears. Where a creditor fails to provide a default sum notice the agreement cannot be enforced and interest cannot be charged on the default sum. In all cases if the non-compliance is rectified the agreement can then be enforced and interest and default sums can be collected, although not for the period of non-compliance. There is a risk that (before and after 1 October 2008) the regulated agreement may be unenforceable for any period of non-compliance as to a section 87 default notice. There is also a requirement that (since 1 October 2008) interest on default sums is nil until the 29th day after the day on which a default sum notice is given.

Unfair Terms in Consumer Contracts Regulations 1999

The Unfair Terms in Consumer Contracts Regulations 1999 (the "**UTCC Regulations**") apply in relation to any Underlying Agreement entered by a consumer. A "consumer" is anyone acting outside of their trade, business or profession. A consumer may challenge a standard term in an agreement on the basis that it is "unfair" within the meaning of the UTCC Regulations and therefore not binding on the customer. In addition the Office of Fair Trading ("**OFT**") or a qualifying body (as defined in the UTCC Regulations)

may seek an injunction (or, in Scotland, interdict) preventing a business from relying on an unfair term. Substantially all of the Underlying Agreements are subject to the UTCC Regulations.

The OFT issues guidance on what it considers to be fair terms and unfair terms in consumer contracts.

Schedule 2 to the UTCC Regulations contains a list of terms which may be regarded as unfair. Paragraph 1(e) includes any term requiring any consumer who fails to fulfil his obligation to pay a disproportionately high sum in compensation. The Underlying Agreements contain provisions requiring the payment of certain fixed default sums where the consumer is in breach of a term of the agreement. The level of default sums have come under scrutiny from both the OFT and consumers generally where such sums are charged in relation to credit cards and overdrafts. It is possible that a similar challenge could be brought in relation to the default sums set out in the Underlying Agreements. If so SC UK would need to be able to demonstrate that the level of default sum reflected the cost of SC UK of the relevant breach. If the level of the default sum is found to be excessive SC UK would be required to refund the amount of the fee and would be prevented from collecting further such default sums. There is a risk that the wide terms of the UTCC Regulations makes it difficult to predict whether a court would find any term unfair. There is a risk a Customer may claim and exercise set-off rights against the Issuer.

Unfair Commercial Practices Directive 2005

The Unfair Commercial Practices Directive ("UCP"), which took effect on 11 May 2005, seeks to regulate unfair commercial practices across the EU by establishing rules for the protection of consumers. The UCP applies to all consumer contracts and contains a wide prohibition on "unfair commercial practices" with examples of practices which would violate this principle by virtue of being "misleading" or "aggressive". Examples of such conduct include the dissemination of false information at any stage of the relationship or conduct involving harassment, coercion or undue influence.

In the UK the UCP was implemented through the Consumer Protection from Unfair Trading Regulations 2008 which came into force on 26 May 2008. There is a risk that regulatory action and guidance in relation to the regulation may have an adverse effect.

The Financial Services (Distance Marketing) Regulations 2004

The Financial Services (Distance Marketing) Regulations 2004 (the "**Distance Marketing Regulations**") govern the sale of financial products by means of distance communication, that is, in circumstances where a contract is concluded but the parties do not meet face-to-face. The Distance Marketing Regulations apply in respect of certain of the Underlying Agreements. In respect of Underlying Agreements to which the Distance Marketing Regulations apply, SC UK is required to provide Customers with certain information (including the supplier's identity, details of the product and details of the contract) before the Customer is bound by the relevant Underlying Agreement. The Customer has the right to cancel the contract within a cancellation period beginning on the date of conclusion of the contract and ending on the expiry of 14 calendar days beginning with the day after the contract is concluded. Where SC UK has not disclosed the information required under the Distance Marketing Regulations to the Customer, the cancellation period may be prolonged. If the Underlying Agreement which is subject to the Distance Marketing Regulations is cancelled by the Customer, the Customer is required to repay the credit with (if adequately disclosed) interest and charges and (except in the case of Fixed-Sum Loan Agreements) return the Financed Vehicle to SC UK in relation to the Underlying Agreement within 30 days of the date of cancellation. SC UK would also be required to refund to the Customer any sums paid by or on behalf of the Customer under the Underlying Agreement, less any charge made by SC UK under the terms of the Underlying Agreement, within 30 days of the date of cancellation, and any security for the cancelled Underlying Agreements would be treated as never having had effect.

Securitisation Company Regulations

The Taxation of Securitisation Companies Regulations 2006 (the "**TSC Regulations**") were made under section 84 of the Finance Act 2005 on 11 December 2006 (and now take effect under Chapter 4, Part 13 of the Corporation Tax Act 2010). The TSC Regulations deal with the corporation tax position of securitisation companies with effect for periods of account beginning on or after 1 January 2007. The TSC Regulations have been amended by, in particular, the Taxation of Securitisation Companies (Amendment) Regulations 2007, which came into force on 27 December 2007 (and have effect for periods beginning on or after 1 January 2007).

If the TSC Regulations apply to a company, then, broadly, it will be subject to corporation tax on the cash profit retained by it for each accounting period in accordance with the Transaction Documents. Based on advice received, the Issuer expects to be taxed under the special tax regime for which provision is made by the TSC Regulations.

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

Prospective Noteholders should note that if the Issuer did not fall to be taxed under the new regime provided for by the TSC Regulations then its profits or losses for tax purposes might be different from its cash position. Any unforeseen taxable profits in the Issuer could have an adverse affect on its ability to make payments to the Noteholders.

No Gross-up for Taxes

As provided in Condition 10 (*Taxes*), if withholding of, or deduction for, or on account of any current or future taxes, levies or governmental charges, regardless of their nature, 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, and such withholding or deduction is required by law, the Issuer or the Principal Paying Agent (as the case may be) will make the required withholding or deduction of such taxes and shall account for the deduction or withholding of such taxes with the competent government agencies, and neither the Issuer, the Principal Paying Agent nor any other person will be obliged to pay any additional amounts as compensation to such Noteholders in respect of such withholding or deduction.

See "*Taxation – United Kingdom Taxation*" for a summary of the United Kingdom withholding tax treatment as at the date hereof of the principal and interest paid in respect of the Notes.

EU Savings Directive

Under EC Council Directive 2003/48/EC on the taxation of savings income (the "**EU Savings Directive**"), each member state of the European Union (a "**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, Belgium, and Luxembourg may instead apply a withholding system in relation to such payments, deducting tax at rates rising over time to 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. Belgium has replaced the withholding tax system with a regime of exchange of information to the Member State of residence as from 1 January 2010.

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 their respective jurisdictions 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 Commission has proposed certain amendments to the Directive, which may, if implemented, amend or broaden the scope of the requirements described above. Investors who are in any doubt as to their position should consult their professional advisers.

The Issuer has agreed in Condition 9(d) (*Principal Paying Agent; Determinations Binding*) to at all times maintain a paying agent in an EU member state that will not be obliged to withhold or deduct tax pursuant to any law implementing the EU Savings Directive.

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

In Europe, the U.S. and elsewhere there is increased political and regulatory scrutiny of the asset-backed securities industry. This has resulted in a raft of measures for increased regulation 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 Notes are responsible for analysing their own regulatory position and none of the Issuer, the Lead Managers nor any other party to the Transaction Documents makes any representation to any prospective investor or purchaser of the Class A Notes regarding the regulatory capital treatment of their investment in the Notes on the Closing Date or at any time in the future.

In particular, investors should be aware of Article 122a and any implementing rules in relation to a relevant jurisdiction which applies, in general, to securitisations issued after 31 December 2010. Article 122a restricts an EEA regulated credit institution (including its consolidated entities) from investing in a securitisation unless the originator, sponsor or original lender in respect of that securitisation has explicitly disclosed to the EEA regulated credit institution that it will retain, on an ongoing basis, a net economic interest of not less than 5 per cent. in that securitisation as contemplated by Article 122a. Article 122a also requires an EEA regulated credit institution to be able to demonstrate that it has undertaken certain due diligence in respect of, amongst other things, the note position it has acquired and the underlying exposures and that procedures have been established for such due diligence to be conducted on an on-going basis. Failure to comply with one or more of the requirements set out in Article 122a may result in the imposition of a penal capital charge with respect to the investment made in the securitisation by the relevant investor. It should be noted that EEA states may implement Article 122a (and related provisions) differently.

Article 122a applies in respect of the Notes so investors which are EEA regulated credit institutions should therefore make themselves aware of the requirements of Article 122a and any implementing rules in relation to a relevant jurisdiction 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 servicer's report and/or investor reports made available and/or provided in relation to the Transaction for the purpose of complying with Article 122a and none of the Issuer, the Lead Managers nor the other Transaction Parties makes any representation that the information described above is sufficient in all circumstances for such purposes.

There remains considerable uncertainty with respect to Article 122a and it is not clear what will be required to demonstrate compliance to national regulators. 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 122a and any implementing rules in a relevant jurisdiction should seek guidance from their regulator. Similar requirements to those set out in Article 122a are expected to be implemented for other EEA regulated investors (such as investment firms, insurance and reinsurance undertakings and certain hedge fund managers) in the future.

Article 122a 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.

MATURITY CONSIDERATIONS

General

No assurance can be made of the amount of payments that will be made on the Notes on each Payment Date because that amount will depend on the amount of payments, including Prepayments (defined below), received on the Purchased Receivables during the preceding Interest Period. The Scheduled Maturity Date for the Notes is listed on page v of this Prospectus. This date has been calculated for the Notes assuming all Purchased Receivables pay as scheduled with no delays, defaults or prepayments. The Issuer expects that the final payment of each Class of Notes will occur before its final Legal Maturity Date. The final payment of the Notes could occur significantly earlier (or could occur later) than the Notes' Scheduled Maturity Date.

Prepayments

"**Prepayments**" on the Purchased Receivables will occur in certain circumstances including (but not limited to):

- Repurchase proceeds on Defaulted Receivables may be received;
- Repurchase proceeds on Purchased Receivables which have been repurchased following a Seller Asset Warranty Breach may be received; and
- proceeds from claims on any insurance policies assigned to the Issuer covering the Financed Vehicles or the Customers may be received.

In addition:

- the Seller may be required to repurchase Purchased Receivables (including Purchased Receivables which have been repurchased following a Seller Asset Warranty Breach) from the Issuer upon breaches of representations as described under "*Outline of the Other Principal Transaction Documents — Receivables Sale Agreement — Resale and Retransfer of Purchased Receivables*",
- under certain Underlying Agreements originated on or after 12 June 2010, Customers may have a right to prepay Instalments ("**Prepayment Amounts**") before such amounts become due, which would have the effect of reducing the Asset Amount Outstanding of such Purchased Receivables,
- the Seller will have the option to repurchase all outstanding Purchased Receivables from the Issuer on any Payment Date on which the Aggregate Note Principal Amount Outstanding is 10 per cent. or less of the Aggregate Note Principal Amount Outstanding as at the Closing Date, provided that sufficient funds are available to pay interest and principal on the Notes in full,
- an Accelerated Amortisation Event may occur, and
- the Seller will have the option to repurchase all outstanding Purchased Receivables on any Payment Date falling on or after the Scheduled Maturity Date.

ANY REINVESTMENT RISK RESULTING FROM A FASTER OR SLOWER RATE OF PAYMENT OF PURCHASED RECEIVABLES WILL BE BORNE ENTIRELY BY YOU. HIGHER THAN ANTICIPATED RATES OF OVERPAYMENT AND DEFAULTS ON THE PURCHASED RECEIVABLES WILL CAUSE PRINCIPAL TO BE PAID TO THE NOTEHOLDERS FASTER OR SLOWER THAN EXPECTED (AS THE CASE MAY BE). YOU WILL BEAR THE RISK OF NOT BEING ABLE TO REINVEST THE PRINCIPAL REPAID TO YOU FASTER THAN EXPECTED AT A RATE OF RETURN THAT IS EQUAL TO OR GREATER THAN THE RATE OF RETURN ON YOUR NOTES. YOU MAY ALSO HAVE TO WAIT LONGER THAN ANTICIPATED TO RECEIVE PRINCIPAL PAYMENTS IF OVERPAYMENT RATES ARE SLOWER THAN YOU ASSUMED, EXPOSING YOU TO REINVESTMENT RISK AT THE TIME PRINCIPAL IS PAID OR TO LOST INVESTMENT OPPORTUNITIES THAT MAY ARISE PRIOR TO YOUR RECEIPT OF PRINCIPAL FROM THE ISSUER.

CREDIT STRUCTURE

Cash Collection Arrangements and Issuer Accounts

Payments by the Customers under the Purchased Receivables are due on a monthly basis, with interest or finance charges (as applicable) being payable in arrear. Customers will make such payments into the Seller Accounts maintained by the Seller and, in the majority of cases, by direct debit. The Seller will declare a trust over the Seller Accounts in favour of the Issuer and itself under the Seller Accounts Declaration of Trust and the Issuer will be a beneficiary of such Trust to the extent that such amounts paid into the Seller Accounts from time to time are referable to the Issuer's interest in the Purchased Receivables. Prior to a Servicer Termination Event, all Collections will be transferred within one Business Day following receipt by the Seller into the Seller Accounts by the Servicer to the Collection Account maintained by the Issuer with the Collection Account Bank and on the Business Day before each Payment Date all interest received in respect of Purchased Receivables which are not Defaulted Receivables in the relevant Collection Period will be transferred from the Collection Account to the Basis Rate Swap Counterparty. Amounts received by the Issuer under the Basis Rate Swap and amounts credited to the Collection Account that constitute Available Distribution Amounts will be credited to the Sterling Account on each Payment Date. See "*OUTLINE OF THE OTHER PRINCIPAL TRANSACTION DOCUMENTS - Servicing Agreement*" and "*OUTLINE OF THE OTHER PRINCIPAL TRANSACTION DOCUMENTS - Account Bank Agreement*".

A ledger will be maintained to record amounts held in the Collection Account in respect of the balance of the Reserve Fund.

If at any time either the Account Bank's unsecured, unsubordinated, unguaranteed debt obligations are assigned a long term rating of less than, in the case of Moody's, A2; in the case of Fitch, A and in the case of DBRS (to the extent rated by DBRS), BBB (high), and such other rating as may be agreed with the Rating Agencies (and a short term rating of less than, in the case of Moody's, P-1; in the case of Fitch, F1 and in the case of DBRS (to the extent rated by DBRS), R-1 (low) (an "**Account Bank Downgrade**"), **provided that**, if the Account Bank's long term ratings have been placed on "Ratings Watch Negative" by Fitch, the Account Bank will be required to have a long term rating of at least A+ by Fitch, or such other rating as may be agreed with the Rating Agencies or such rating has been withdrawn by any of the Rating Agencies, the Cash Administrator (on behalf of the Issuer) will be required, within 30 calendar days after the Account Bank Downgrade, to transfer any amounts credited to the Sterling Account, at no cost to the Issuer or the Trustee, to an alternative bank with at least the Required Rating.

If at any time either (i) the short-term unsecured, unsubordinated and unguaranteed debt obligations or the long-term, unsecured and unguaranteed debt obligations of the Collection Account Bank are assigned a rating of less than the Required Rating or (ii) such debt obligations are no longer rated by any of the Rating Agencies (a "**Collection Account Bank Downgrade**"), **provided that**, if the Collection Account Bank's long-term unsecured and unguaranteed ratings have been placed on "Ratings Watch Negative" by Fitch, the Collection Account Bank will be required to have long-term unsecured and unguaranteed ratings of at least A+ by Fitch, the Cash Administrator (on behalf of the Issuer) will be required, within 30 calendar days after the Collection Account Bank Downgrade, to transfer any amounts credited to the Collection Account (including, for the avoidance of doubt, the Reserve Ledger), and procure that all amounts to be received by the Issuer be deposited at no cost to the Issuer, to an alternative bank with at least the Required Rating.

Available Distribution Amount

The Available Distribution Amount (as defined in the Terms and Conditions) will be calculated as at each Calculation Date with respect to the Collection Period ending on such Calculation 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 Servicing Agreement will vary during the life of the Notes as a result of the level of delinquencies, defaults, repayments and prepayments in respect of the Purchased Receivables. The effect of such variations could lead to drawings, and the replenishment of such drawings, under the Reserve Fund.

Pre-Enforcement Priority of Payments

The Available Distribution Amount will, pursuant to the Terms and Conditions and the Receivables Sale Agreement, be applied as of each Payment Date in accordance with the Pre-Enforcement Priority of Payments. The Pre-Enforcement Priority of Payments is set out in Condition 7.7 (*Pre-Enforcement Priority of Payments*) of the Terms and Conditions. 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 "*TERMS AND CONDITIONS OF THE NOTES — Redemption — 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 Issuer Accounts other than on a Payment Date.

Deferred Consideration to the Seller

On each Payment Date prior to the occurrence of an Accelerated Amortisation Event (or on a Payment Date where an Accelerated Amortisation Event has occurred but (i) the Notes are to be fully redeemed on such Payment Date or (ii) there has been a Waiver of such Accelerated Amortisation Event), Deferred Consideration will be paid to the Seller in accordance with, and subject to, the Priority of Payments, where "**Deferred Consideration**" means (i) on any Payment Date, the difference (if any) between the Available Distribution Amount and the sum of all amounts payable to or to be applied (as the case may be) under items *first* to *fourteenth* (inclusive) of the Pre-Enforcement Priority of Payments with respect to the Calculation Date immediately preceding such Payment Date and (ii) on any Payment Date following the delivery of an Enforcement Notice, the difference (if any) between the Available Distribution Amount and the sum of all amounts payable to or applied (as the case may be) by the Issuer under items *first* to *thirteenth* (inclusive) of the Post-Enforcement Priority of Payments with respect to the Calculation Date immediately preceding such Payment Date.

Post-Enforcement Priority of Payments

Following the delivery of an Enforcement Notice prior to the full discharge of all obligations of the Issuer that are subject to the Security ("**Secured Obligations**"), any amounts payable by the Issuer or, in the case of enforcement of the Security, by the Trustee will be paid in accordance with the Post-Enforcement Priority of Payments. See "*THE MAIN PROVISIONS OF THE DEED OF CHARGE — Post-Enforcement Priority of Payments*".

Reserve Fund

As of the Closing Date, an advance in an aggregate amount of GBP 42,026,073 by the Subordinated Loan Provider under the Subordinated Loan will have been credited to the Reserve Fund. Prior to the delivery of an Enforcement Notice, the amount credited to the Reserve Fund as of the Calculation Date immediately preceding any Payment Date will be available to meet items *first* to *eleventh* (inclusive) of the Pre-Enforcement Priority of Payments.

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 *twelfth* in the Pre-Enforcement Priority of Payments, the excess amount will be applied to credit, or if a drawing has been made, to replenish, the Reserve Fund until the balance standing to the credit of the Reserve Fund equals the Required Reserve Amount and thereafter to items ranking in lower priority in the Pre-Enforcement Priority of Payments.

Pursuant to the Receivables Sale Agreement and the Terms and Conditions, the Required Reserve Amount will be equal to (a) on the Closing Date and as of any Calculation Date prior to (but excluding) the Amortisation Threshold Date, an amount equal to the Reserve Percentage of the aggregate initial Note Principal Amounts of all Notes, (b) on the Calculation Date falling on the Amortisation Threshold Date and any Calculation Date following the Amortisation Threshold Date, (i) an amount equal to 2 times the Reserve Percentage of the Aggregate Note Principal Amount Outstanding after payment of any "**Class A Notes Principal**", being the aggregate principal amount of all Class A Notes outstanding on any date, and any "**Class B Notes Principal**", being the aggregate principal amount of all Class B Notes outstanding on any date, on the Payment Date immediately following the relevant Calculation Date or (ii) if, in

determining the Required Reserve Amount pursuant to (b)(i) above, a Reserve Shortfall were to occur on the Payment Date immediately following such Calculation Date or had occurred on any Payment Date preceding such Calculation Date, an amount equal to 2 times the Reserve Percentage of the Aggregate Note Principal Amount Outstanding as of the Calculation Date immediately preceding the first Payment Date upon which a Reserve Shortfall would occur or would have occurred in determining the Required Reserve Amount pursuant to (b)(i) above, **provided that**, in each of (b)(i) and (ii), the Required Reserve Amount shall not be less than GBP 7,000,000 and (c) on the Calculation Date prior to the immediately following Payment Date on which the Aggregate Note Principal Amount Outstanding will equal zero after payment of any Class A Notes Principal and any Class B Notes Principal in accordance with the Pre-Enforcement Priority of Payments, an amount equal to zero.

After all amounts of interest and principal due in respect of the Notes have been paid, the Required Reserve Amount will be reduced to zero.

Basis Rate Swap

The Eligibility Criteria requires that all Purchased Receivables bear a fixed Interest Rate. The interest rate payable by the Issuer with respect to the Class A1 Notes, the Class A2 Notes and the Class B Notes is the sum of LIBOR and a margin, and in each case as set out in the Terms and Conditions.

The Issuer will hedge this fixed-floating interest rate exposure by entering into the Basis Rate Swap on or about the Closing Date with the Basis Rate Swap Counterparty. Under the Basis Rate Swap, on the Business Day before each Payment Date the Issuer will pay the aggregate amount of all interest received by the Issuer under and in respect of the Purchased Receivables which are not Defaulted Receivables in the relevant Collection Period and available to be paid to the Basis Rate Swap Counterparty and the Basis Rate Swap Counterparty will pay a floating rate equal to LIBOR plus a margin as set by the Basis Rate Swap Counterparty in respect of the Interest Period immediately preceding such Payment Date applied to the Aggregate Principal Amount Outstanding of all Purchased Receivables which are not Defaulted Receivables in the relevant Collection Period. Payments under the Basis Rate Swap will be made on a net basis. See "*OUTLINE OF THE OTHER PRINCIPAL TRANSACTION DOCUMENTS — Basis Rate Swap*".

Pursuant to the Basis Rate Swap, if and so long as the short-term or long-term unsecured, unsubordinated and unguaranteed debt obligations of the Basis Rate Swap Counterparty are assigned a rating lower than the Basis Rate Swap Counterparty Required Ratings (as defined below) or any such Basis Rate Swap Counterparty Required Rating is withdrawn by any Rating Agency, then the Basis Rate Swap Counterparty will be obliged, within a period prescribed in the Basis Rate Swap for each of Moody's, Fitch and DBRS (as applicable) at its own cost, to post collateral for its obligations in accordance with the provisions of the Credit Support Annex, and in addition, will be obliged, within a period prescribed in the Basis Rate Swap for each of Moody's, Fitch and DBRS (as applicable) at its cost, to either (i) obtain a guarantee of its obligations under the Basis Rate Swap from a third party with the Basis Rate Swap Counterparty Required Ratings; (ii) transfer all of its rights and obligations under the Basis Rate Swap to a third party with the Basis Rate Swap Counterparty Required Ratings or (iii) take such other actions as a result of which the Class A Notes will be rated by the Rating Agencies at the same level as immediately prior to such event. Failure by the Basis Rate Swap Counterparty to comply with any of the aforementioned requirements will constitute an Additional Termination Event (as defined in the Basis Rate Swap) of the Basis Rate Swap exercisable by the Issuer in accordance with the terms and conditions thereof. Where the Basis Rate Swap Counterparty provides collateral in accordance with the provisions of the Credit Support Annex, such collateral or interest thereon will not form part of the Available Distribution Amount. See "*OUTLINE OF THE OTHER PRINCIPAL TRANSACTION DOCUMENTS — Basis Rate Swap*" and "*THE BASIS RATE SWAP COUNTERPARTY*".

"Basis Rate Swap Counterparty Required Ratings" means that (i) the short-term unsecured, unsubordinated and unguaranteed debt obligations of the Basis Rate Swap Counterparty are assigned a rating of at least F1 (or its equivalent) by Fitch and P-1 (or its equivalent) by Moody's and (ii) the long-term unsecured, unsubordinated and unguaranteed debt obligations of the Basis Rate Swap Counterparty are assigned a rating of at least A (or its equivalent) by Fitch (unless where the long-term unsecured, unsubordinated and unguaranteed debt obligations of the Basis Rate Swap Counterparty are assigned a rating of A+ by Fitch and such rating is placed on "Ratings Watch Negative" by Fitch), A (or its equivalent) by DBRS (to the extent that the Basis Rate Swap Counterparty is rated by DBRS) and A2 by Moody's, provided that if Moody's has not assigned any rating to the short-term unsecured,

unsubordinated and unguaranteed debt obligations of the Basis Rate Swap Counterparty, A1 (or its equivalent) by Moody's.

Credit Enhancement

As, on the Closing Date, the average rate in respect of the interest and finance charges under the Underlying Agreements exceeds the average interest rate of the Notes, it is expected that the Available Distribution Amount will exceed the amounts required to meet the items ranking higher than "**Class A Notes Interest**", being the aggregate Interest Amount payable (including any Interest Shortfall) in respect of all Class A Notes on any date, (item *eighth*) in the Pre-Enforcement Priority of Payments.

Prior to the delivery of an Enforcement Notice, the Class A Notes will have the benefit of credit enhancement provided through the subordination of the Class B Notes and through the Reserve Fund. The payment of interest and principal of the Class B Notes will be subordinated to the payment of interest and principal of the Class A Notes. The Class B Notes will also have the benefit of credit enhancement provided through the Reserve Fund.

Following the delivery of an Enforcement Notice, the Class A Notes will have the benefit of credit enhancement provided through the subordination, both as to payment of interest and principal and on enforcement of the Security, of the Class B Notes.

Subordinated Loan

The Subordinated Loan Provider will make available to the Issuer on or about the Closing Date a subordinated loan facility under the Subordinated Loan Agreement (the "**Subordinated Loan**") in the principal amount of GBP 42,026,073 which has been utilised for the purpose of establishing the Reserve Fund and paying certain expenses of the Issuer. The obligations of the Issuer under the Subordinated Loan Agreement are subordinated to the obligations of the Issuer under the Notes and, following the delivery of an Enforcement Notice, rank below the Notes and all other obligations of the Issuer (other than subordinated termination payments due to the Basis Swap Counterparty, reserved profit and Deferred Consideration) in accordance with the Post-Enforcement Priority of Payments.

Prior to the delivery of an Enforcement Notice, interest and principal 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. See "*OUTLINE OF THE OTHER PRINCIPAL TRANSACTION DOCUMENTS — Subordinated Loan Agreement*".

Liquidity Facility

For the Availability Period the Issuer will, subject to satisfaction of certain conditions, be entitled on each Payment Date during the Availability Period to make Facility Drawings under the Liquidity Facility provided by the Liquidity Facility Provider pursuant to the Liquidity Facility Agreement.

The Issuer will be entitled to draw under the Liquidity Facility Agreement funds, up to the Commitment, for the payment of interest on the Class A Notes on any Payment Date and the payment of prior-ranking items in accordance with the relevant Priority of Payments (other than the *seventh* item of the Pre-Enforcement Priority of Payments and the *fifth* item in the Post-Enforcement Priority of Payments), to the extent that the Available Distribution Amount in respect of the relevant Payment Date would otherwise be insufficient to enable such payments to be made provided that, following the delivery of an Enforcement Notice, any such drawing under the Liquidity Facility Agreement shall be made by the Calculation Agent.

Pursuant to the Liquidity Facility Agreement, if and so long as the long term unsecured, unsubordinated and unguaranteed debt obligations of the Liquidity Facility Provider are assigned a rating lower than any of the following: A3 by Moody's, A by DBRS (to the extent rated by DBRS) or A by Fitch (and a short term rating of less than P-1 by Moody's, R-1 (low) by DBRS and F1 by Fitch) or such other ratings as may be agreed with the Rating Agencies, provided that, if the Liquidity Facility Provider's long term ratings have been placed on "Ratings Watch Negative" by Fitch, the Liquidity Facility Provider will be required to have long term ratings of at least A+ by Fitch, or either such rating has been withdrawn by any of the Rating Agencies, the Liquidity Facility Provider will be required within 14 calendar days to post cash collateral in Sterling with the Issuer, and within 30 calendar days, to find a replacement liquidity facility provider with an alternative bank whose unsecured, unsubordinated, unguaranteed debt obligations are assigned a long term rating of not less than A by DBRS (to the extent rated by DBRS), A

by Fitch and A2 by Moody's (and a short term rating of not less than F1 by Fitch and P-1 by Moody's) or such other rating as may be agreed with the Rating Agencies or, if no replacement liquidity facility provider is appointed within 30 days, a Standby Drawing will be made and credited to the Standby Drawing Ledger in the Collection Account. The Issuer will be permitted to make withdrawals from the Standby Drawing Ledger and apply them in accordance with the relevant Priority of Payments to the extent that such drawing would have been available as Facility Drawings but for the making of such Standby Drawing or to make a repayment of a Standby Drawing.

Any Standby Drawings shall be due and payable (i) in the event that the Commitment of the Liquidity Facility Provider is transferred to a bank whose unsecured, unsubordinated, unguaranteed debt obligations are assigned a rating which meets the requirements set out above or (ii) if the ratings of the Liquidity Facility Provider are reinstated to the ratings set out above or (iii) if earlier, on the Legal Maturity Date.

TERMS AND CONDITIONS OF THE NOTES

The following is the text of the terms and conditions which will be applicable to the Notes.

The GBP 499,846,000 Class A1 asset backed floating rate notes due March 2019 (the "**Class A1 Notes**"), the GBP 480,000,000 Class A2 asset backed floating rate notes due March 2019 (the "**Class A2 Notes**") and, together with the Class A1 Notes, the "**Class A Notes**") and the GBP 304,356,426 Class B asset backed floating rate notes due March 2019) the "**Class B Notes**" and, together with the Class A Notes, the "**Notes**") are constituted by a trust deed (the "**Trust Deed**") dated on or about 21 April 2011 (the "**Closing Date**") between Motor 2011 PLC (the "**Issuer**") and Deutsche Trustee Company Limited (the "**Trustee**", which expression will include all persons for the time being the trustee or trustees under the Trust Deed) as trustee for, *inter alia*, the Noteholders (as defined in Condition 1 (*Form, Denomination and Title*)).

The Notes are secured pursuant to and on the terms set out in a deed of charge (the "**Deed of Charge**") dated on or about the Closing Date between the Issuer and the Trustee on the Security including, without limitation, the Issuer's rights, title, interest and benefit, present and future, in, under and to a paying agency agreement (the "**Paying Agency Agreement**") dated on or about the Closing Date between the Issuer, the Trustee, Deutsche Bank AG, London Branch as principal paying agent (in such capacity, the "**Principal Paying Agent**", which expression shall include its permitted successors and assigns and Deutsche Bank AG, London Branch as calculation agent (in such capacity, the "**Calculation Agent**", which expression will include its permitted successors and assignees) and agent bank (in such capacity, the "**Agent Bank**" which expression will include its permitted successors and assignees) and Deutsche Bank Luxembourg S.A. as registrar (in such capacity, the "**Registrar**", which expression will include its permitted successors and assignees).

The Security is created under or pursuant to the Deed of Charge.

Payments under the Notes will be made pursuant to the Paying Agency Agreement.

References to each of the Transaction Documents are to the relevant Transaction Document as from time to time modified in accordance with its provisions and/or any deed or document expressed to be supplemental to it, as from time to time so modified.

Statements in these terms and conditions (the "**Terms and Conditions**") are subject to the detailed provisions of the Trust Deed, the Deed of Charge, the Paying Agency Agreement and the other Transaction Documents, copies of which (other than copies of the Subscription Agreement) are available during normal business hours for inspection at the specified office for the time being of the Principal Paying Agent. The holders of the Notes are entitled to the benefit of, are bound by and are deemed to have notice of all the provisions contained in the Trust Deed, the Deed of Charge, and those applicable to them in the Paying Agency Agreement and the other Transaction Documents.

References to "Conditions" are, unless the context otherwise requires, to the numbered paragraphs of these Terms and Conditions. Words and expressions used in the Terms and Conditions without definitions will have the meaning given to them in Condition 15 (*Definitions*).

The issue of the Notes was authorised by a resolution of the board of directors of the Issuer passed on 18 April 2011.

1. **Form and Denomination**

- (a) Motor 2011 PLC, incorporated with limited liability in England under company registration number 7312004 with its registered office at Winchester House, Mailstop 428, 1 Great Winchester Street, London EC2N 2DB issues the following classes of floating rate asset-backed notes in registered form (each, a "**Class**") pursuant to these Terms and Conditions:
 - (i) Class A1 Notes are issued in denominations of GBP 100,000 and integral multiples of GBP 1,000,
 - (ii) Class A2 Notes are issued in denominations of GBP 100,000 and integral multiples of GBP 1,000,

- (iii) Class B Notes are issued in denominations of GBP 100,000 and integral multiples of GBP 1,000.

The Notes will be issued on or about 21 April 2011 (the "**Closing Date**"). The holders of the Notes are referred to as the "**Noteholders**".

- (b) Each Class of Notes shall be represented by a global registered note (a "**Global Note**") without interest coupons. The Class A1 Global Note shall be deposited with an entity appointed as common depositary (the "**Common Depositary**"). The Class A2 Global Note and the Class B Global Note shall be deposited with the Class A2 Noteholder and the Class B Noteholder (as applicable).
- (c) Each Global Note will be exchangeable, free of charge to the holder in whole but not in part, for Definitive Notes if:
 - (i) (in respect of the Class A1 Notes only) 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 Trustee is available; or
 - (ii) (in respect of any Class of Notes) as a result of any amendment to, or change in (A) the laws or regulations of the United Kingdom (or of any political subdivision 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 Closing 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 Global Note.

The Registrar will not register the transfer of, or exchange of interests in, the Global Note for individual certificates for a period of 15 calendar days ending on the date for any payment of principal or interest in respect of the Notes.

In such circumstances, the relevant Global Note shall be exchanged in full for individual certificates and the Issuer will, at the cost of the Issuer (but against such indemnity as the Registrar 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 Registrar for completion, authentication and dispatch to the relevant Noteholders. A person having an interest in a Global Certificate must provide the Registrar with a written order containing instructions and such other information as the Issuer and the Registrar may require to complete, execute and deliver such individual certificates.

- (d) The holder of an individual certificate may transfer the Notes represented thereby in whole or in part in the applicable minimum denomination by surrendering it at the specified office of the Registrar, together with the completed form of transfer thereon. Upon the transfer, exchange or replacement of an individual certificate, any legends or restrictions set forth therein are required to be complied with at all times.
- (e) Each Global Note shall be manually signed by or on behalf of the Issuer and shall be authenticated by the Principal Paying Agent.
- (f) The aggregate nominal amount of the Class A1 Notes represented by the Class A1 Global Note shall be the aggregate amount from time to time entered in the records of both Euroclear and Clearstream, Luxembourg. Absent 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 A1 Notes) shall be conclusive evidence of the aggregate nominal amount of

Class A1 Notes represented by the Class A1 Global Note and, for these purposes, a statement issued by Euroclear or Clearstream, Luxembourg, as applicable stating the aggregate nominal amount of Notes so represented at any time shall be conclusive evidence of the records of Euroclear and Clearstream, Luxembourg (as applicable) at that time.

On any redemption or payment of interest being made in respect of any of the Class A1 Notes represented by the Class A1 Global Note the Issuer shall procure that details of any redemption or payment (as the case may be) in respect of the Class A1 Global Note 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 Notes recorded in the records of Euroclear and Clearstream, Luxembourg and represented by the Class A1 Global Note shall be reduced by the aggregate nominal amount of the Notes so redeemed.

- (g) The aggregate nominal amount of the Class A2 Notes represented by the Class A2 Global Note and the Class B Notes represented by the Class B Global Note shall be the aggregate amount from time to time entered in the records of the Registrar. Absent manifest errors, the records of the Registrar shall be conclusive evidence of the aggregate nominal amount of Class A2 Notes represented by the Class A2 Global Note and the Class B Notes represented by the Class B Global Note and, for these purposes, a statement issued by the Registrar stating the aggregate nominal amount of relevant Notes so represented at any time shall be conclusive evidence of the records of the Registrar at that time.
- (h) On any redemption or payment of interest being made in respect of any of the Class A2 Notes represented by the Class A2 Global Note or the Class B Notes represented by the Class B Global Note, the Issuer shall procure that details of any redemption or payment (as the case may be) in respect of the Class A2 Global Note or the Class B Global Note shall be entered *pro rata* in the records of the Registrar and in relation to any such redemption or payment, upon any such entry being made, the aggregate nominal amount of the Class A2 Notes or the Class B Notes recorded in the records of the Registrar and represented by the Class A2 Global Note or the Class B Global Note, respectively, shall be reduced by the aggregate nominal amount of the relevant Notes so redeemed.
- (i) Copies of the Global Notes are available free of charge at the main offices of the Issuer and of the Principal Paying Agent (as defined in Condition 9(a) (*Paying Agents; Determinations Binding*)) during normal business hours).

2. **Status and Priority**

- (a) The Notes constitute direct, secured and (subject to Condition 3.2 (*Limited Recourse*)) unconditional obligations of the Issuer.
- (b) Prior to the delivery of an Enforcement Notice, the obligations of the Issuer under the Class A Notes rank *pari passu* without any preference among themselves in respect of security in accordance with the Pre-Enforcement Priority of Payments. Following the delivery of an Enforcement Notice (as defined in Condition 3.8 (*Issuer Event 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 in respect of security prior to the delivery of an Enforcement Notice. Following the delivery of an Enforcement Notice, 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.

3. **Provision of Security; Limited Payment Obligation; Issuer Event of Default**

3.1 **Security**

Pursuant to the Deed of Charge, the Issuer has assigned or charged its rights, interests and claims in all Purchased Receivables and the Related Collateral transferred by the Seller to it under or

pursuant to the Receivables Sale Agreement, all of its rights and claims arising under the Transaction Documents to which the Issuer is a party and certain other rights specified in the Deed of Charge as Security for the Notes and other obligations specified in the Deed of Charge.

3.2 ***Limited Recourse***

If at any time following:

- (a) the occurrence of either:
 - (i) the Legal Maturity Date or any earlier date upon which all of the Notes of each Class are due and payable; or
 - (ii) the service of an Enforcement Notice; and
- (b) Realisation of the Security and application in full of any amounts available to pay amounts due and payable under the Notes in accordance with the applicable Priority of Payments,

the proceeds of such Realisation are insufficient, after payment of all other claims ranking in priority in accordance with the applicable Priority of Payments, to pay in full all amounts then due and payable in respect of the Notes in accordance with the applicable Priority of Payments then the amount remaining to be paid (after such application in full of the amounts first referred to in (b) above) in respect of the Notes shall, on the day following such application in full of the amounts referred to in (b) above, cease to be due and payable by the Issuer.

For the purposes of this Condition 3.2, "**Realisation**" means, in relation to any Security, the deriving, to the fullest extent practicable, (in accordance with the provisions of the Transaction Documents) of proceeds from or in respect of such Security including (without limitation) through sale or through performance by a Customer.

3.3 ***Exclusion of Other Limited Recourse***

Notwithstanding anything to the contrary in the Transaction Documents, no provision in any Transaction Document other than Condition 3.2 shall limit or in any way reduce the amount of interest that would otherwise be payable by the Issuer under any Note, if and to the extent that such limitation or reduction falls to any extent to be determined by reference to the results of any business or part of a business or the value of any property.

3.4 ***Enforcement of Payment Obligations***

The enforcement of the payment obligations under the Notes shall only be effected by the Trustee for the benefit of the Noteholders, provided that each Noteholder shall be entitled to proceed directly against the Issuer in the event that the Trustee, after having become obliged to do so in accordance with the terms of the Trust Deed or the Deed of Charge, fails to take action within a reasonable time period and such failure continues.

3.5 ***Enforcement of the Security***

The Security will become enforceable following the delivery by the Trustee of an Enforcement Notice in accordance with Condition 3.8 (*Issuer Event of Default*), and subject to the matters referred to in Condition 3.6 (*Enforcement*). Following the delivery of an Enforcement Notice, drawings under the Liquidity Facility Agreement will be made by the Calculation Agent in accordance with the terms thereof and remit such funds to or to the order of the Trustee and the Trustee shall have no responsibility for making any such drawing or requesting any advance thereunder.

3.6 ***Enforcement***

- (a) *Proceedings*: The Trustee may at its discretion and without further notice, institute such proceedings as it thinks fit to enforce its rights under the Trust Deed in respect of the

Notes of each Class and under the other Primary Transaction Documents, but it shall not be bound to do so unless:

- (i) so requested in writing by the holders of at least 50 per cent. of the Aggregate Note Principal Amount Outstanding of the Controlling Class; or
- (ii) so directed by an Extraordinary Resolution of the Noteholders of the Controlling Class;

and in any such case, only if 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.

- (b) *Directions to the Trustee:* If the Trustee shall take any action described in Condition 3.6(a) (*Proceedings*) it may take such action without having regard to the effect of such action on individual Noteholders or any other Secured Creditor, provided that so long as the Controlling Class is outstanding, the Trustee shall not, and shall not be bound to, act at the request or direction of the Noteholders of any other Class of Notes unless:

- (i) to do so would not, in its opinion, be materially prejudicial to the interests of the holders of the Controlling Class; or
- (ii) (if the Trustee is not of that opinion) such action is sanctioned by an Extraordinary Resolution of the holders of the Controlling Class.

3.7 ***Obligations of the Issuer only***

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

3.8 ***Issuer Event of Default***

If any of the following Issuer Events of Default occurs, the Trustee may in its absolute discretion, and if so directed by an Extraordinary Resolution of the holders of the Controlling Class or so requested in writing by the holders of at least 50 per cent. of the Aggregate Note Principal Amount Outstanding of the Controlling Class, will (subject, in each case, to being indemnified, prefunded and/or secured to its satisfaction) give a notice (an "**Enforcement Notice**") to the Issuer copied to the Account Bank and the Principal Paying Agent declaring the Notes to be due and payable and each Note will accordingly forthwith become immediately due and payable at its principal amount outstanding together with accrued interest (if any).

An "**Issuer Event of Default**" shall occur when:

- (i) the Issuer is deemed unable to pay its debts within the meaning of Section 123(1)(b), (c) or (d) of the Insolvency Act 1986 (as that section may be amended) or becomes unable to pay its debts as they fall due or the Issuer is wound up (except for a voluntary winding-up by its shareholders) or an order is made or an effective resolution is passed for the winding-up of the Issuer or the Issuer initiates or consents or otherwise becomes subject to liquidation, examinership, insolvency, reorganisation or similar proceedings under any applicable law; or
- (ii) the Issuer (i) defaults in the payment of any interest due on the Notes of the Controlling Class when the same becomes due and payable on each Payment Date and such default continues for a period of five Business Days or more or (ii) defaults on the payment of any principal due in respect of the Notes of the Controlling Class when the same becomes due and payable and such default continues for a period of five Business Days or more, provided that such a failure to pay principal on the Class B Notes or, prior to the Legal Maturity Date, on the Class A Notes, will only constitute an Issuer Event of Default if the Available Distribution Amount as of the immediately preceding Calculation Date would have been sufficient to pay such amounts in full in accordance with the applicable Priority of Payments; or

- (iii) the Issuer fails to perform or comply with any one or more of its other obligations (other than a failure to perform or comply with obligations which failure, in the opinion of the Trustee, is not materially prejudicial to the interests of the Noteholders) and (except where such failure is not capable of remedy when no such notice as is hereinafter referred to will be required) such failure continues for more than 30 calendar days (or such longer period as the Trustee at the direction of the Controlling Class (acting by Extraordinary Resolution) may permit) following the service by the Trustee on the Issuer of notice requiring the same to be remedied (the "**Remedy Notice**"); or
- (iv) a distress, execution, attachment, diligence or other legal process is levied or enforced upon or sued out against all or any substantial part of the assets of the Issuer and is, in the opinion of the Trustee, materially prejudicial to the interests of the Noteholders, and not discharged or does not otherwise cease to apply within 30 calendar days of being levied, enforced or sued out or legal proceedings are commenced for any of the aforesaid, or the Issuer makes a conveyance, assignation, trust or assignment for the benefit of its creditors generally.

In respect of an Issuer Event of Default under limb (iii) above, the Trustee shall assume without liability therefor, that where such failure is capable of remedy, the applicable remedy period will be within 30 calendar days following the Remedy Notice, unless the Controlling Class have directed the Trustee (by means of an Extraordinary Resolution) of any longer remedy period within such 30 calendar days.

4. **General Covenants of the Issuer**

4.1 ***Restrictions on Activities***

The Issuer Covenants contain certain covenants in favour of the Trustee from the Issuer which, amongst other things, restrict the ability of the Issuer to create or incur any indebtedness, dispose of assets or change the nature of its business. So long as any Note remains outstanding, the Issuer shall comply with the Issuer Covenants.

4.2 ***Appointment of Trustee***

As long as any Notes are outstanding, the Issuer shall ensure that a trustee is appointed at all times who has undertaken the same functions and obligations as the Trustee pursuant to these Terms and Conditions, the Trust Deed and the Deed of Charge.

5. **Payments on the Notes**

5.1 ***Payment Dates***

Payments of interest and, in accordance with the provisions herein, principal in respect of the Notes to the Noteholders shall become due and payable monthly on the 21st day of each calendar month or, if such day is not a Business Day, on the next succeeding day which is a Business Day unless such date would thereby fall into the next calendar month, in which case the payment will be made on the immediately preceding Business Day, commencing on 21 May 2011 (each such day, a "**Payment Date**"). "**Business Day**" shall mean a day on which commercial banks and foreign exchange markets are open or required to be open for business in New York, London, England and in Dublin, Ireland.

5.2 ***Note Principal Amount***

Payments of principal and interest on each Note as of any Payment Date shall be made on the Note Principal Amount Outstanding of such Note. The Note Principal Amount Outstanding of any Notes as of any date shall equal the initial note principal amount of GBP 1,284,202,426 as reduced by all amounts paid prior to such date on such Note in respect of principal.

5.3 ***Payments and Discharge***

- (a) Payments of principal and interest in respect of the Notes shall be made by the Issuer, through the Principal Paying Agent, on each Payment Date to, or to the order of (i) in

respect of the Class A1 Notes, the Clearing Systems, as relevant, for credit to the relevant participants in the Clearing Systems for subsequent transfer to the Class A1 Noteholder (ii) in respect of the Class A2 Notes, the Class A2 Noteholder and (iii) in respect of the Class B Notes, the Class B Noteholder .

- (b) All payments made by the Issuer to, or to the order of (i) the Clearing Systems in respect of the Class A1 Notes, or (ii) in respect of the Class A2 Notes, the Class A2 Noteholder and (iii) in respect of the Class B Notes, the Class B Noteholder as relevant, 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 A1 Notes, referred to in Condition 5.2 (*Note Principal Amount*) shall not affect the discharge referred to in the preceding sentence.

6. **Payments of Interest**

6.1 ***Interest Calculation***

- (a) Subject to the limitations set forth in Condition 3.2 (*Limited Recourse*) and, in particular, subject to the Pre-Enforcement Priority of Payments and, following the delivery of an Enforcement Notice, the Post-Enforcement Priority of Payments, each Note shall bear interest on its Note Principal Amount Outstanding from the Closing Date until the close of the day preceding the day on which such Note has been redeemed in full (both days inclusive).
- (b) The Interest Amount shall be calculated by applying the relevant Interest Rate (Condition 6.3 (*Interest Rate*)), for the relevant Interest Period (Condition 6.2 (*Interest Period*)), to the Note Principal Amount Outstanding 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 and rounding the result to the nearest GBP 0.01 (with GBP 0.005 being rounded upwards).
- (c) "**Class A1 Notes Interest**" shall mean the aggregate Interest Amount payable (including any Interest Shortfall) in respect of all Class A1 Notes on any date, "**Class A2 Notes Interest**" shall mean the aggregate Interest Amount payable (including any Interest Shortfall) in respect of all Class A2 Notes on any date (and together with Class A1 Notes Interest, "**Class A Notes Interest**") and "**Class B Notes Interest**" shall mean the aggregate Interest Amount payable (including any Interest Shortfall) in respect of all Class B Notes on any date.

6.2 ***Interest Period***

"**Interest Period**" shall mean, in respect of the First Payment Date, the period commencing on (and including) the Closing Date and ending on (but excluding) the First Payment Date 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.

6.3 ***Interest Rate***

- (a) The Interest Rate payable on the Note for each Interest Period shall be
 - (i) in the case of the Class A1 Notes, LIBOR plus 0.70 per cent. per annum,
 - (ii) in the case of the Class A2 Notes, LIBOR plus 0.70 per cent. per annum, and
 - (iii) in the case of the Class B Notes, LIBOR plus 0.80 per cent. per annum.
- (b) "**LIBOR**", in relation to the Notes, for each Interest Period shall mean the rate for deposits in Sterling for a period of 1 month (with respect to the first Interest Period the linear interpolation between 1 month and 2 months) which appears on Reuters 3000 page LIBOR01 (or such other page as may replace such page on that service for the purpose of displaying London inter-bank offered rate quotations of major banks) as of 11:00 a.m. (London time) on the first day of such Interest Period (each, a "**LIBOR Determination**")

Date"), all as determined by the Calculation Agent. If Reuters 3000 Page LIBOR01 is not available or if no such quotation appears thereon, in each case as at such time, the Calculation Agent shall request the principal London office of the Reference Banks selected by it to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for one-month deposits in Sterling at approximately 11:00 a.m. (London time) on the relevant LIBOR Determination Date to prime banks in the London inter-bank market for the relevant Interest Period and in an amount that is representative for a single transaction in that market at that time. If two or more of the selected Reference Banks provide the Calculation Agent with such offered quotations, LIBOR for such Interest Period shall be the arithmetic mean of such offered quotations (rounded if necessary to the nearest one thousandth of a percentage point, with 0.000005 being rounded upwards). If on the relevant LIBOR Determination Date fewer than two of the selected Reference Banks provide the Calculation Agent with such offered quotations, LIBOR for such Interest Period shall be the rate per annum which the Calculation Agent determines as being the arithmetic mean (rounded if necessary to the nearest one thousandth of a percentage point, with 0.000005 being rounded upwards) of the rates communicated to (and at the request of) the Calculation Agent by major banks in London, selected by the Calculation Agent, at approximately 11:00 a.m. (London time) on such LIBOR Determination Date for loans in Sterling to leading European banks for such Interest Period and in an amount that is representative for a single transaction in that market at that time. In relation to LIBOR "**Reference Banks**" shall mean four major banks in the London inter-bank market.

In the event that the Calculation Agent is on any LIBOR Determination Date required but unable for whatever reason to determine LIBOR for the relevant Interest Period in accordance with the above, LIBOR for such Interest Period shall be LIBOR as determined on the previous LIBOR Determination Date.

6.4 ***Notifications***

The Calculation Agent shall, as soon as practicable on or after each LIBOR Determination Date, determine the relevant Interest Period, Interest Rate, Interest Amount and Payment Date with respect to each Note and shall notify the Principal Paying Agent thereof for onward communication of such information (i) to the Issuer, the Trustee, the Basis Rate Swap Counterparty and (ii) as long as any Notes are listed on the Official List and traded on the regulated market of the Irish Stock Exchange, to the Irish Stock Exchange in accordance with Condition 13 (*Form of Notices*) on behalf of the Issuer. In the event that such notification is required to be given to the Irish Stock Exchange, this notification shall be given no later than the close of the first Business Day following the relevant LIBOR Determination Date.

6.5 ***Interest Shortfall***

Accrued interest not be 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. An Interest Shortfall shall become due and payable on the next Payment Date and on any following Payment Date (subject to Condition 3.2 (*Limited Recourse*)) until it is reduced to zero. Interest shall accrue on Interest Shortfalls at the Interest Rate applicable to the relevant Note until the Legal Maturity Date.

6.6 ***Default Interest***

In any case where payment of the whole or any part of the principal amount due in respect of any Note is improperly withheld or refused upon due presentation (if so provided for in the Conditions) of the Note, interest shall accrue in accordance with Clause 6.6 (*Default Interest*) of the Trust Deed.

7. **Redemption**

7.1 ***Amortisation***

Subject to the limitations set forth in Condition 3.2 (*Limited Recourse*) and, in particular, subject to the Post-Enforcement Priority of Payments following the delivery of an Enforcement Notice,

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 in an amount equal to the Available Distribution Amount less the sum of all amounts payable or to be applied (as the case may be) by the Issuer as set forth in the Pre-Enforcement Priority of Payments under items *first* to *eighth* (inclusive) and item *twelfth* (if relevant) and subject to the relevant Class Target Principal Amount, **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.

7.2 ***Scheduled Maturity Date***

On any Payment Date falling on or after the Scheduled Maturity Date for the Class A Notes (the "**Scheduled Call Date**"), each Class A Note may, upon the exercise by the Seller of the Scheduled Call Option, unless previously redeemed, be redeemed in full at the then outstanding 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 the then outstanding Note Principal Amount, subject to the repurchase by the Seller of all outstanding Purchased Receivables and Related Collateral in accordance with the Receivables Sale Agreement and subject to the proceeds distributable as a result of such repurchase on the Scheduled Call Date shall be at least equal to the then Aggregate Note Principal Amount Outstanding plus accrued but unpaid interest thereon together with all amounts ranking prior thereto in accordance with the Pre-Enforcement Priority of Payments.

7.3 ***Legal Maturity Date***

On the Payment Date falling in March 2019 (the "**Legal Maturity Date**"), each Class A Note shall, unless previously redeemed or purchased and cancelled, be redeemed in full at the then outstanding 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 the then outstanding Note Principal Amount of the Notes, in each case subject to the limitations set forth in Condition 3.2 (*Limited Recourse*). The Issuer will be under no obligation to make any payment under the Notes in respect of any period after the Legal Maturity Date.

7.4 ***Early Redemption***

- (a) On any Payment Date on which the Aggregate Note Principal Amount Outstanding of all Notes has been reduced to less than 10 per cent. of the Aggregate Note Principal Amount Outstanding of all Notes as of the Closing Date, the Seller shall have the option under the Receivables Sale Agreement to repurchase the Purchased Receivables (together with any Related Collateral) and the proceeds from such repurchase shall constitute Collections, which shall be applied by the Issuer to redeem the Notes in full, subject to the following requirements:
 - (i) the Issuer will be in a position on that Payment Date to discharge (and so certifies to the Trustee) all of its liabilities in respect of the Notes;
 - (ii) the Seller shall advise the Issuer and the Issuer shall advise the Trustee and the Noteholders of the Seller's intention to exercise the repurchase option at least one month prior to the contemplated termination date which shall be a Payment Date (the "**Early Redemption Date**");
 - (iii) the repurchase price to be paid by the Seller will be the Aggregate Asset Amount Outstanding plus accrued finance charges thereon on the Early Redemption Date; and
 - (iv) the proceeds distributable as a result of such repurchase on the Early Redemption Date shall be at least equal to the then Aggregate Note Principal Amount Outstanding plus accrued but unpaid interest thereon together with all amounts ranking prior thereto in accordance with the Pre-Enforcement Priority of Payments; and

- (b) Early redemption of the Notes pursuant to this Condition 7.4 may not be effected if the repurchase price determined under Condition 7.4(a)(iii) above is insufficient to fully satisfy the obligations of the Issuer specified under Condition 7.4(a)(iv) above.
- (c) Upon payment in full of the amounts pursuant to Condition 7.4(a)(iii) to the Noteholders, the Noteholders shall not receive any further payments of interest or principal.

7.5 ***Optional Redemption for Taxation Reasons***

If the Issuer is or becomes at any time required by law to deduct or withhold from any payment in respect of the Notes any amount in respect of 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 notify the Trustee and 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 Condition 11 (*Substitution of the Issuer*) or to change its tax residence to another jurisdiction approved by the Trustee. The Trustee shall be required to consent to such substitution or change of tax residence of the Issuer within 60 calendar days of being notified under this Condition 7.5 that such substitution or change of the tax residence would be practicable but shall not give such approval unless the Rating Agencies have indicated that such substitution or change of the tax residence of the Issuer would not negatively affect or result in a downgrading or withdrawal of the then current ratings of the Class A Notes. If the Issuer determines that any of such measures would be practicable, it shall (i) notify the Trustee and provide it with legal opinions in respect of such substitution in form and substance satisfactory to it and (ii) effect such substitution in accordance with 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 Trustee of such determination), it is unable so to avoid such deduction or withholding for or on account of tax, levies or governmental charges 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' notice of redemption given to the Trustee, to the Principal Paying Agent and, in accordance with Condition 13 (*Form of Notices*) to the 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.

7.6 ***Purchase***

The Issuer may not purchase any Notes.

7.7 ***Pre-Enforcement Priority of Payments***

On each Payment Date prior to the delivery of an Enforcement Notice or except in the case of a redemption of the Notes in full pursuant to Condition 7.2 (*Scheduled Maturity Date*), Condition 7.3 (*Legal Maturity Date*), Condition 7.4 (*Early Redemption*) or Condition 7.5 (*Optional Redemption for Taxation Reasons*), the Available Distribution Amount as of the Calculation Date immediately preceding such Payment Date shall be applied in accordance with the following order of priorities:

first, to retain a reserved profit of the Issuer of GBP 2,500 on each of the first eight Payment Dates and GBP 100 on each subsequent Payment Date (which the Issuer may apply to pay any corporation tax due thereon);

second, to pay *pari passu* and *pro rata* any fees, costs, expenses, indemnities and other amounts due and payable to the Trustee under the Transaction Documents;

third, to pay *pari passu* and *pro rata* any fees, costs, indemnities, expenses and other amounts due and payable to the Cash Administrator under the Cash Administration Agreement, to the Collection Account Bank and the Account Bank under the Account Bank Agreement, to the Principal Paying Agent, the Registrar, the Agent Bank and the Calculation Agent under the Paying Agency Agreement, to the Corporate Administrator under the Corporate Administration Agreement, any other Third Party Expenses due and payable by the Issuer in connection with the establishment or corporate administration of the Issuer or in relation to any annual return, filing, registration and registered office or licence, and to the Insolvency Official of the Seller following an Insolvency Event of the Seller, the Administrator Incentive Recovery Fee under the Servicing Agreement (if any);

fourth, to pay *pari passu* and *pro rata* any fees, out of pocket costs, expenses and other amounts due and payable to the Servicer under the Servicing Agreement, and any amounts due and payable to any substitute 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 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;

fifth, to pay any amounts due and payable by the Issuer to the Seller under the Receivables Sale Agreement in respect of any required return in whole or in part of a direct debit (to the extent such returns do not reduce the Collections for the Collection Period ending on such Calculation Date);

sixth, to pay any amount due and payable to the Basis Rate Swap Counterparty under the Basis Rate Swap, other than any termination payment (as determined pursuant to the Basis Rate Swap) due and payable to the Basis Rate Swap Counterparty, if an event of default has occurred under the Basis Rate Swap with respect to the Basis Rate Swap Counterparty;

seventh, to pay first any accrued commitment fees, then interest and then principal and any other amounts due and payable under the Liquidity Facility Agreement in respect of outstanding drawings (including any standby drawings) drawn with respect to any previous Payment Date;

eighth, to pay Class A Notes Interest due and payable on such Payment Date *pro rata* on each Class A Note;

ninth, to pay Class A Notes Principal as of such Calculation Date, *pro rata* on each Class A Note, but only until the Aggregate Note Principal Amount Outstanding of the Class A Notes following such payment is equal to the Class A Target Principal Amount;

tenth, to pay Class B Notes Interest due and payable on such Payment Date *pro rata* on each Class B Note;

eleventh, to pay Class B Notes Principal due and payable on such Payment Date *pro rata* on each Class B Note, but only until the Aggregate Note Principal Amount Outstanding of the Class B Notes following such payment is equal to the Class B Target Principal Amount;

twelfth, to credit to the Reserve Fund with effect as from such Payment Date up to the amount of the Required Reserve Amount as of such Calculation Date;

thirteenth, to pay (except where an Accelerated Amortisation Event has occurred and there has not been a Waiver of such Accelerated Amortisation Event) first, interest (including accrued interest) due and payable under the Subordinated Loan Agreement and thereafter, outstanding principal under the Subordinated Loan Agreement;

fourteenth, to pay any termination payment due and payable to the Basis Rate Swap Counterparty under the Basis Rate Swap if an event of default has occurred under the Basis Rate Swap with respect to the Basis Rate Swap Counterparty; and

fifteenth, to pay (except where an Accelerated Amortisation Event has occurred and there has not been a Waiver of such Accelerated Amortisation Event) any amounts relating to the Deferred Consideration to the Seller in accordance with the Receivables Sale Agreement.

7.8 ***Post-Enforcement Priority of Payments***

Either (i) following the delivery of an Enforcement Notice and prior to the full discharge of all Secured Obligations or (ii) in the case of redemption of the Notes in full pursuant to Condition 7.2 (*Scheduled Maturity Date*), Condition 7.3 (*Legal Maturity Date*), Condition 7.4 (*Early Redemption*) or Condition 7.5 (*Optional Redemption for Taxation Reasons*), any credit (other than (i) any collateral posted by the Basis Rate Swap Counterparty under any Credit Support Annex and any interest thereon and (ii) any collateral posted by the Liquidity Facility Provider by means of a Standby Drawing and (in each case) interest thereon, except where available to be applied by the Issuer under the terms of the Liquidity Facility Agreement) on the Issuer Accounts shall be applied on subsequent Payment Dates exclusively in the following order towards fulfilling the payment obligations of the Issuer, in each case only to the extent that payments due and payable on the relevant Payment Date of a higher priority have been made in full:

first, to pay any fees, costs, expenses, indemnities and other amounts due and payable to the Trustee under the Transaction Documents and any receiver, manager, receiver and manager or administrative receiver appointed in respect of the Issuer in accordance with the Deed of Charge;

second, to pay *pari passu* and *pro rata* any fees, out of pocket costs, expenses and other amounts due and payable to the Servicer under the Servicing Agreement, and any such amounts due to any substitute 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 Sale 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;

third, to pay *pari passu* and *pro rata* any fees, costs, expenses, indemnities and other amounts due and payable to the Corporate Administrator under the Corporate Administration Agreement, to the Collection Account Bank and the Account Bank under the Account Bank Agreement, to the Principal Paying Agent, the Registrar, the Agent Bank and the Calculation Agent under the Paying Agency Agreement, to the Cash Administrator under the Cash Administration Agreement and any other amounts due by the Issuer in connection with the liquidation or dissolution of the Issuer and to the Insolvency Official of the Seller, under the Servicing Agreement following an Insolvency Event of the Seller, the Administrator Incentive Recovery Fee (if any);

fourth, to pay any amount due and payable to the Basis Rate Swap Counterparty under the Basis Rate Swap, other than any termination payment (as determined pursuant to the Basis Rate Swap) due to the Basis Rate Swap Counterparty if an event of default has occurred under the Basis Rate Swap with respect to the Basis Rate Swap Counterparty;

fifth, to pay first, any accrued commitment fees, then interest and then principal and any other amounts due and payable under the Liquidity Facility Agreement in respect of outstanding drawings (including any standby drawings) drawn with respect to any previous Payment Date (or, on the final Payment Date on which the Post-Enforcement Priority of Payments is applied, in respect of any outstanding drawings);

sixth, to pay Class A Notes Interest due and payable on such Payment Date, *pro rata* on each Class A Note;

seventh, to pay any Class A Notes Principal as of such Payment Date, *pro rata* on each Class A Note;

eighth, to pay Class B Notes Interest due and payable on such Payment Date, *pro rata* on each Class B Note;

ninth, to pay any Class B Notes Principal as of such Payment Date, *pro rata* on each Class B Note;

tenth, to pay interest (including accrued interest) due and payable under the Subordinated Loan Agreement;

eleventh, to repay outstanding principal due and payable under the Subordinated Loan Agreement;

twelfth, to pay any termination payment due and payable to the Basis Rate Swap Counterparty under the Basis Rate Swap if an event of default has occurred under the Basis Rate Swap with respect to the Basis Rate Swap Counterparty;

thirteenth, to retain a reserved profit of the Issuer of GBP 2,500 on each of the first eight Payment Dates and GBP 100 on each subsequent Payment Date (which the Issuer may, in each case, apply to pay any corporation tax due thereon); and

fourteenth, to pay any remaining amounts to the Seller as Deferred Consideration in accordance with the Receivables Sale Agreement.

8. **Notifications**

The Principal Paying Agent shall notify the Seller, the Servicer, the Issuer, the Cash Administrator, the Trustee and, on behalf of the Issuer, by means of notification in accordance with Condition 13 (*Form of Notices*), 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:

- (i) with respect to each Payment Date, of the Interest Amount pursuant to Condition 6.1 (*Interest Calculation*);
- (ii) with respect to each Payment Date, of the amount of Interest Shortfall pursuant to Condition 6.5 (*Interest Shortfall*), if any,
- (iii) with respect to each Payment Date, of the amount of principal on each Class A Note and each Class B Note pursuant to Condition 7 (*Redemption*) to be paid on such Payment Date;
- (iv) with respect to each Payment Date, of the Aggregate Note Principal Amount Outstanding of each Class A Note and each Class B Note; and
- (v) in the event the payments to be made on a Payment Date constitute the final payment with respect to Notes pursuant to Condition 7.3 (*Legal Maturity Date*) Condition 7.4 (*Early Redemption*) or Condition 7.5 (*Optional Redemption for Taxation Reasons*), of the fact that such is the final payment.

In each case, such notification shall be made by the Principal Paying Agent on the LIBOR Determination Date, preceding the relevant Payment Date.

9. **Principal Paying Agent; Determinations Binding**

- (a) The Issuer has appointed Deutsche Bank AG, London Branch as Principal Paying Agent, Agent Bank, Calculation Agent, and Cash Administrator (the "**Agents**", and each of the Principal Paying Agent, the Agent Bank, the Calculation Agent, the Cash Administrator and any successor or replacement agent bank in accordance with the terms of the Paying Agency Agreement, an "**Agent**") and Deutsche Bank Luxembourg S.A. as Registrar.
- (b) The Issuer shall procure that for as long as any Notes are outstanding there shall always be a Principal Paying Agent to perform the functions assigned to it in these Terms and Conditions. The Issuer may at any time, by giving not less than 30 calendar days' notice by publication in accordance with Condition 13 (*Form of Notices*), replace any of the Agents or the Registrar by one or more other banks or other financial institutions which assume such functions. Each of the Agents and the Registrar shall act solely as agent for the Issuer and shall not have any agency or trustee relationship with the Noteholders.

- (c) All Interest Rates and Interest Amounts determined and other calculations and determinations made by the Principal Paying Agent for the purposes of these Terms and Conditions shall, in the absence of manifest error, be final and binding.
- (d) The Issuer shall at all times maintain a paying agent in an EU member state that will not be obliged to withhold or deduct tax pursuant to any law implementing the European Council Directive 2003/48/EC.

10. **Taxes**

All payments in respect of the Notes will be made by the Issuer or the Principal Paying Agent (as the case may be) 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 or the Principal Paying Agent (as the case may be) shall account for the deducted or withheld taxes with the competent government agencies and shall, upon request of a Noteholder, provide proof thereof. Neither the Issuer, the Principal Paying Agent nor any other person is obliged to pay any additional amounts as compensation for any amount so deducted or withheld.

11. **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 Closing Date:

- (i) the Issuer 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
- (ii) the Issuer would, for reasons beyond its control, and after taking reasonable measures (such measures not involving any material additional payment or other expenses), (a) be required to make any withholding or deduction for or on account of tax in respect of any payments on the Notes and/or receive any material payments pursuant to the Transaction Documents subject to any withholding or deduction for or on account of tax for which it is not compensated or (b) cease to be subject to corporation tax in accordance with regulations 14 to 21 of the Taxation of Securitisation Companies Regulations 2006 (SI 2006/3296);

then, without prejudice to Condition 7.5 (*Optional Redemption for Taxation Reasons*), the Issuer shall inform the Trustee accordingly and shall if the Issuer determines such measures practicable, in order to avoid the relevant event described in paragraph (i) or (ii) above, arrange the substitution of the Issuer with a company incorporated in another jurisdiction in accordance with the terms of the Trust Deed, change its tax residence to another jurisdiction approved by the Trustee or effect any other measure suitable to avoid the relevant event described in paragraph (i) or (ii) above.

(b) **Substitution of Issuer**

The Trustee may, without the consent of any Noteholder or Secured Creditor, concur with the Issuer in substituting in place of the Issuer a Substituted Obligor as the principal debtor in respect of the Trust Documents, the Notes and the Secured Amounts, subject to such further conditions as are specified in the Trust Deed (including notification of the substitution to the Rating Agencies and confirmation from the Rating Agencies that the Notes will not be downgraded).

(c) **Notice of Substitution of Issuer**

Not later than fourteen days after the execution of any documents required to be executed pursuant to Clause 19 (*Substitution*) of the Trust Deed and after compliance with any requirements under this Condition 11 (*Substitution of the Issuer*) and/or Clause 19 (*Substitution*) of the Trust Deed, the Substituted Obligor shall cause notice thereof to be given to the Noteholders and the other Secured Creditors in accordance with the Notices Condition and the relevant Transaction Documents.

(d) **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 individual Noteholders.

12. **Meetings of Noteholders, modifications, waiver, substitution and exchange**

(a) ***Meetings of Noteholders***

(i) The Trust Deed contains provisions for convening separate and joint meetings of each of the Class A Noteholders and the Class B Noteholders to consider any matter affecting their interests, including the sanctioning by an Extraordinary Resolution of a modification or waiver of any of the provisions of the Trust Deed, the Deed of Charge, any other Transaction Document or these Conditions.

(ii) In respect of the Class A Notes and the Class B Notes the quorum at any such meeting for passing an Extraordinary Resolution not related to a Reserved Matter will be two or more persons holding or representing a clear majority in principal amount of the relevant Class for the time being outstanding or, at any adjourned meeting, two or more persons holding or representing Noteholders of the relevant Class, whatever the principal amount of the Notes of the relevant Class so held or represented. In relation to Reserved Matters, the quorum for passing an Extraordinary Resolution will be two or more persons holding or representing 75 per cent. of the principal amount of the relevant Class for the time being outstanding, or at any adjourned such meeting two or more persons representing at least one-third of the Aggregate Note Principal Amount Outstanding of the relevant Class for the time being outstanding.

(A) An Extraordinary Resolution passed at any meeting of Class A Noteholders, or Class B Noteholders will be binding on, respectively, all Class A Noteholders or Class B Noteholders as the case may be whether or not they were present at such meeting provided that any Extraordinary Resolution relating to a Reserved Matter must be approved by each Class where a "**Reserved Matter**" means any proposal:

- (1) changing any date fixed for payment of principal or interest in respect of the Notes, to reduce the amount of principal or interest due on any date in respect of the Notes;
- (2) increasing the amount required to redeem the Notes, or the amount of interest payable on the Notes;
- (3) changing the method of calculating the amount of any payment in respect of the Notes of any class on redemption or maturity;
- (4) releasing or substituting the Security or any part thereof except in accordance with the Transaction Documents;
- (5) (except in accordance with Condition 11 (*Substitution of the Issuer*)) effecting the exchange, conversion or substitution of the Notes of either 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;

- (6) changing the currency in which amounts due in respect of the Notes are payable;
- (7) altering the Priority of Payments in respect of the Notes;
- (8) changing the quorum at any meeting or the majority required to pass an Extraordinary Resolution; or
- (9) altering this proviso.

(iii) An Extraordinary Resolution to approve any matter other than a Reserved Matter will not be effective unless sanctioned by the Controlling Class and any ordinary resolution passed by the Controlling Class shall be binding on the other classes.

(b) ***Resolutions in Writing***

A Written Resolution of the holders of at least 75 per cent. of the Aggregate Note Principal Amount Outstanding of the relevant Class of Notes shall take effect as if it were an Extraordinary Resolution.

(c) ***Modifications***

(i) The Trustee may without any consent or sanction of the Noteholders (other than (in the case of (a) below) in respect of a Reserved Matter for which an Extraordinary Resolution of each Class approving such modification will be required) or any of the other Secured Creditors at any time and from time to time concur with the Issuer in making any modification to the Trust Deed, Deed of Charge or any other Transaction Document to which it is a party or in relation to which it holds security if the Trustee is of the opinion that (a) such modification will not be materially prejudicial to the interests of the holders of the Controlling Class, or (ii) such modification is of a formal, minor or technical nature or is made to correct a manifest error. Unless the Trustee agrees otherwise, the Issuer shall cause such modification as soon as practicable thereafter to be notified to the Noteholders in accordance with Condition 13 (*Form of Notices*) and such modification will be binding upon the Noteholders and the Secured Creditors.

(ii) Any other modifications will require the consent of the Noteholders, affected by such modifications, in accordance with these Conditions. Unless the Trustee agrees otherwise, the Issuer shall cause all modifications to be notified to the Noteholders and the other Secured Creditors in accordance with Condition 13 (*Form of Notices*) as soon as practicable thereafter.

(iii) Notwithstanding anything else stated in this Condition 12, no such modification may increase or reduce in any manner the amount of, or accelerate or delay the timing of, or change the allocation or priority of, collections or distributions that are required to be made for the benefit of the Secured Creditors (except for the Noteholders) without the consent of all of the affected Secured Creditors (except for the Noteholders).

(d) ***Waiver***

The Trustee may without the consent of the Noteholders or any other Secured Creditor concur with the Issuer or any other relevant parties in authorising or waiving any proposed breach or breach of the covenants or provisions contained in any of the Transaction Documents (including an Issuer Event of Default) if, in the opinion of the Trustee, Noteholders will not be materially prejudiced by such waiver.

(i) **Restriction on power to waive**

The Trustee shall not exercise any powers conferred upon it by Condition 12(d) in contravention of any express direction by an Extraordinary Resolution of the holders of the Controlling Class or of a request or direction in writing made by holders of the Controlling Class holding not less than 50 per cent. in Aggregate Principal Amount Outstanding of the Controlling Class, but so that no such direction or request shall (a) affect any authorisation, waiver or determination previously given or made or (b) authorise or waive any such proposed breach or breach relating to a Reserved Matter unless the holders of each Class of Notes then outstanding has, by Extraordinary Resolution, so authorised its exercise.

(ii) **Notification**

Unless the Trustee otherwise agrees, the Issuer shall cause any such waiver to be notified to the Noteholders and the other Secured Creditors in accordance with Condition 13, as soon as practicable after it has been made.

(iii) **Notwithstanding anything else stated in this Condition 12, no such waiver may increase or reduce in any manner the amount of, or accelerate or delay the timing of, or change the allocation or priority of, collections or distributions that are required to be made for the benefit of the Secured Creditors (except for the Noteholders) without the consent of all of the affected Secured Creditors (except for the Noteholders).**

(e) **Binding Nature**

Any authorisation, waiver, determination or modification referred to in this Condition 12 shall be binding on the Noteholders and the other Secured Creditors.

13. **Form of Notices**

- (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 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 Condition 13(a) in respect of the Class A1 Notes may be substituted by delivery to the Clearing Systems of the relevant notice for communication to the Class A1 Noteholders. Any such notice shall be deemed to have been given to all Class A1 Noteholders on the same day that such notice was delivered to the Clearing Systems.

14. **Miscellaneous**

14.1 *Trustee's right to Indemnity:* Under the Transaction Documents, the Trustee is entitled to be indemnified and relieved from responsibility in certain circumstances and to be paid or reimbursed for any liabilities incurred by it in priority to the claims of the Noteholders. In addition, the Trustee is entitled to enter into business transactions with the Issuer and any entity relating to the Issuer without accounting for any profit.

14.2 *Trustee not responsible for loss or for monitoring:* The Trustee shall not be responsible for monitoring the compliance by any of the other transaction parties with their obligations under the Transaction Documents.

14.3 *Regard to Classes of Noteholders:* In the exercise of its powers and discretions under these Conditions and the Trust Deed, the Trustee will:

- (a) have regard to the interests of each Class of Noteholders as a Class and will not be responsible for any consequence for individual Noteholders as a result of such holders being domiciled or resident in, or otherwise connected in any way with, or subject to the jurisdiction of, a particular territory or taxing jurisdiction; and
- (b) have regard only to the holders of the Controlling Class of outstanding Notes and will not have regard to any other Class of Notes nor to the interests of the other Secured Creditors except to ensure the application of the Issuer's funds after the delivery of an Enforcement Notice in accordance with the Post-Enforcement Priority of Payments;
- (c) in the event that the Trustee receives conflicting or inconsistent directions or requests from two or more groups of holders of the Controlling Class, the Trustee will give priority to the group which holds the greatest amount of Notes outstanding of the Controlling Class.

14.4 ***Confirmation from Rating Agencies***

In respect of the exercise of any right, power, duty or discretion as contemplated hereunder, the Trustee will be entitled to take into account, among other things, any confirmation or affirmation from the relevant Rating Agencies that the then current ratings of the Notes will not be withdrawn or adversely affected thereby.

14.5 ***Replacement of Global Notes***

If any Global Note is lost, stolen, damaged or destroyed, it may be replaced by the Issuer upon payment by the claimant of the costs arising in connection therewith. As a condition of replacement, the Issuer may require the fulfilment of certain conditions, the provision of proof regarding the existence of indemnification and/or the provision of adequate collateral. In the event of any of the Global Notes being damaged, such Global Note shall be surrendered before a replacement is issued. If any Global Note is lost or destroyed, the foregoing shall not limit any right to file a petition for the annulment of such Global Note pursuant to the provisions of the laws of England.

14.6 ***Governing Law***

The form and content of the Notes and all of the contractual and non-contractual rights and obligations of the Noteholders and the Issuer under the Notes shall be governed in all respects by the laws of England.

14.7 ***Jurisdiction***

The non-exclusive place of jurisdiction for any action or other legal proceedings arising out of or in connection with the Notes shall be the courts in London, England. The Issuer hereby submits to the jurisdiction of such court. Such courts shall have exclusive jurisdiction over the annulment of the Global Notes in the event of their loss or destruction.

14.8 ***Prescription***

- (a) **Principal:** Claims for principal in respect of Notes shall become void where application for payment is made more than ten years after the due date therefor.
- (b) **Interest:** Claims for interest in respect of Notes, shall become void where application for payment is made more than five years after the due date therefor.

15. **Definitions**

In these Terms and Conditions, the following terms have the following meanings:

"**£**", "**pounds**", "**pounds sterling**", "**GBP**," "**sterling**" or "**Sterling**" means the lawful currency for the time being of the United Kingdom of Great Britain and Northern Ireland;

"**Accelerated Amortisation Event**" means, as of any Calculation Date, (i) a Termination Event and/or a Servicer Termination Event has occurred and/or (ii) a Seller/Servicer Warranty Breach that has occurred and has been continuing for more than 30 calendar days after the Seller or, as applicable, the Servicer has become actually aware of, or has received written notification evidencing the breach of, the relevant Seller/Servicer Warranty;

"**Account Bank**" means Deutsche Bank AG, London Branch, any successor thereof or any other person appointed as Account Bank in accordance with the Account Bank Agreement and the Deed of Charge from time to time as the bank with whom the Issuer holds the Sterling Account;

"**Account Bank Agreement**" means the agreement so named dated on or about the Closing Date between the Issuer, the Seller, the Cash Administrator, the Account Bank, the Collection Account Bank and the Trustee;

"**Adjusted Aggregate Asset Amount Outstanding**" means the Aggregate Asset Amount Outstanding on any date minus the aggregate Asset Amount Outstanding of all Overdue Receivables on such date;

"**Administrator Incentive Recovery Fee**" means the fee payable to the Insolvency Official of the Seller, following an Insolvency Event of the Seller, in relation to the sale of the relevant Financed Vehicles in an amount equal to (i) the reasonable costs and expenses of such Insolvency Official incurred in relation to the sale of such Financed Vehicles plus (ii) a percentage of the corresponding realisation proceeds in respect of the relevant Financed Vehicles to be agreed by the Servicer with the Insolvency Official of the Seller pursuant to the Servicing Agreement (up to a maximum amount of 1 per cent. of the VAT-exclusive realisation proceeds of the relevant Financed Vehicles);

"**Affiliate**" means with respect to a person:

- (a) any other person who, directly or indirectly, is in control of, or controlled by, or is under common control with, such person; or
- (b) any other person who is a director, officer or employee:
 - (i) of such person;
 - (ii) of any subsidiary or parent company of such person; or
 - (iii) of any person described in paragraph (a) above.

For the purposes of this definition, control of a person shall mean the power, direct or indirect, (A) to vote more than 50 per cent. of the securities having ordinary voting power for the election of directors of such person, or (B) to direct or cause the direction of the management and policies of such person whether by contract or otherwise;

"**Aggregate Asset Amount Outstanding**" means in respect of all Purchased Receivables at any time, the aggregate of the Asset Amount Outstanding of all Purchased Receivables which, as of such time, are not Defaulted Receivables;

"**Aggregate Note Principal Amount Outstanding**" means:

- (a) in relation to a Class of Notes, the aggregate Note Principal Amount Outstanding of all Notes then outstanding in such Class; and
- (b) in relation to the Notes then outstanding on any day, the aggregate Note Principal Amount Outstanding in respect of all Notes then outstanding, regardless of Class;

"Amortisation Threshold Date" means the first Calculation Date as of which the Aggregate Note Principal Amount Outstanding is less than 50 per cent. of the Aggregate Note Principal Amount Outstanding on the Closing Date;

"Asset Amount Outstanding" means, with respect to any Purchased Receivable, at any time the Principal Amount which is scheduled to become due on or after the Cut-Off Date less the amount of the principal portion of the Collection received by the Issuer and applied to the Principal Amount of such Purchased Receivable in accordance with the Underlying Agreement, provided that Collections shall not be treated as received by the Issuer until credited to the Sterling Account;

"Authorised Investments" means:

- (a) securities issued by the government of the United Kingdom, provided that such securities are rated at least F1+ by Fitch, at least P-1 by Moody's and at least R-1 (medium) by DBRS;
- (b) investments in money market funds that maintain the highest money market fund rating from Moody's and either Fitch or at least one other global rating agency;
- (c) demand or time deposits, certificates of deposit and unsecured debt obligations with maturities of up to 30 days, including commercial paper, provided that the issuing entity or, if such investment is guaranteed, the guaranteeing entity, is rated at least, in the case of Moody's, P-1; in the case of Fitch, F1+; and in the case of DBRS, R-1 (middle); and
- (d) so long as the Notes are rated by a Rating Agency, any other debt obligations in relation to which confirmation has been received from the Rating Agencies that such investment would not adversely affect the Rating of the Notes,

provided that such investments are due such that the full principal invested is available on each Payment Date and the principal invested is returned in full;

"Available Distribution Amount" means with respect to any Calculation Date and the Collection Period ending on such Calculation Date, an amount calculated by the Servicer pursuant to the Servicing Agreement as of such Calculation Date and notified to the Issuer, the Cash Administrator and the Trustee not later than the seventh Business Day preceding the Payment Date following such Calculation Date (or, if the Servicer fails to calculate such amount, the amount calculated by the Cash Administrator with respect to such Calculation Date on the basis of the information available to the Cash Administrator at that time (for the avoidance of doubt, the Cash Administrator will not be obliged to request such information from any party to the Transaction Documents (other than the Principal Paying Agent and the Calculation Agent as long as the Cash Administrator, the Principal Paying Agent and the Calculation Agent are the same entity) or any other third party) and notified to the Issuer and the Trustee not later than the fourth Business Day preceding the Payment Date following such Calculation Date), as the sum of (without double counting):

- (a) the amounts standing to the credit of the Reserve Fund as of such Calculation Date;
- (b) any Collections (excluding, for the avoidance of doubt, any Guaranteed Future Value Payments, Pre-Closing Interest Amounts, any Excess Recoveries Amounts, and any amounts received by the Issuer but held on trust for the benefit of the Seller in accordance with the Receivables Sale Agreement) received by the Issuer during the Collection Period ending on such Calculation Date;
- (c) any amount paid by the Basis Rate Swap Counterparty to the Issuer under the Basis Rate Swap on or before and with respect to the Payment Date immediately following such

Calculation Date excluding, for the avoidance of doubt, any collateral posted by the Basis Rate Swap Counterparty under any Credit Support Annex and any interest thereon but, including any proceeds from such collateral applied in satisfaction of payments due to the Issuer in accordance with the Basis Rate Swap and upon termination of the Basis Rate Swap, including any proceeds from such collateral;

- (d) (in respect of interest due under the Class A Notes and items *first to fourth* and *sixth* of the Pre-Enforcement Priority of Payments and items *first to fourth* and *sixth* of the Post-Enforcement Priority of Payments) any amount paid by the Liquidity Facility Provider to the Issuer on or before and with respect to the Payment Date immediately following such Calculation Date (excluding, for the avoidance of doubt any cash collateral posted by the Liquidity Facility Provider and any interest thereon and any Standby Drawing made by the Issuer and any interest thereon, but including any proceeds from such cash collateral or Standby Drawing applied in satisfaction of payment due to the Issuer in accordance with the Liquidity Facility Agreement);
- (e) (i)(A) any default interest on unpaid sums due and paid 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 Sale Agreement and (ii) any default interest and indemnities paid by the Servicer to the Issuer pursuant to the Servicing Agreement, 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 Sale 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 collected during such Collection Period;
- (g) any amounts to which the Issuer is entitled and paid under the Vehicle Proceeds Declaration of Trust;
- (h) any amounts earned (if any) in respect of any Authorised Investments; and
- (i) any interest earned (if any) on the Issuer Accounts during such Collection Period;

"Basis Rate Swap" means the basis rate swap agreement (including any schedule thereto and confirmation thereunder as well as any related Credit Support Annex) entered into on or about the Closing Date between the Issuer, the Trustee and the Basis Rate Swap Counterparty;

"Basis Rate Swap Counterparty" means Banco Santander, S.A. with its office at Paseo de Pereda 9-12, 39004, Santander, Spain in its capacity as basis rate swap counterparty under the Basis Rate Swap or any replacement entity which acts in such capacity;

"Calculation Date" means the last Business Day of each calendar month, and the Calculation Date with respect to each Payment Date is the Calculation Date immediately preceding such Payment Date and the first Calculation Date shall be 28 April 2011;

"Cash Administration Agreement" means the agreement so named dated on or about the Closing Date between the Issuer, the Trustee, the Seller, the Cash Administrator, the Principal Paying Agent, the Calculation Agent, the Agent Bank, the Account Bank and the Collection Account Bank;

"Cash Administrator" means Deutsche Bank AG, London Branch and any successor or replacement cash administrator in accordance with the terms of the Cash Administration Agreement;

"Class" means the Class A Notes or, where the context expressly requires as applicable, the Class A1 Notes or the Class A2 Notes as separate classes or the Class B Notes;

"Class A Definitive Notes" means the registered notes in definitive form to be issued in respect of the Class A Notes pursuant to, and in the circumstances specified in, the Trust Deed,

substantially in the form set out in the Trust Deed or, as the context may require, a specific number thereof and includes any replacements for Class A Definitive Notes issued pursuant to the Conditions.

"**Class A Noteholders**" means the persons who for the time being are holders of the Class A1 Notes and/or the Class A2 Notes;

"**Class A Notes**" means any or all of the Class A1 Notes and the Class A2 Notes;

"**Class A Notes Principal**" means the aggregate principal amount of all Class A Notes outstanding on any date;

"**Class A Target Principal Amount**" means, as of any Payment Date, (i) if no Accelerated Amortisation Event has occurred on the related Calculation Date (or there has been a Waiver of such Accelerated Amortisation Event), the excess (if any) of (a) the Adjusted Aggregate Asset Amount Outstanding as of the Calculation Date immediately preceding such Payment Date over (b) the Aggregate Note Principal Amount Outstanding of the Class B Notes as of the Calculation Date immediately preceding such Payment Date (such excess amount, the "**Regular Class A Target Amount**") or (ii) if an Accelerated Amortisation Event exists on such Calculation Date (and there has not been a Waiver of such Accelerated Amortisation Event), the Regular Class A Target Amount minus an amount equal to the aggregate of (a) the amount (if any) which would be payable on such Payment Date by the Issuer in respect of the Subordinated Loan in the absence of a continuing Accelerated Amortisation Event and (b) the amount (if any) of Deferred Consideration which would be payable to the Seller on such Payment Date in the absence of a continuing Accelerated Amortisation Event;

"**Class A1 Global Note**" means any global note representing any Class A1 Notes in, or substantially in, the form set out in Schedule 2 of the Trust Deed;

"**Class A1 Notes Principal**" means the aggregate principal amount payable in respect of all Class A1 Notes on any date;

"**Class A2 Global Note**" means any global note representing any Class A2 Notes in, or substantially in, the form set out in Schedule 3 of the Trust Deed;

"**Class A2 Notes Principal**" means the aggregate principal amount of all Class A2 Notes on any date;

"**Class B Definitive Notes**" means the registered notes in definitive form to be issued in respect of the Class B Notes pursuant to, and in the circumstances specified in, the Trust Deed, substantially in the form set out in the Trust Deed or, as the context may require, a specific number thereof and includes any replacements for Class B Definitive Notes issued pursuant to the Conditions;

"**Class B Global Note**" means the global note representing the Class B Notes in, or substantially in, the form set out in Schedule 3 of the Trust Deed;

"**Class B Noteholders**" means the persons who for the time being are holders of the Class B Notes;

"**Class B Notes Principal**" means the aggregate principal amount of all Class B Notes outstanding on any date;

"**Class B Target Principal Amount**" means, prior to the date on which all Class A Notes have been redeemed in full, the Aggregate Note Principal Amount Outstanding of the Class B Notes as of the Closing Date, and as of any Payment Date falling on or after the date on which all Class A Notes have been redeemed in full, the Adjusted Aggregate Asset Amount Outstanding as of the Calculation Date immediately preceding such Payment Date (such Calculation Date being, for the avoidance of doubt, the Calculation Date immediately preceding the date on which the Class A Notes have been redeemed in full);

"Class Principal Amount" means each of the Class A1 Notes Principal, the Class A2 Notes Principal and the Class B Notes Principal;

"Class Target Principal Amount" means either of the Class A Target Principal Amount or the Class B Target Principal Amount;

"Clearing Systems" means Euroclear and Clearstream, Luxembourg;

"Clearstream, Luxembourg" means Clearstream Banking, *société anonyme*;

"Collectability" means, in respect of a Purchased Receivable, (other than in respect of a Customer's ability or willingness to pay (unless such affected Purchased Receivable did not comply with the Eligibility Criteria as of the Cut-Off Date)) the ability to collect or the amount collected or the timing of collecting in respect of such Purchased Receivable;

"Collection Account" means the bank account with account number 90022169 held in the name of the Issuer at the Collection Account Bank, bank sort code 09-02-40, to which monies from the Seller Accounts are paid as well as any other bank account specified as such by or on behalf of the Issuer with the consent of the Trustee in the future in addition to or as substitute for such collection account;

"Collection Period" means, in relation to any Calculation Date, the period commencing on (but excluding) the Calculation Date immediately preceding such Calculation Date and ending on (and including) such Calculation Date and with respect to the First Payment Date the Collection Period commences on 1 April 2011 and ends on the following Calculation Date (including such date);

"Collections" shall mean, with respect to any Purchased Receivable and any Related Collateral, all cash collections, Net Sale Proceeds, finance charges, interest, late payment or similar charges and other cash proceeds received by the Seller of such Purchased Receivable or other amounts received or recovered in respect thereof (but excluding any Guaranteed Future Value Payments, Pre-closing Interest Amounts and any Excess Recoveries Amounts), including, without limitation, all cash proceeds received by the Seller of any Related Collateral, any proceeds from the repurchase by the Seller of any Purchased Receivables (together with the relevant Related Collateral) received by the Issuer under the Receivables Sale Agreement and any other amounts which the Seller or the Servicer has the obligation to pay to the Issuer under and in accordance with the Transaction Documents;

"Concentration Limit" means each of the following requirements:

- (a) on the Calculation Date, the sum of the Asset Amount Outstanding of the relevant Purchased Receivable and the Asset Amount Outstanding of all other Purchased Receivables owed by the relevant Customer does not exceed GBP 125,000;
- (b) on the Cut-Off Date, the weighted average interest rate of the relevant Purchased Receivable and all other Purchased Receivables is at least equal to 11.5 per cent. per annum; and
- (c) on the Cut-Off Date, the weighted average remaining term of the Underlying Agreements relating to all Purchased Receivables does not exceed 38 months;

"Conditional Sale Agreements" means fixed interest rate, fully amortising level payment sale contracts entered into by the Seller and Customers, which are secured by retention of title over a Financed Vehicle;

"Controlling Class" means the Class A1 Notes and the Class A2 Notes together, so long as any of the Class A1 Notes and the Class A2 Notes are outstanding and, after the Class A1 Notes and the Class A2 Notes have been paid in full, the Class B Notes then outstanding;

"Corporate Administrator" means Deutsche Bank AG, London Branch or any successor thereof or any other person appointed as replacement corporate administrator from time to time in accordance with the Corporate Administration Agreement;

"Corporate Administration Agreement" means a corporate administration agreement dated on or about the Closing Date and entered into between the Corporate Administrator and the Issuer;

"Credit and Collection Policy" means the credit and collection policies and practices as applied by the Seller and/or the Servicer from time to time;

"Credit Support Annex" means any credit support document entered into between the Issuer and the Basis Rate Swap Counterparty from time to time which forms part of, and is subject to the Basis Rate Swap and is part of the schedule thereto;

"Customer" means each of the persons obliged to make payments under an Underlying Agreement (together the **"Customers"**);

"Cut-Off Date" means 1 April 2011;

"DBRS" means DBRS, Inc., DBRS Ratings Limited or any successor to its credit rating business;

"Dealer" means any person from whom the Seller purchases a Financed Vehicle related to an Underlying Agreement;

"Defaulted Receivable" means, as of any date, any Purchased Receivable which has either been written off by the Servicer in accordance with the Credit and Collection Policy of the Servicer (including, for the avoidance of doubt, a Purchased Receivable which is either written off as a result of Voluntary Termination by the relevant Customer of the relevant Underlying Agreement and/or where the relevant Customer continues to have an outstanding liability after the Voluntary Termination) or which is included in the 6 or more Instalments overdue bracket in the Monthly Report for the Collection Period ending on or immediately preceding such date;

"Deferred Consideration" means (i) on any Payment Date, the difference (if any) between the Available Distribution Amount and the sum of all amounts payable to or to be applied (as the case may be) by the Issuer under items *first to fourteenth* (inclusive) of the Pre-Enforcement Priority of Payments with respect to the Calculation Date immediately preceding such Payment Date and (ii) on any Payment Date following the delivery of an Enforcement Notice, the difference (if any) between the Available Distribution Amount and the sum of all amounts payable to or applied (as the case may be) under items *first to thirteenth* (inclusive) of the Post-Enforcement Priority of Payments with respect to the Calculation Date immediately preceding such Payment Date;

"Definitive Note" means the Class A Definitive Notes and the Class B Definitive Notes;

"Delinquent Receivable" means, as of any date, any Purchased Receivable (which is not a Defaulted Receivable) which is included in the 1 to 5 overdue Instalment bracket in the Monthly Report for the Collection Period ending on or immediately preceding such date in accordance with the Credit and Collection Policy;

"Directors" means the directors from time to time of the Issuer;

"Eligibility Criteria" means the criteria set out in Schedule 3 (*Eligibility Criteria*) of the Incorporated Terms Memorandum;

"Enforcement Event" means the Security becoming enforceable pursuant to Condition 3.5 (*Enforcement of the Security*) following an acceleration of the Notes;

"Enforcement Procedures" means the procedures described in the Credit and Collection Policy, of rights and remedies against a Customer in respect of such Customer's obligations arising under any Underlying Agreement in respect of which such Customer is in default or against a surety or guarantor in respect of such surety's or guarantor's obligations arising under any Underlying Agreement and Related Collateral in respect of which such surety or guarantor is in default;

"Euroclear" means Euroclear Bank S.A./N.V.;

"Excess Recoveries Amount" means an amount equal to any amounts received by the Issuer which is in excess of the aggregate of amounts due from a Customer in respect of a Purchased Receivable (including related fees and costs associated with any recoveries) either as a result of any indemnity amounts received from Dealers, insurance providers or other third parties or following a Purchased Receivable becoming a Defaulted Receivable which has been repurchased by the Seller pursuant to the Receivables Sale Agreement (including, but not limited to the sale of any Financed Vehicles);

"Exchange Date" means a day falling not less than 30 days after that on which the notice requiring exchange is given and on which banks are open for business in the city in which the specified office of the Registrar is located;

"Extraordinary Resolution" means a resolution passed at a meeting of Noteholders duly convened and held in accordance with the Trust Deed by more than 75 per cent. of votes cast;

"Financed Vehicle" means any vehicle designated to be a passenger car, LCV, off-road vehicle, van or light truck which is financed pursuant to the relevant Underlying Agreement;

"First Payment Date" means the Payment Date falling on 21 May 2011;

"Fitch" means Fitch Ratings Limited, or any successor to its credit rating business;

"Fixed-Sum Loan Agreements" means unsecured fixed interest rate fully amortising loan agreements entered into by the Seller and a Customer;

"Guaranteed Future Value Payment" means, in respect of PCP Agreements, the amounts which the Servicer attributes to the final payment due under such PCP Agreements where the relevant Customer opts to keep the Financed Vehicle at the end of the contract term or appoints SC UK as sales agent of the Customer in respect of the Financed Vehicle;

"Incorporated Terms Memorandum" means the incorporated terms memorandum which is dated on or about the Closing Date and entered into by each of the Transaction Parties;

"Insolvency Event" in respect of a company means:

- (a) such company is unable or admits its inability to pay its debts as they fall due (after taking into account any grace period or permitted deferral), or suspends making payments on any of its debts; or
- (b) the value of the assets of such company is less than the amount of its liabilities, taking into account its contingent and prospective liabilities; or
- (c) a moratorium is declared in respect of any indebtedness of such company; or
- (d) the commencement of negotiations with one or more creditors of such company with a view to rescheduling any indebtedness of such company other than in connection with any refinancing in the ordinary course of business; or
- (e) any corporate action, legal proceedings or other procedure or step is taken in relation to:
 - (i) the appointment of an Insolvency Official in relation to such company or in relation to the whole or any part of the undertaking or assets of such company except, in the case of the Issuer, the application to the Court under paragraph 12 or the filing of notice of intention to appoint an administrator under paragraph 26 of Schedule B1 to the Insolvency Act by the Issuer or its directors; or
 - (ii) an encumbrancer taking possession of the whole or any part of the undertaking or assets of such company; or
 - (iii) the making of an arrangement, composition, or compromise (whether by way of voluntary arrangement, scheme of arrangement or otherwise) with any creditor of such company, a reorganisation of such company, a conveyance to or assignment,

assignment or trust for the creditors of such company generally or the making of an application to a court of competent jurisdiction for protection from the creditors of such company generally other than in connection with any refinancing in the ordinary course of business; or

- (iv) any distress, diligence, execution, attachment or other process being levied or enforced or imposed upon or against the whole or any part of the undertaking or assets of such company (excluding, in relation to the Issuer, by the Trustee or any Receiver); or

any procedure or step is taken, or any event occurs, analogous to those set out in (a) to (e) above, in any jurisdiction;

"Insolvency Official" means, in respect of any company, a liquidator, provisional liquidator, administrator (whether appointed by the court or otherwise), bank administrator, bank liquidator, administrative receiver, receiver or manager, nominee, supervisor, trustee in bankruptcy, conservator, guardian or other similar official in respect of such company or in respect of all (or substantially all) of the company's assets or in respect of any arrangement or composition with creditors or any equivalent or analogous officer under the law of any jurisdiction;

"Instalment" means the monthly obligation of a Customer to pay any principal, interest, finance charges, and any fees, costs, prepayment penalties (if any), and default interest owed under any relevant Underlying Agreement and any Related Collateral, but shall exclude any Guaranteed Future Value Payments, Pre-closing Interest Amounts and any Excess Recovery Amount payable under an Underlying Agreement;

"Insurance Agreement" means, in respect of the definition of Related Collateral, any insurance agreement entered into by the relevant Customer as insurance policy holder in connection with the financing of the acquisition of a Financed Vehicle where the relevant Customer is the insured person;

"Interest Amount" means:

- (a) in respect of a Note for the Collection Period beginning on the Closing Date, interest calculated in respect of the Notes in accordance with Condition 6.1 (*Interest Calculation*) on the Calculation Date falling immediately before the First Payment Date; and
- (b) in respect of a Note for any subsequent Payment Period, the aggregate of:
 - (i) interest calculated in respect of the Notes in accordance with Condition 6.1 (*Interest Calculation*) on the related Calculation Date; and
 - (ii) the amount of any interest payable in arrears in respect of any Note on the preceding Payment Date, together with accrued interest on such arrears;
- (c) in relation to a Class for the Interest Period beginning on the Closing Date or any subsequent Interest Period, the aggregate amount calculated in accordance with paragraph (a) or (b) respectively above in respect of such Class for such Interest Period;

"Interest Rate" means the interest rate payable on the Notes for each Interest Period, which is:

- (a) in the case of the Class A1 Notes, 1 month LIBOR plus 0.70 per cent. per annum;
- (b) in the case of the Class A2 Notes, 1 month LIBOR plus 0.70 per cent. per annum; and
- (c) in the case of the Class B Notes, 1 month LIBOR plus 0.80 per cent. per annum;

"Interest Shortfall" means accrued interest not distributed on any Payment Date related to the Interest Period in which it accrued, with respect to the relevant Note;

"Issuer Account" means any of the Collection Account or the Sterling Account, and **"Issuer Accounts"** means each or both of them;

"Issuer Covenants" means the covenants of the Issuer set out in the Incorporated Terms Memorandum;

"Issuer Jurisdiction" means England and Wales or such other jurisdiction in which the Issuer or any Substituted Obligor (as contemplated by Condition 11 (*Substitution of the Issuer*)) is incorporated;

"Lead Managers" means Banco Santander, S.A., Lloyds TSB Bank plc and Citibank International plc;

"Liquidity Facility Agreement" means the agreement so named dated on or about the Closing Date between the Issuer, the Liquidity Facility Provider, the Calculation Agent and the Trustee;

"Liquidity Facility Provider" means Santander UK plc or any successor appointed under the terms of the Liquidity Facility Agreement;

"Material Adverse Effect" means, as the context specifies:

- (a) a material adverse effect on the validity or enforceability of any of the Transaction Documents; or
- (b) in respect of a Transaction Party, a material adverse effect on: (i) the business, operations, assets, property, condition (financial or otherwise) or prospects of such Transaction Party; (ii) the ability of such Transaction Party to perform its obligations under any of the Transaction Documents; or (iii) the rights or remedies of such Transaction Party under any of the Transaction Documents; or
- (c) in the context of the Purchased Receivables and Related Collateral, a material adverse effect on the interests of the Issuer or the Trustee in the Purchased Receivables and/or Related Collateral, or on the ability of the Issuer (or the Servicer on the Issuer's behalf) to collect the Purchased Receivables or on the ability of the Trustee to enforce its Security; or
- (d) a material adverse effect on the validity or enforceability of any of the Notes;

"Minimum Short Term Rating" means, in respect of any person, such person's short term unsecured, unsubordinated, unguaranteed debt obligations being rated, in the case of Moody's, P-1; in the case of Fitch, F1; and in the case of DBRS, R-1 (low) or such other rating as would not adversely affect the then rating of the Notes;

"Monthly Report" means any monthly report in the form (based on a Microsoft Office template) as set out in a schedule to the Servicing Agreement or otherwise agreed between the Seller, the Servicer (if different) and the Issuer, which shall be prepared by the Servicer with respect to each Collection Period and delivered to the Issuer with a copy to the Cash Administrator, the Trustee, the Back-up Servicer Facilitator and, where the Servicer is not SC UK, the Seller and published in electronic form on its website at the latest 7 Business Days prior to each Payment Date;

"Moody's" means Moody's Investors Service Limited or any successor to its credit rating business;

"Net Sale Proceeds" means in relation to the sale of any Financed Vehicle pursuant to the application of Enforcement Procedures in relation to an Underlying Agreement, means:

- (a) in a case where (i) the Underlying Agreement is a Conditional Sale Agreement or a PCP Agreement, and (ii) the amount received by or on behalf of the Seller in connection with such sale constitutes the consideration for a taxable supply by the Seller for VAT purposes, the result of applying $1/(1 + VR)$ to the total amount received by or on behalf of the Seller in connection with such sale (where VR is the VAT rate applicable to the supply arising from such sale for VAT purposes, expressed as a number rounded to the second decimal point); and

- (b) in a case other than one falling within (a) above, the total amount received by or on behalf of the Seller in connection with such sale;

"Note Principal Amount Outstanding" means, in relation to a Note on any day, the principal amount of such Note upon issue as reduced by all amounts paid prior to such date on such Note in respect of principal;

"outstanding" means, in relation to the Notes, all the Notes other than:

- (a) those which have been redeemed in full and cancelled in accordance with these Conditions;
- (b) those in respect of which the date for redemption, in accordance with the provisions of these Conditions, has occurred and for which the redemption monies (including all interest accrued thereon to such date for redemption) have been duly paid to the Trustee or the Principal Paying Agent in the manner provided for in the Paying Agency Agreement (and, where appropriate, notice to that effect has been given to the Noteholders in accordance with the Notices Condition) and remain available for payment in accordance with the Conditions;
- (c) those which have been purchased and surrendered for cancellation as provided in Condition 7 (*Redemption*) and notice of the cancellation of which has been given to the Trustee;
- (d) those which have become void under these Conditions;
- (e) those mutilated or defaced Notes which have been surrendered or cancelled and those Notes which are alleged to have been lost, stolen or destroyed and in all cases in respect of which replacement Notes have been issued pursuant to these Conditions; and
- (f) any Global Note, to the extent that it shall have been exchanged for Definitive Notes of the same Class pursuant to the provisions contained therein and these Conditions;

provided that for each of the following purposes, namely:

- (1) the right to attend and vote at any meeting of Noteholders;
- (2) the determination of how many and which Notes are for the time being outstanding for the purposes of Clause 16 (*Waiver*), Clause 17 (*Modifications*), Clause 20 (*Proceedings and Actions by the Trustee*), Clause 29 (*Appointment of Trustees*) and Clause 30 (*Notice of a New Trustee*) of the Trust Deed and Condition 3.8 (*Issuer Event of Default*), Condition 3.4 (*Enforcement of Payment Obligations*) and Condition 12 (*Meetings of Noteholders, modifications, waiver, substitution and exchange*) and the Provisions for Meetings of Noteholders in the Trust Documents; and
- (3) any discretion, power or authority, whether contained in the Trust Deed or provided by law, which the Trustee is required to exercise in or by reference to the interests of the Noteholders or any of them,

those Notes (if any) which are for the time being held by the Issuer, the Seller or any of its Affiliates shall (unless and until ceasing to be so held) be deemed not to be or remain outstanding;

"Overdue Receivable" means any Delinquent Receivable which is three or more Instalments overdue;

"PCP Agreement" means fixed interest rate conditional sale contracts entered into by the Seller and Customers, which are secured by retention of title to the Financed Vehicles and, if the Customer opts to retain the related Financed Vehicle at the end of the contract term, a Guaranteed Future Value Payment becomes due from the Customer;

"Post-Enforcement Priority of Payments" means the priority of payments specified in Condition 7.8 (*Post-Enforcement Priority of Payments*);

"Pre-Closing Interest Amounts" means any amounts received by the Issuer in respect of the Purchased Receivables in the Portfolio after the Closing Date in respect of arrears accrued prior to 1 April 2011, other than any arrears which have been capitalised as at 1 April 2011;

"Pre-Enforcement Priority of Payments" means the priority of payments specified in Condition 7.7 (*Pre-Enforcement Priority of Payments*);

"Principal Amount" means with respect to any Purchased Receivable, the outstanding balance of such Purchased Receivable which is scheduled to become due on or after the Cut-Off Date;

"Priority of Payments" means the Pre-Enforcement Priority of Payments or the Post-Enforcement Priority of Payments or both of them;

"Purchase Date" means any calendar day falling on or before the Closing Date on which the Issuer purchases the Purchased Receivables together with the Related Collateral from the Seller under the Receivables Sale Agreement;

"Purchase Price" means, in respect of the Portfolio, the amount of the consideration paid or to be paid by the Issuer for the purchase of the Portfolio on the Closing Date (which, for the avoidance of doubt does not include the aggregate amount of any Guaranteed Future Value Payments), such amount being equal to the aggregate of:

- (a) £1,284,202,426; and
- (b) the Deferred Consideration payable in accordance with Clause 5.3 (*Payment of Deferred Consideration*) of the Receivables Sale Agreement;

"Purchased Receivable" means any Receivable which is sold and assigned or purported to be sold and assigned by the Seller to the Issuer or held on trust or purported to be held on trust by the Seller for the Issuer in accordance with or pursuant to the terms of the Receivables Sale Agreement;

"Rating Agencies" means Fitch (Email: absurveillance@fitchratings.com or such other contact details as may be notified by Fitch to the Issuer from time to time) or its successor DBRS (Attn: DBRS, Inc., Email: abs_surveillance@dbrs.com or such other contact details as may be notified by DBRS to the Issuer from time to time) or its successor and Moody's (Attn: Moody's Investors Service Limited, Email: Monitor.abs@moodys.com or such other contact details as may be notified by Moody's to the Issuer from time to time) or its successor, in each case with respect to the relevant contact details as may be otherwise notified by any of the Rating Agencies from time to time;

"Receivable" means the right to receive an amount payable under an Underlying Agreement;

"Receivables Sale Agreement" means the agreement so named dated on or about the Closing Date between the Issuer, the Seller and the Trustee;

"Records" means with respect to any Purchased Receivable, Related Collateral, Financed Vehicle and the related Customers all material contracts, correspondence, files, notes of dealings and other documents, books, books of accounts, registers, records and other information regardless of how stored;

"Related Collateral" means with respect to any Purchased Receivable:

- (a) any and all other present and future claims and rights in respect of the relevant Underlying Agreement, including, without limitation, (i) amounts (if any) received by the Seller arising from claims by a Customer against the relevant insurer under any Insurance Agreement entered into by the Customer in connection with the relevant specified Financed Vehicles or the financing of their acquisition by the relevant Customer and (ii) amounts received by the Seller arising from damage compensation

claims based on contracts or torts against the respective Customers or against third parties (including insurers) due to damage to, or loss of, the Financed Vehicles;

- (b) any sureties, guarantees, and any and all present and future rights and claims or arrangements from time to time supporting or securing payment of such Purchased Receivable whether pursuant to the Underlying Agreement relating to such Purchased Receivable or otherwise;
- (c) all Records relating to the Purchased Receivables and/or the Related Collateral under items (a), (b) and (d); and
- (d) any claims to receive proceeds which arise from the disposal of or recourse to the Related Collateral, **provided that** any costs incurred by the Seller or (if different) the Servicer in connection with such disposal or recourse and any amounts which are due to the relevant Customer in accordance with the relevant Underlying Agreement shall be deducted from such proceeds,

and, for the avoidance of doubt, any rights or benefits specified in items (a) to (d) above shall only constitute Related Collateral if and when the Seller has title to and is able to transfer such rights or benefits;

"Required Reserve Amount" means (a) on the Closing Date and as of any Calculation Date prior to (but excluding) the Amortisation Threshold Date, an amount equal to the Reserve Percentage of the aggregate initial Note Principal Amounts of all Notes, (b) on the Calculation Date falling on the Amortisation Threshold Date and any Calculation Date following the Amortisation Threshold Date, (i) an amount equal to 2 times the Reserve Percentage of the Aggregate Note Principal Amount Outstanding after payment of any Class A Notes Principal and any Class B Notes Principal in accordance with the Pre-Enforcement Priority of Payments on the Payment Date immediately following the relevant Calculation Date or (ii) if, in determining the Required Reserve Amount pursuant to (b)(i) above, a Reserve Shortfall were to occur on the Payment Date immediately following such Calculation Date or had occurred on any Payment Date preceding such Calculation Date, an amount equal to 2 times the Reserve Percentage of the Aggregate Note Principal Amount Outstanding as of the Calculation Date immediately preceding the first Payment Date upon which a Reserve Shortfall would occur or would have occurred in determining the Required Reserve Amount pursuant to (b)(i) above, **provided that**, in each of (b)(i) and (ii), the Required Reserve Amount shall not be less than GBP 7,000,000 and (c) on the Calculation Date prior to the immediately following Payment Date on which the Aggregate Note Principal Amount Outstanding will equal zero after payment of any Class A Notes Principal and any Class B Notes Principal in accordance with the Pre-Enforcement Priority of Payments, an amount equal to zero;

"Reserve Fund" means a ledger account to the Collection Account to which the relevant portion of the Available Distribution Amount as determined as of each relevant Calculation Date is applied and credited pursuant to item *twelfth* of the Pre-Enforcement Priority of Payments on the Payment Date immediately following such Calculation Date;

"Reserve Percentage" means 3 per cent.;

"Reserve Shortfall" shall occur if the credit standing to the Reserve Fund as of any Payment Date, after crediting the Reserve Fund in accordance with item *twelfth* of the Pre-Enforcement Priority of Payments, falls short of the Required Reserve Amount as of the Calculation Date immediately preceding such Payment Date;

"Scheduled Collections" means, with respect to any Collection Period, the amount of Collections scheduled to be received by the Servicer with respect to such Collection Period, as reported by the Servicer for such Collection Period;

"Scheduled Maturity Date" means the Payment Date falling in October 2013 (in respect of the Class A Notes) and February 2016 in respect of the Class B Notes);

"Scottish Supplemental Security" means the Scots law governed assignation in security entered into on the Closing Date by the Issuer in favour of the Trustee;

"Scottish Transfer" means the Scots law governed assignation and trust deed entered into on the Closing Date by the Seller in favour of the Issuer;

"SC UK" means Santander Consumer (UK) plc;

"Secured Amounts" means the aggregate of all moneys and Liabilities which from time to time are or may become due, owing or payable by the Issuer to each, some or any of the Secured Creditors under the Notes or the Primary Transaction Documents;

"Secured Creditors" means the Trustee, the Noteholders, the Servicer, the Seller, the Basis Rate Swap Counterparty, the Account Bank, the Collection Account Bank the Cash Administrator, the Principal Paying Agent, the Registrar, the Subordinated Loan Provider, the Agent Bank, the Calculation Agent, the Corporate Administrator, the Liquidity Facility Provider and any Receiver appointed pursuant to the Deed of Charge;

"Secured Obligations" means the obligations of the Issuer that are subject to the Security;

"Security" means the first ranking security interests granted to the Trustee for the benefit of the Noteholders and the other Secured Creditors in respect of (i) the Issuer's claims under the Purchased Receivables and the Related Collateral acquired by the Issuer pursuant to the Receivables Sale Agreement, (ii) the Issuer's claims under the Transaction Documents and (iii) all amounts standing to the credit of the Issuer Accounts, all of which have been assigned and transferred by way of security or charged to the Trustee pursuant to the Deed of Charge;

"Seller" means SC UK in its capacity as the seller of the assets;

"Seller Accounts" means the bank accounts with account numbers 90004027, 90004073, 90004049, 90004038 and 90004084 held in the name of the Seller at Santander UK plc, bank sort code 09-00-92, and the bank accounts with account numbers 39028763 and 39028771 held in the name of the Seller at the Royal Bank of Scotland, bank sort code 54-30-36, to which monies from the Customers under the Underlying Agreements are paid as well as any other bank account specified as such by or on behalf of the Seller in the future in addition to or as substitute for such Seller Accounts;

"Seller Accounts Declaration of Trust" means the declaration of trust to be dated on or about the Closing Date made by SC UK in favour of the Issuer and itself over the aggregate amount standing to the credit of the Seller Accounts;

"Seller Asset Warranty" means the representations and warranties set out in Part 3 of Schedule 4 of the Incorporated Terms Memorandum;

"Seller Asset Warranty Breach" means a breach of a Seller Asset Warranty in respect of which the relevant matter or circumstance materially and adversely affects the Issuer's interest in the affected Purchased Receivable (without regard to credit enhancement if any) or (other than in respect of the ability or willingness of the Customer to pay (unless such affected Purchased Receivable did not comply with the Eligibility Criteria as of the Cut-Off Date)) the Collectability of such Purchased Receivable and which, if such matter or circumstance is capable of remedy, and has not been remedied within 30 Business Days of the Seller becoming actually aware, or being notified, of the occurrence of such Seller Asset Warranty Breach;

"Seller/Servicer Warranty" means each of the representations and warranties set out in Part 1, Part 2, Part 4, Part 5 and Part 6 of Schedule 4 and in Part 1 and Part 2 of Schedule 6 to the Incorporated Terms Memorandum;

"Seller/Servicer Warranty Breach" means a breach of a Seller/Servicer Warranty which has a Material Adverse Effect and which is not also a Seller Asset Warranty Breach;

"Servicer" means SC UK and any successor thereof or substitute servicer appointed by the Issuer in accordance with the Servicing Agreement or the Receivables Sale Agreement;

"Servicer Termination Event" means the occurrence of any of the following events:

- (a) the Servicer fails to make a payment due under the Servicing Agreement at the latest on the second Business Day after its due date, or, in the event no due date has been determined, if payable, within 3 Business Days after the written demand for payment;
- (b) following a demand for performance the Servicer fails within 5 Business Days to perform its material (as determined by the Issuer or the Trustee) obligations (other than those referred to in paragraph (a) above) owed to the Issuer under the Servicing Agreement and such failure would have, in the opinion of the Trustee, a Material Adverse Effect on the Purchased Receivables and Related Collateral;
- (c) the Servicer is (i) unable to pay its debts when they fall due or (ii) intends to commence insolvency (including preliminary insolvency proceedings) or reorganisation proceedings or is subject to insolvency (including preliminary insolvency proceedings) or dissolution proceedings and, other than with respect to (i), the Servicer fails to remedy or contest in good faith such status within 60 Business Days; and
- (d) any material 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 conditions.

"Servicing Agreement" means the agreement so named dated on or about the Closing Date between the Issuer, the Servicer, the Seller and the Trustee;

"Sterling Account" means the Sterling denominated interest-bearing bank account with the account number 0123350 0000 GBP 000 CTA held in the name of the Issuer at the Account Bank, IBAN GB82DEUT40508112335001 as well as any other Sterling denominated bank accounts specified as such by or on behalf of the Issuer with the consent of the Trustee in the future in addition to or in substitute for such Sterling Account in accordance with the Account Bank Agreement and the Deed of Charge;

"SPV Criteria" means the criteria established from time to time by the Rating Agencies for a single purpose company in the Issuer Jurisdiction;

"Sterling Amounts" means amounts standing to the credit of the Sterling Account;

"Subordinated Loan Agreement" means the subordinated loan agreement dated on or about the Closing Date and entered into by the Issuer as borrower and the Subordinated Loan Provider as lender;

"Subordinated Loan Provider" means SC UK, or any successor or assignee thereof;

"Subscription Agreement" means the agreement for the subscription of the Notes dated on or about 19 April 2011 and entered into between the Issuer and the Lead Managers;

"Substituted Obligor" means a single purpose company incorporated in any jurisdiction that meets the SPV Criteria;

"Successor Servicer" means an entity appointed as a successor servicer in accordance with Clause 25 (*Appointment of Successor Servicer*) of the Servicing Agreement to perform the Services following the delivery of a Servicer Termination Notice;

"Termination Event" means the occurrence of any of the following events:

- (A) the Seller fails to make a payment due under the Receivables Sale Agreement at the latest on the fifth Business Day after its due date, or, in the event no due date has been determined, if payable, within 5 Business Days after the written demand for payment,
- (B) the Seller fails within 5 Business Days to perform any of its obligations (other than those referred to in (A) above) owed to the Issuer under or pursuant to the Receivables Sale Agreement after its due date, or, in the event no due date has been determined, if performance is due, within 5

Business Days after the written demand for performance and such failure would have, in the opinion of the Trustee, a Material Adverse Effect on the Collectability of the Purchased Receivables or the Issuer's ability to perform its obligations,

- (C) the Seller is unable to pay its debts when they fall due, becomes insolvent or the Seller is wound up or an order is made or an effective resolution is passed for the winding up of the Seller or the Seller initiates or consents or otherwise becomes subject to liquidation, examinership, insolvency, reorganisation, or similar proceedings under any applicable law, and the Seller fails to remedy such status within 30 Business Days;

"Third Party Expenses" means any amounts due and payable by the Issuer to third parties (not being Secured Creditors) including any Liabilities payable in connection with:

- (a) the purchase by the Issuer of the Purchased Receivables and Related Collateral;
- (b) the purchase or disposal of any Authorised Investments;
- (c) any filing or registration of any Transaction Documents;
- (d) any provision for and payment of the Issuer's liability to any tax authority for any tax;
- (e) any requirement of law or any regulatory direction;
- (f) any legal or audit or other professional advisory fees (including Rating Agency fees);
- (g) any directors' fees or emoluments;
- (h) any advertising, publication, communication and printing expenses including postage, telephone and telex charges;
- (i) the listing of the Notes on the Official List and the trading of the Notes on the regulated market of the Irish Stock Exchange; and
- (j) any other amounts then due and payable to third parties and incurred without breach by the Issuer of the provisions of the Transaction Documents;

"Transaction Documents" means the Receivables Sale Agreement, the Servicing Agreement, the Trust Deed, the Deed of Charge, the Scottish Transfer, the Scottish Supplemental Security, the Basis Rate Swap, the Subordinated Loan Agreement, the Cash Administration Agreement, the Account Bank Agreement, the Seller Accounts Declaration of Trust, the Vehicle Proceeds Declaration of Trust, the Paying Agency Agreement, the Subscription Agreement, the Liquidity Facility Agreement, the Corporate Administration Agreement and any amendments, terminations, replacements or supplements relating to any such document;

"Transaction Party" means any person who is a party to a Transaction Document and **"Transaction Parties"** means some or all of them;

"Transaction Security Documents" means the Deed of Charge and any other agreement or document including the Scottish Supplemental Security entered into from time to time by the Trustee with the Issuer for the benefit of the Noteholders and the other Secured Creditors for the purpose, *inter alia*, of securing the Secured Obligations;

"Underlying Agreement" means any Fixed-Sum Loan Agreement, Conditional Sale Agreement or PCP Agreement entered into between the Seller and any Customer for the purpose of financing the acquisition of a Financed Vehicle;

"VAT" means (a) any tax imposed in compliance with the council directive of 28 November 2006 on the common system of value added tax (EC Directive 2006/112) (including, in relation to the United Kingdom, value added tax imposed by VATA and legislation and regulations

supplemental thereto); and (b) any other tax of a similar nature, whether imposed in a member state of the European Union in substitution for or levied in addition to, such tax referred to in (a) above or elsewhere;

"**VATA**" means the Value Added Tax Act 1994;

"**Vehicle Proceeds Declaration of Trust**" means the trust in respect of the VAT-exclusive proceeds of disposed Financed Vehicles declared by the Seller, in favour of the Issuer, dated on or about the Closing Date;

"**Voluntary Termination**" means, in respect of certain Conditional Sale Agreements and PCP Agreements, the exercise by the relevant Customer of a statutory right to voluntarily terminate the related Underlying Agreement by written notice, provided that such Underlying Agreement has not been previously terminated by SC UK or by payment in full or otherwise;

"**Waiver**" means a waiver by the Issuer, with the prior consent of the Controlling Class acting by Extraordinary Resolution, in relation to an Accelerated Amortisation Event which has occurred and is continuing on a Calculation Date; and

"**Written Resolution**" means any resolution of the Noteholders in writing as further described in the Trust Deed.

THE MAIN PROVISIONS OF THE DEED OF CHARGE

The following is a summary of the main provisions of the Deed of Charge.

1. **General**

The Notes are secured pursuant to and on the terms set out in the Deed of Charge between the Issuer and the Trustee on certain English law, Scots law and Northern Irish law governed assets of the Issuer.

2. **Duties of the Trustee**

The Deed of Charge sets out the general rights and obligations of the Trustee in respect of the Security. The Trustee is required to perform the activities and services set out in the Deed of Charge pursuant to, and in accordance with the terms therein.

3. **Position of Trustee in Relation to the Secured Creditors**

- 3.1 The Trustee will acquire and hold the security granted to it under or pursuant to the Deed of Charge and exercise its rights and discharge its duties under the Transaction Documents as a trustee for the benefit of the Secured Creditors. Without prejudice to the Post-Enforcement Priority of Payments and subject to certain exceptions as detailed in the Conditions, the Trustee is required to exercise its duties under the Deed of Charge with regard (i) as long as any of the Class A Notes are outstanding, only to the interests of the Class A Noteholders and (ii) if no Class A Notes remain outstanding, only to the interests of the Class B Noteholders and (iii) if no Notes remain outstanding, only to the interests of the Secured Creditor ranking highest in the Post-Enforcement Priority of Payments to whom any amounts are owed other than the Trustee.

4. **Creation of Security**

4.1 ***Assignment and Charge***

Under the terms of the Deed of Charge, the Issuer will assign and/or charge the following rights and claims (including any analogous rights and contingent rights to such rights and claims) to the Trustee as trustee for the Secured Creditors:

- (i) all Purchased Receivables together with any Related Collateral and all rights, claims and interests relating thereto;
- (ii) all rights, claims and interests which the Issuer is now or may hereafter become entitled to from or in relation to the Seller or the Servicer and/or any other party pursuant to or in respect of the Receivables Sale Agreement or the Servicing Agreement, including all rights of the Issuer relating to any additional security;
- (iii) all present and future rights, claims and interests which the Issuer is now or may hereafter become entitled to from or in relation to the Subordinated Loan Provider and/or any other party pursuant to or in respect of the Subordinated Loan Agreement;
- (iv) all present and future rights, claims and interests which the Issuer is now or may hereafter become entitled to from or in relation to the Cash Administrator and/or any other party pursuant to or in respect of the Cash Administration Agreement;
- (v) all present and future rights, claims and interests which the Issuer is now or may hereafter become entitled to from or in relation to the Basis Rate Swap Counterparty pursuant to or in respect of the Basis Rate Swap;
- (vi) all present and future rights, claims and interests which the Issuer is now or may hereafter become entitled to from or in relation to the Lead Managers and/or any other party pursuant to or in respect of the Subscription Agreement;

- (vii) all present and future rights, claims and interests which the Issuer is now or may hereafter become entitled to from or in respect of the Seller Accounts Declaration of Trust and the Vehicle Proceeds Declaration of Trust;
- (viii) all present and future rights, claims and interests which the Issuer is now or may hereafter become entitled to from or in relation to the Account Bank, the Collection Account Bank and/or any other party pursuant to or in respect of the Account Bank Agreement;
- (ix) all present and future rights, claims and interests which the Issuer is now or may hereafter become entitled to from or in relation to the Principal Paying Agent and/or the Calculation Agent and/or the Registrar and/or the Agent Bank and/or the Cash Administrator pursuant to the Paying Agency Agreement;
- (x) all present and future rights, claims and interests which the Issuer is now or may hereafter become entitled to from or in relation to the Corporate Administrator pursuant to the Corporate Administration Agreement;
- (xi) all present and future rights, claims and interests which the Issuer is now or may hereafter become entitled to from or in relation to the Liquidity Facility Provider and/or any other party pursuant to or in respect of the Liquidity Facility Agreement; and
- (xii) all present and future rights, claims and interests in or in relation to any amounts standing to the credit of the Charged Accounts (as defined below),

in each case (i) to (xii) above including any and all related non-ancillary rights.

"**Charged Accounts**" means the Issuer Accounts and any bank or other account in which the Issuer may at any time acquire a Benefit and over which the Issuer has created an Encumbrance in favour of the Trustee pursuant to the Deed of Charge.

5. **Enforcement of the Security**

5.1 *Issuer Event of Default*

The Security shall become enforceable following the delivery of an Enforcement Notice in accordance with the Conditions and the Trustee may, at its discretion, take action to enforce the Security, and shall take such action as directed in writing by the holders of at least 50 per cent. of the Aggregate Note Principal Amount Outstanding of the Controlling Class, subject to the Trustee having been indemnified and/or secured and/or pre-funded to its satisfaction, where "**Controlling Class**" means the Class A1 Notes and the Class A2 Notes together, so long as any of the Class A1 Notes and the Class A2 Notes are outstanding and, after the Class A1 Notes and the Class A2 Notes have been redeemed in full, the Class B Notes then outstanding.

Only the Trustee may enforce the rights of Noteholders against the Issuer. None of the Noteholders will be entitled to proceed directly against the Issuer unless the Trustee, having become bound to proceed in accordance with the terms of the Trust Deed or the Deed of Charge, fails or neglects to do so within a reasonable time and such failure is continuing.

6. **Post-Enforcement Priority of Payments**

After an Enforcement Notice is delivered by the Trustee in accordance with the terms of the Deed of Charge certain monies held in the Charged Accounts shall be paid to the persons entitled to such monies or otherwise applied in accordance with the Post-Enforcement Priority of Payments, as set out in the Terms and Conditions and the Deed of Charge.

OUTLINE OF THE OTHER PRINCIPAL TRANSACTION DOCUMENTS

Receivables Sale Agreement

On or about 21 April 2011 (the "**Purchase Date**"), the Issuer will purchase Receivables from the Seller in accordance with the Receivables Sale Agreement and the Issuer will be entitled to payments in respect of the Purchased Receivables received on or after 1 April 2011.

To be eligible for sale to the Issuer under the Receivables Sale Agreement, each Receivable and any part thereof will have to meet the eligibility criteria set out in "*DESCRIPTION OF THE PORTFOLIO — Eligibility Criteria*" herein.

The sale, transfer and assignment of the Purchased Receivables and Related Collateral pursuant to the Receivables Sale Agreement will constitute a sale without recourse. This means that the Seller will not bear the risk of the inability of any Customers to pay under the relevant Underlying Agreement.

The sale and transfer of the Scottish Receivables and Related Collateral by the Seller to the Issuer on the Closing Date will be given effect to by a Scottish Transfer by the Seller, by which the beneficial interest in the Scottish Receivables and Related Collateral will be transferred to the Issuer.

Under the Receivables Sale Agreement, the Seller has made, inter alia, the following representations and warranties (the "**Seller Asset Warranties**") to the Issuer with respect to the Purchased Receivables on the Purchase Date:

- (a) *Compliance with Eligibility Criteria:* Each Receivable and each Underlying Agreement complies in all respects with the Eligibility Criteria;
- (b) *Status:* Each Underlying Agreement was entered into on the terms of one of the Standard Form Underlying Agreements without alteration or addition to the form (other than the form being completed in accordance with the Seller's policies). In this paragraph, "Standard Form Underlying Agreements" means the standard documents used by the Seller in originating Underlying Agreements in the respective forms provided to the Issuer on or before the Closing Date, and any revised or substitute form;
- (c) *No Default:* So far as the Seller is aware, there is no material default, breach or violation under any Underlying Agreement which has not been remedied or any event which, with the giving of notice and/or the making of any determination and/or the expiration of any applicable grace period, would constitute such default, breach or violation, provided that any default, breach or violation shall be material if it affects the amount or Collectability of the Receivables arising under the Underlying Agreement and provided further that any default, breach or violation relating to non-payment shall not be material unless it would be such as would cause the relevant Receivable not to comply with the Eligibility Criteria;
- (d) *Insurance:* The terms of each Underlying Agreement (other than Fixed-Sum Loan Agreements) require the Customer thereunder to insure the Financed Vehicle which is the subject thereof comprehensively against all normally insurable risks (subject to all normal excesses and deductibles); and
- (e) *Fraud:* So far as the Seller is aware, each Underlying Agreement under which a Receivable arises has not been entered into fraudulently.

Any matter or circumstance which is a breach of a Seller Asset Warranty will be deemed to be a "**Seller Asset Warranty Breach**" if the relevant matter or circumstance materially and adversely affects the Issuer's interest in the affected Purchased Receivable (without regard to credit enhancement if any) or (other than in respect of the ability or willingness of the Customer to pay (unless such affected Purchased Receivable did not comply with the Eligibility Criteria as of the Cut-Off Date)) the Collectability in respect of such Purchased Receivable and if such matter or circumstance is capable of remedy, it has not been remedied within 30 Business Days of the Seller becoming actually aware, or being notified, of the occurrence of such Seller Asset Warranty Breach.

If a Seller Asset Warranty Breach occurs, pursuant to the Receivables Sale Agreement the Seller will be obliged to repurchase the affected Purchased Receivables and Related Collateral at a repurchase price equal to the aggregate of:

- (a) the Asset Amount Outstanding in respect of such Purchased Receivables;
- (b) an amount equal to all other amounts due from the relevant Customers in respect of the relevant Purchased Receivables as at the date of the repurchase;
- (c) unpaid interest or finance charges accrued but not yet due and payable in respect of the relevant Purchased Receivables as at the date of the repurchase; and
- (d) an amount equal to the reasonable costs incurred by the Issuer in relation to such repurchase,

after deducting an amount equal to any interest or finance charges not yet accrued but paid in advance to the Issuer in respect of such Purchased Receivables.

If the relevant Receivable does not exist, the Seller will not be obliged to repurchase the relevant Receivable(s), but will be required to indemnify the Issuer in an amount, as calculated by the Servicer, equal to any loss suffered by the Issuer resulting directly from such breach of representation and warranty by the Seller.

Purchase Price

The purchase price of the Purchased Receivables and the Related Collateral (the "**Purchase Price**") will be the amount of the consideration paid or to be paid by the Issuer for the purchase of the Portfolio on the Closing Date (which, for the avoidance of doubt does not include the aggregate amount of any Guaranteed Future Value Payments), such amount being equal to the aggregate of:

- (a) £1,284,202,426; and
- (e) the Deferred Consideration payable in accordance with Clause 5.3 (*Payment of Deferred Consideration*) of the Receivables Sale Agreement;

Related Collateral

The Issuer will agree to make use of any Related Collateral only in accordance with the provisions underlying such Related Collateral and the related Underlying Agreements.

The Seller will, at its own cost, keep the Related Collateral free of, or release it from, any interference or security rights of third parties and undertake all steps necessary to protect its interest (if any) in the Financed Vehicles.

Taxes and Increased Costs

Pursuant to the Receivables Sale Agreement, the Seller will indemnify the Issuer in respect of any stamp duty, registration, transfer or other similar taxes in respect of the Receivables Sale Agreement, the transfer of any Receivables pursuant to the Receivables Sale Agreement or any judgment given in connection therewith.

Insurance and Financed Vehicles

The proceeds of any insurance claims in respect of any Financed Vehicles owned by the Seller form part of the Related Collateral which will be assigned to the Issuer under the Receivables Sale Agreement. If the Seller or the Servicer receives any proceeds from property insurances or claims against third parties in respect of damage to any Financed Vehicles as well as claims against the insurer of such third parties which form part of the Related Collateral, such proceeds will be used towards the repair of such damaged Financed Vehicles. If the relevant damaged Financed Vehicle cannot be repaired, such proceeds will be applied in repayment of the relevant Underlying Agreement.

Notification of Assignment

The Customers will be notified by the Seller in respect of the assignment and transfer of the Purchased Receivables and Related Collateral following the occurrence of a Notification Event. Should the Seller fail to notify the Customers within 5 Business Days of such request, the Issuer may, at the Seller's costs, notify the Customers of the assignment and transfer of the Purchased Receivables and the Related Collateral itself. Without prejudice to the foregoing, under the Servicing Agreement the Issuer is entitled to notify by itself or through any agent or require the Servicer to notify the Customers, of the assignment and transfer if a Notification Event has occurred.

Upon the delivery of a Notification Event Notice, the Customers will be notified to make all payments to the Issuer to the Sterling Account in order to obtain valid discharge of their payment obligations.

Each of the following constitute "**Notification Events**" and their occurrence will trigger the requirement that a Notification Event Notice be delivered pursuant to the Receivables Sale Agreement:

1. the delivery by the Trustee to the Issuer of an Enforcement Notice in accordance with the Conditions;
2. the occurrence of an Insolvency Event (defined below) in respect of the Seller;
3. the delivery by the Issuer or the Trustee of a Servicer Termination Notice in accordance with the Servicing Agreement;
4. the Seller being required to deliver the Notification Event Notice by a Requirement of Law; and
5. the Security or any material part of the Security being in jeopardy in the sole determination of the Trustee and it being considered necessary or desirable by the Trustee in its sole discretion for a Notification Event Notice to be delivered in order to materially reduce such jeopardy.

"**Insolvency Event**" in respect of a company means:

- (a) such company is unable or admits its inability to pay its debts as they fall due (after taking into account any grace period or permitted deferral), or suspends making payments on any of its debts; or
- (b) the value of the assets of such company is less than the amount of its liabilities, taking into account its contingent and prospective liabilities; or
- (c) a moratorium is declared in respect of any indebtedness of such company; or
- (d) the commencement of negotiations with one or more creditors of such company with a view to rescheduling any indebtedness of such company other than in connection with any refinancing in the ordinary course of business; or
- (e) any corporate action, legal proceedings or other procedure or step is taken in relation to:
 - (i) the appointment of an Insolvency Official in relation to such company or in relation to the whole or any part of the undertaking or assets of such company except, in the case of the Issuer, the application to the Court under paragraph 12 or the filing of notice of intention to appoint an administrator under paragraph 26 of Schedule B1 to the Insolvency Act by the Issuer or its directors; or
 - (ii) an encumbrancer taking possession of the whole or any part of the undertaking or assets of such company; or
 - (iii) the making of an arrangement, composition, or compromise (whether by way of voluntary arrangement, scheme of arrangement or otherwise) with any creditor of such company, a reorganisation of such company, a conveyance to or assignment, assignation or trust for the creditors of such company generally or the making of an application to a court of competent jurisdiction for protection from the creditors of such company

generally other than in connection with any refinancing in the ordinary course of business; or

- (iv) any distress, diligence, execution, attachment or other process being levied or enforced or imposed upon or against the whole or any part of the undertaking or assets of such company; or
- (f) any procedure or step is taken, or any event occurs, analogous to those set out in (a) to (e) above, in any jurisdiction.

Resale and Retransfer of Purchased Receivables

The Seller will have, subject to certain conditions, an option under the Receivables Sale Agreement to repurchase at the Repurchase Price all outstanding Purchased Receivables (together with any Related Collateral) held by the Issuer on any Payment Date on or after the Scheduled Maturity Date and the Issuer shall, upon due exercise of the Scheduled Call Option, redeem all (but not some only) of the Notes on the relevant Payment Date. The exercise of the Scheduled Call Option will be subject to there being sufficient proceeds from the repurchase of the Purchased Receivables and Related Collateral to redeem the Notes in full and to pay senior expenses of the Issuer.

On any Payment Date on which the Aggregate Note Principal Amount Outstanding has been reduced to less than 10 per cent. of the Aggregate Note Principal Amount Outstanding as of the Closing Date, the Seller may, subject to certain conditions, exercise the Clean-up Call and repurchase all of the outstanding Purchased Receivables (together with any Related Collateral) held by the Issuer at the Repurchase Price and the Issuer shall, upon due exercise of the Clean-up Call, redeem all (but not some only) of the Notes on the Early Redemption Date.

A resale and retransfer due to the exercise of the Scheduled Call Option or the Clean-up Call will occur on a Payment Date determined by the Seller, and will be at the cost of the Seller and will coincide with the early redemption of the Notes, see "*TERMS AND CONDITIONS OF THE NOTES — Redemption — Early Redemption*". The resale and retransfer will not be permitted if the Repurchase Price determined by the Seller is not sufficient to fully satisfy the payment obligations of the Issuer under the Notes together with all amounts ranking prior to the Notes in accordance with the Pre-Enforcement Priority of Payments. The Seller may not demand any partial resale of Purchased Receivables. A resale and retransfer due to the exercise of the Scheduled Call Option or the Clean-up Call is required to be for the Repurchase Price, being an amount equal to the then Aggregate Asset Amount Outstanding plus accrued interest thereon and without any recourse against, or warranty or guarantee of, the Issuer. 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 Sale Agreement or the Servicing Agreement.

Under the Receivables Sale Agreement, the Seller will also have the option to repurchase from the Issuer on any Payment Date any outstanding Purchased Receivable, together with any Related Collateral, which has either been written off by the Servicer in accordance with the Credit and Collection Policy of the Servicer (excluding, for the avoidance of doubt, a Purchased Receivable which is written off as a result of Voluntary Termination by the relevant Customer of the relevant Underlying Agreement except where the relevant Customer continues to have an outstanding liability after Voluntary Termination) or which is included in the 6 or more Instalments overdue bracket in the Monthly Report for the Collection Period ending on or immediately preceding such date. The Defaulted Receivable Repurchase Price will equal the Face Amount of each particular Debt Type of Defaulted Receivables multiplied by the Relevant Multiplier, where "**Debt Type**" means a With Asset Account, a Without Asset Account or an Asset Loan and "**Relevant Multiplier**" means such multiplier as may be set out or varied in the collection agreement dated 6 May, 2010 between the Seller and the collection agent named therein (as may be varied, amended, supplemented or replaced from time to time), subject to a minimum of 30.825 per cent. in respect of With Asset Accounts, 13.5 per cent. in respect of Without Asset Accounts and 13.5 per cent. in respect of Asset Loans.

For the purposes of determining the relevant Defaulted Receivable Repurchase Price, "**Asset Loan**" means unsecured fixed term loan for the purchase of a motor vehicle, "**With Asset Account**" means an Underlying Agreement made between the Seller and a Customer for the conditional sale by the Seller to the Customer of a Financed Vehicle (including both Conditioned Sale Agreements and PCP Agreements)

and in relation to which that Financed Vehicle is still in the possession of the Customer as of the date specified in the Underlying Agreement, and "**Without Asset Account**" means (i) an Underlying Agreement which when it was entered into with the relevant Customer was a With Asset Account but, in respect of which, prior to the date specified in the Underlying Agreement, the Seller has received possession of the Financed Vehicle the subject of that Underlying Agreement and the proceeds of sale of that Financed Vehicle have been applied to the amounts due and payable under the Underlying Agreement or prior to the date specified in the Underlying Agreement the Customer has disposed of the Financed Vehicle (whether lawfully entitled to or not), or (ii) a With Asset Account which is being dealt with prior to the date specified in the Underlying Agreement by the Seller's financial solutions unit (or equivalent from time to time).

The Receivables Sale Agreement will be governed by English Law. The Scottish Transfer will be governed by Scots Law.

Servicing Agreement

Pursuant to the Servicing Agreement dated on or about the Closing Date, between the Servicer, the Trustee and the Issuer, the Servicer will be appointed to service the Purchased Receivables and the Related Collateral, collect and, if necessary, enforce or otherwise realise the Purchased Receivables and enforce the Related Collateral and pay all proceeds to the Issuer.

Servicer's Duties

The Servicer will act as agent of the Issuer under the Servicing Agreement. The duties of the Servicer include servicing of the Purchased Receivables and the Related Collateral and certain ancillary duties set out in the Servicing Agreement (the "**Services**").

Under the Servicing Agreement, the Servicer will, *inter alia*:

- endeavour at its own expense to recover amounts due from the Customers 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 Purchased Receivables and the Related Collateral, as is reasonably requested and will reimburse the Servicer for any costs and expenses incurred;
- keep and maintain records, account books and documents in relation to the Purchased Receivables and the Related Collateral (including for tax purposes) in a manner such that these are easily distinguishable from those relating to other receivables in respect of which the Servicer is originator, servicer or depositary, or otherwise;
- hold all Records relating to the Purchased Receivables in its possession to the order of the Issuer;
- assist the Issuer in discharging any Related Collateral in respect of any Purchased Receivables which have been paid;
- exercise, in accordance with the procedures described in the Credit and Collection Policy, of rights and remedies against a Customer in respect of such Customer's obligations arising under any Underlying Agreement in respect of which such Customer is in default (the "**Enforcement Procedures**");
- pay the proceeds obtained from the application of the Enforcement Procedures in respect of the Purchased Receivables, to the Issuer as Collections;
- provide the Cash Administrator with written directions to invest, where it deems appropriate, amounts standing to the credit of the Issuer Accounts in Authorised Investments, where "**Authorised Investments**" means (a) securities issued by the government of the United Kingdom, provided that such securities are rated at least F1+ by Fitch, at least P-1 by Moody's and at least R-1 (medium) by DBRS; (b) investments in money market funds that maintain the highest money market fund rating from Moody's and either Fitch or at least one other global rating agency; (c) demand or time deposits, certificates of deposit and unsecured debt obligations with maturities of up to 30 days, including commercial paper, provided that the issuing entity or, if such investment is guaranteed, the guaranteeing entity, is rated at least, in the case of Moody's,

P-1; in the case of Fitch, F1+; and in the case of DBRS, R-1 (middle); and (d) so long as the Notes are rated by a Rating Agency, any other debt obligations in relation to which confirmation has been received from the Rating Agencies that such investment would not adversely affect the Rating of the Notes, provided that such investments are due such that the full principal invested is available for distribution on each Payment Date and the principal invested is returned in full;

- make available on a monthly basis reports containing updated information with respect to the Portfolio to the Issuer, the Cash Administrator, the Back-up Servicer Facilitator, (where the Servicer is not SC UK) the Seller, the Trustee and the Rating Agencies; and
- make available on a monthly basis investor reports containing a summary of information with respect to the Portfolio to the Issuer, the Trustee, the Cash Administrator and the Rating Agencies.

The Servicer will service the Portfolio in accordance with its standard procedures set out in the Credit and Collection Policy subject to the provisions of the Servicing Agreement and the Receivables Sale Agreement. In the servicing of the Portfolio, the Servicer will perform its obligations with all due care, skill and diligence and in good faith and exercise a level of skill, care and attention in providing the Services and performing related functions as it would if it were managing comparable assets for itself and in a manner with practices and procedures generally followed by a reasonable prudent provider of auto loans and conditional sale contracts acting reasonably but the Servicer shall not be required to do or cause to be done anything which it is prevented from doing by applicable law. 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 Issuer shall pay, on each Payment Date, a fee in arrear to the Servicer in respect of the Collection Period ending on the Calculation Date immediately preceding such Payment Date in an amount (inclusive of VAT, if any) equal to 0.75 per cent. per annum of the Aggregate Asset Amount Outstanding on such Calculation Date, where "**Collection Period**" means, in relation to any Calculation Date, the period commencing on (but excluding) the Calculation Date immediately preceding such Calculation Date and ending on (and including) such Calculation Date and with respect to the First Payment Date the Collection Period commences on the Closing Date and ends on the following Calculation Date (including such date); and "**Calculation Date**" means the last Business Day of each calendar month, and the Calculation Date with respect to each Payment Date is the Calculation Date immediately preceding such Payment Date and the first Calculation Date shall be 28 April 2011.

Under the Servicing Agreement, Banco Santander, S.A. has agreed to act as Back-up Servicer Facilitator. Upon the occurrence of a change of control of the Servicer (so long as it is SC UK) or the unsecured, unsubordinated debt obligations of Santander UK plc (so long as it is the parent company of the Servicer) ceases to have any of the following long-term ratings: at least Baa2 by Moody's, BBB by Fitch or BBB by DBRS (to the extent rated by DBRS), where "**control**" means the power, direct or indirect (A) to vote more than 50 per cent. of the securities having ordinary voting power for the election of directors of the Servicer, or (B) to direct or cause the direction of the management and policies of the Servicer whether by contract or otherwise (provided that assumption of control by an Affiliate of SC UK shall not constitute a change of control provided that such Affiliate and its immediate parent have long-term ratings of at least Baa2 by Moody's, BBB by DBRS (to the extent rated by DBRS) and BBB by Fitch), Banco Santander S.A. will: (i) select a bank or financial institution 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, (ii) review the information provided to it by the Servicer under the Servicing Agreement, (iii) enter into appropriate data confidentiality provisions and (iv) notify the Servicer if it requires further assistance.

Use of Third Parties

The Servicer may, subject to certain requirements, delegate and sub-contract its duties in connection with the servicing and enforcement of the Purchased Receivables and/or enforcement of the Related Collateral, **provided that** (except for certain existing types of sub-contracting arrangements) the Rating Agencies have indicated that such delegation and sub-contracting does not result in the downgrade or withdrawal of the then current ratings of the Notes.

The Servicer will not be released or discharged from any liability whatsoever under the Servicing Agreement due to the sub-contracting of its duties and shall remain responsible for the performance or non-performance and the manner of performance by any sub-contractor of its obligations and remain liable for any right, remedy or cause of action that may arise as a result of any act, failure to act or omission on the part of any such sub-contractor acting in such capacity.

Cash Collection Arrangements

The Seller expects that the Customers will continue to make all payments to the account of the Seller as provided in the Underlying Agreements between each Customer and the Seller and thereby obtain a valid discharge of their respective payment obligation. The Customers will only receive notice of the sale and transfer of the relevant Purchased Receivables (a "**Notification Event Notice**") to the Issuer if a Notification Event has occurred (see "*— Receivables Sale Agreement — Notification of Assignment*"), following receipt of which the Customers shall be required to make all payments to the Issuer to the Sterling Account in order to obtain valid discharge of their payment obligations.

Under the terms of the Servicing Agreement, the Collections received by the Servicer will be transferred from the Collection Account to the Sterling Account or as otherwise directed by the Issuer or the Trustee. Until such transfer, the Servicer will hold the Collections and any other amount received on trust for the Issuer and will give directions to the relevant banks accordingly. All payments will be made free of all bank charges and costs and without withholding or deduction for or on account of tax (unless required by law).

Information and Regular Reporting

The Servicer will use all reasonable endeavours to safely maintain records in relation to each Purchased Receivable in computer readable form.

The Servicing Agreement requires the Servicer to furnish at the latest on the seventh Business Day preceding the Payment Date following the relevant Calculation Date the Monthly Report relating to the Collection Period ending on such Calculation Date to the Issuer, with a copy to the Trustee, the Back-up Servicer Facilitator, the Cash Administrator and where the Servicer is not SC UK, the Seller with respect to each Collection Period as well as certification that no Notification Event or Servicer Termination Event has occurred. Each Monthly Report will set out in detail, on an aggregate basis, the state of repayment and amounts outstanding on the Purchased Receivables, measures being taken to collect any overdue payments as well as details regarding all enforcement proceedings in respect of any Related Collateral and the status, development and timing of such proceedings. The Servicer will, upon request, provide the Issuer with all additional information concerning the Purchased Receivables and the Related Collateral in which the Issuer has a legitimate interest, subject to the terms of the Servicing Agreement and protection of each Customer's personal data.

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, the Trustee, the Cash Administrator and each Rating Agency no later than 12:00 noon (London time) on the Second Business Day prior to the Payment Date following the Calculation Date on which such Collection Period ends, and assist the Cash Administrator in the preparation of a monthly payment report (the "**Payment Report**"), to be provided by the Cash Administrator three Business Days prior to each Payment Date in accordance with the Cash Administration Agreement.

Termination of and amendment to Underlying Agreements and Enforcement

If a Customer defaults on a Purchased Receivable, the Servicer will proceed in accordance with and abide by the Enforcement Procedures as set out in the Credit and Collection Policy. If the Related Collateral is to be enforced, the Servicer will take such measures as it deems necessary in its professional discretion to realise the Related Collateral.

The Servicer will pay the portion of the enforcement proceeds to the Issuer which have been or are to be applied to the Purchased Receivables or the Issuer is otherwise entitled to in accordance with the Servicing Agreement and the Receivables Sale Agreement.

The Servicer may make amendments to the Underlying Agreements provided that such amendments are in compliance with the Credit and Collection Policy and are permitted by law.

Termination of the Servicing Agreement

Pursuant to the Servicing Agreement, the Issuer may at any time with the written consent of the Trustee, or the Trustee may itself, so long as a Servicer Termination Event is continuing, terminate the appointment of the Servicer by delivering a Servicer Termination Notice to the Servicer (with a copy to the Issuer or Trustee (as applicable)) and appoint a substitute servicer (with the consent of the Trustee) if a Servicer Termination Event has occurred, and/or notify or require the Servicer to notify the relevant Customers of the assignment of the Purchased Receivables to the Issuer such that all payments in respect of such Purchased Receivables are to be made to the Issuer or a substitute servicer appointed by the Issuer if a Notification Event has occurred. Each of the following events constitutes a "**Servicer Termination Event**":

1. The Servicer fails to make a payment due under the Servicing Agreement at the latest on the second Business Day after its due date, or, in the event no due date has been determined, if payable, within 3 Business Days after the written demand for payment;
2. Following a demand for performance the Servicer fails within 5 Business Days to perform its material (as determined by the Issuer or the Trustee) obligations (other than those referred to in paragraph 1 above) owed to the Issuer under the Servicing Agreement and such failure would, in the opinion of the Trustee, have a Material Adverse Effect on the Purchased Receivables and Related Collateral;
3. The Servicer is (i) unable to pay its debts when they fall due or (ii) intends to commence insolvency (including preliminary insolvency proceedings) or reorganisation proceedings or is subject to insolvency (including preliminary insolvency proceedings) or dissolution proceedings and, other than with respect to (i), the Servicer fails to remedy or contest in good faith such status within 60 Business Days; and
4. Any material 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 conditions.

Pursuant to the Servicing Agreement, the appointment of the Servicer will automatically terminate on the Legal Maturity Date. The Servicer will only be entitled to resign as Servicer under the Servicing Agreement if it has first identified an appropriate replacement servicer.

The outgoing Servicer and the Issuer will execute such documents and take such actions as the Issuer may require for the purpose of transferring to the substitute servicer the rights and obligations of the outgoing Servicer, assumption by any substitute servicer of the specific obligations of substitute servicers under the Servicing Agreement and releasing the outgoing Servicer from its future obligations under the Servicing Agreement. Upon termination of the Servicing Agreement with respect to the Servicer and the appointment of a substitute servicer, the Servicer will transfer to any substitute servicer all Records and any and all related material, documentation and information. Any substitute servicer will have all required licences, authorisations and registrations.

Any termination of the appointment of the Servicer or of a substitute servicer as well as the appointment of any new Servicer or new substitute servicer will be notified by the Issuer to the Rating Agencies, the Trustee and by the Principal Paying Agent, acting on behalf of the Issuer, to the Noteholders in accordance with the Terms and Conditions.

Insolvency Event in Respect of the Seller

Upon the occurrence of an Insolvency Event with respect to the Seller and where requested by the Seller's Insolvency Official, the Servicer will negotiate the variable component of the Administrator Incentive Recovery Fee with the Seller's Insolvency Official with a view to maximising recoveries where the Seller's Insolvency Official disposes of, arranges for the disposal of or otherwise assists with the disposal of the relevant Financed Vehicles.

For the purposes of this section, "**Administrator Incentive Recovery Fee**" means the fee payable to the Insolvency Official of the Seller following an Insolvency Event of the Seller in relation to the sale of the relevant Financed Vehicles in an amount equal to (i) the reasonable costs and expenses of such Insolvency Official incurred in relation to the sale of such Financed Vehicles plus (ii) a percentage of the

corresponding realisation proceeds in respect of the relevant Financed Vehicles to be agreed by the Servicer with the Insolvency Official of the Seller pursuant to the Servicing Agreement (up to a maximum amount of 1 per cent. of the VAT-exclusive realisation proceeds of the relevant Financed Vehicles).

"Insolvency Official" means, in respect of any company, a liquidator, provisional liquidator, administrator (whether appointed by the court or otherwise), bank administrator, bank liquidator, administrative receiver, receiver or manager, nominee, supervisor, trustee in bankruptcy, conservator, guardian or other similar official in respect of such company or in respect of all (or substantially all) of the company's assets or in respect of any arrangement or composition with creditors or any equivalent or analogous officer under the law of any jurisdiction.

Back-up Servicing Facilitation

Under the Servicing Agreement, Banco Santander, S.A. has agreed to act as Back-up Servicer Facilitator. Upon the occurrence of a change of control of the Servicer (so long as it is SC UK) or the unsecured, unsubordinated debt obligations of Santander UK plc (so long as it is the parent company of the Servicer) ceases to have any of the following long-term ratings: at least Baa2 by Moody's, at least BBB by Fitch or at least BBB by DBRS (to the extent rated by DBRS), where **"control"** means the power, direct or indirect (A) to vote more than 50 per cent. of the securities having ordinary voting power for the election of directors of the Servicer, or (B) to direct or cause the direction of the management and policies of the Servicer whether by contract or otherwise (provided that assumption of control by an Affiliate of SC UK shall not constitute a change of control provided that such Affiliate and its immediate parent have long-term ratings of at least Baa2 by Moody's, BBB by DBRS (to the extent rated by DBRS) and BBB by Fitch), Banco Santander S.A. will: (i) select a bank or financial institution 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, (ii) review the information provided to it by the Servicer under the Servicing Agreement, (iii) enter into appropriate data confidentiality provisions and (iv) notify the Servicer if it requires further assistance. The Issuer has agreed that it will not unreasonably refuse to appoint such entity in accordance with the Servicing Agreement.

Scottish Supplemental Security

Under a Scots law governed assignment in security dated the Closing Date by the Issuer in favour of the Trustee (the **"Scottish Supplemental Security"**), the Issuer's present and future beneficial interest in, under and relative to the Purchased Receivables and all Related Collateral (to the extent governed by or otherwise subject to Scots law) and the trust declared in favour of the Issuer pursuant to the Scottish Transfer, will be assigned in favour of the Trustee on the Closing Date.

Subordinated Loan Agreement

Pursuant to a subordinated loan agreement dated on or about the Closing Date (the **"Subordinated Loan Agreement"**), a committed credit facility will be made available to the Issuer by the Subordinated Loan Provider. Pursuant to the terms of the Subordinated Loan Agreement, the Issuer will draw amounts in Sterling made available thereunder in a drawdown on or before the Purchase Date which will be credited to the Reserve Fund in accordance with the Subordinated Loan Agreement. The Issuer will not be entitled to make any drawings thereunder after the Closing Date. As of the Closing Date, the outstanding amount under the Subordinated Loan Agreement is expected to amount to GBP 42,026,073.

The Subordinated Loan Provider will agree in the Subordinated Loan Agreement for the benefit of the Seller not to have recourse against the Seller for any non-repayment of advances or any non-payment of interest under the Subordinated Loan Agreement which is caused by any Purchased Receivables having become Delinquent Receivables or Defaulted Receivables, where **"Delinquent Receivable"** means as of any date, any Purchased Receivable (which is not a Defaulted Receivable) which is included in the 1 to 5 overdue Instalment bracket in the Monthly Report for the Collection Period ending on or immediately preceding such date in accordance with the Credit and Collection Policy.

Pursuant to the Subordinated Loan Agreement, the Issuer will be under no obligation to pay any amounts under the Subordinated Loan Agreement unless the Issuer has received funds which may be used to make such payment in accordance with the Pre-Enforcement Priority of Payments or, following the delivery of an Enforcement Notice, the Post-Enforcement Priority of Payments. 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.

The Subordinated Loan Agreement will be governed by English Law.

Liquidity Facility Agreement

For the Availability Period the Issuer will, subject to satisfaction of certain conditions, be entitled on each Payment Date during the Availability Period to make Facility Drawings under the Liquidity Facility provided by the Liquidity Facility Provider pursuant to the Liquidity Facility Agreement between (among others) the Issuer and the Liquidity Facility Provider.

The maximum amount available to be drawn under the Liquidity Facility will be £39,193,840.

The Issuer will be entitled to make Facility Drawings up to the Commitment, for the payment of interest on the Class A Notes on any Payment Date and the payment of prior-ranking items (other than in respect of the *seventh* item of the Pre-Enforcement Priority of Payments or the *fifth* item of the Post-Enforcement Priority of Payments) in accordance with the relevant Priority of Payments, to the extent that the Available Distribution Amount in respect of the relevant Payment Date would otherwise be insufficient to enable such payments to be made provided that, following the delivery of an Enforcement Notice, any such drawing under the Liquidity Facility Agreement shall be made by the Calculation Agent.

Pursuant to the Liquidity Facility Agreement, if and so long as the long term unsecured, unsubordinated and unguaranteed debt obligations of the Liquidity Facility Provider are assigned a rating lower than either A3 by Moody's, A by DBRS (to the extent rated by DBRS) or A by Fitch (and a short term rating of less than P-1 by Moody's, R-1 (low) by DBRS and F1 by Fitch) or such other ratings as may be agreed with the Rating Agencies, provided that, if the Liquidity Facility Provider's long term ratings have been placed on "Ratings Watch Negative" by Fitch, the Liquidity Facility Provider will be required to have long term ratings of at least A+ by Fitch, or either such rating has been withdrawn by any of the Rating Agencies, the Liquidity Facility Provider will be required within 14 calendar days to post cash collateral in Sterling with the Issuer and, within 30 calendar days, to replace the Liquidity Facility Provider with an alternative bank whose with unsecured, unsubordinated, unguaranteed debt obligations are assigned a long term rating of not less than A by Fitch and A2 by Moody's (and a short term rating of not less than F1 by Fitch and P-1 by Moody's) or such other rating as may be agreed with the Rating Agencies or, if no replacement liquidity facility provider is appointed within 30 days, the available facility will be drawn and the amounts of such Standby Drawing deposited in the Collection Account and credited to the Standby Drawing Ledger. The Issuer will be permitted to make withdrawals from the Standby Ledger and to apply such drawing in accordance with the relevant Priority of Payments to the extent that such drawing would have been available as Facility Drawings but for the making of such Standby Drawing, or to make a repayment of a Standby Drawing.

Any Standby Drawings shall be repaid (i) in the event that the Commitment of the Liquidity Facility Provider is transferred to a bank whose unsecured, unsubordinated, unguaranteed debt obligations are assigned a rating which meets the requirements set out above or (ii) if the ratings of the Liquidity Facility Provider are reinstated to the ratings set out above or (iii) if earlier, on the Legal Maturity Date.

The Issuer will pay to the Liquidity Facility Provider additional amounts as compensation to the Liquidity Facility Provider in respect of any required withholding or deduction for or on account of taxes imposed or levied on payments by the Issuer to the Liquidity Facility Provider under the Liquidity Facility Agreement. In addition, the Issuer has agreed to pay to the Liquidity Facility Provider (i) its break costs attributable to all or any part of a drawing being paid by the Issuer other than on a Payment Date and (ii) on demand by the Liquidity Facility Provider, certain increased costs incurred by the Liquidity Facility Provider.

The Liquidity Facility Agreement will be governed by English Law.

Basis Rate Swap

Pursuant to the Basis Rate Swap dated on or about the Closing Date, the Issuer will hedge its interest rate exposure resulting from fixed rate interest revenue under the Purchased Receivables and floating rate

interest obligations under the Notes. Under the Basis Rate Swap, on the Business Day before each Payment Date the Issuer will pay the aggregate amount of all interest received by the Issuer under and in respect of the Purchased Receivables which are not Defaulted Receivables in the relevant Collection Period and available to be paid to the Basis Rate Swap Counterparty pursuant to the relevant Priority of Payments and the Basis Rate Swap Counterparty will pay a floating rate equal to LIBOR plus a margin as set by the Basis Rate Swap Counterparty in respect of the Interest Period immediately preceding such Payment Date, applied to the aggregate principal amount outstanding of all Purchased Receivables which are not Defaulted Receivables in the relevant Collection Period. Payments under the Basis Rate Swap will be made on a net basis. The Basis Rate Swap will remain in full force until the earlier of (i) the Legal Maturity Date or (ii) such earlier date on which the Basis Rate Swap is terminated.

Pursuant to the Basis Rate Swap, if and so long as the short-term or long-term unsecured, unsubordinated and unguaranteed debt obligations of the Basis Rate Swap Counterparty are assigned a rating lower than the Basis Rate Swap Counterparty Required Ratings or any such rating is withdrawn by any Rating Agency, then the Issuer has the right to terminate the Basis Rate Swap unless the Basis Rate Swap Counterparty, within 30 calendar days and at its own cost, posts collateral for its obligations in accordance with the provisions of the "**Credit Support Annex**" (being any credit support document entered into between the Issuer and the Basis Rate Swap Counterparty from time to time which forms part of, and is subject to the Basis Rate Swap and is part of the schedule thereto), and in addition, within 30 calendar days and at its own cost,

- (i) obtains a guarantee of its obligations under the Basis Rate Swap from a third party with the Basis Rate Swap Counterparty Required Ratings;
- (ii) transfers all of its rights and obligations under the Basis Rate Swap to a third party with the Basis Rate Swap Counterparty Required Ratings; or
- (iii) takes such other actions as a result of which the Class A Notes will be rated by the Rating Agencies at the same level as immediately prior to such event.

Where the Basis Rate Swap Counterparty provides collateral in accordance with the provisions of the Credit Support Annex, such collateral or interest thereon will not form part of the Available Distribution Amount.

The Basis Rate Swap is governed by English law. Pursuant to the Deed of Charge, the Issuer has created security in favour of the Trustee in all its present and future rights, claims and interests which the Issuer is now or becomes hereafter entitled to pursuant to or in respect of the Basis Rate Swap (see "*THE MAIN PROVISIONS OF THE DEED OF CHARGE*" above).

Paying Agency Agreement

Pursuant to a paying agency agreement dated on or about the Closing Date (the "**Paying Agency Agreement**"), the Principal Paying Agent, the Registrar, the Agent Bank and the Calculation Agent will be appointed by the Issuer and each will act as agent of the Issuer to make certain calculations, determinations and to effect payments in respect of the Notes. The functions, rights and duties of the Principal Paying Agent, the Registrar, the Agent Bank and the Calculation Agent are set out in the Terms and Conditions as well as the Paying Agency Agreement. See "*TERMS AND CONDITIONS OF THE NOTES*".

The Paying Agency Agreement provides that the Issuer may, subject to certain Conditions, terminate the appointment of any of the Principal Paying Agent, the Registrar, the Agent Bank or the Calculation Agent with the prior written consent of the Trustee upon giving not less than 30 calendar days' prior notice. Any such party may at any time resign from its office by giving to the Issuer and the Trustee (and, in the case of the Registrar, the Agent Bank or the Calculation Agent, to the Principal Paying Agent) not less than 30 calendar days' prior notice, **provided that** at all times there shall be a Principal Paying Agent, a Registrar, an Agent Bank and a Calculation Agent appointed. Any termination of the appointment of any such party and any resignation of such party shall only become effective upon the appointment in accordance with the Paying Agency Agreement of one or more banks or financial institutions as replacement agent(s) in the required capacity. The right to terminate or resign for good cause will remain unaffected. If no replacement agent is appointed by the tenth day before the expiry of any such party's notice of

resignation, then such party may itself, subject to certain requirements, appoint such replacement agent in the name of the Issuer.

The Paying Agency Agreement will be governed by English Law.

Cash Administration Agreement

Pursuant to a cash administration agreement dated on or about the Closing Date (the "**Cash Administration Agreement**"), the Cash Administrator will be appointed by the Issuer to act as its agent and the Cash Administrator will provide certain cash management services such as verifying the calculations undertaken by the Servicer relating to the payments to be effected on each Payment Date in accordance with the Transaction Documents and providing the Account Bank with payment instructions on behalf of the Issuer required to effect payments in respect of the Notes and any other payments in accordance with the Transaction Documents on each Payment Date. Further, the Cash Administrator will make each Investor Report provided to it by the Servicer publicly available on its website <http://https://tss.sfs.db.com/investpublic/> and by posting it on Bloomberg without undue delay. The Cash Administrator will also prepare and provide, on a monthly basis, a payment report (the "**Payment Report**") which sets forth each of the payments and ledger transfers to be made on that Payment Date and details of each Purchased Receivable and Related Collateral redeemed, Purchased Receivable and Related Collateral repurchased by the Seller in accordance with the Receivables Sale Agreement, and each Authorised Investment acquired, in each case during the Interest Period ending immediately prior to that Payment Date to the Issuer, the Servicer, the Trustee, the Calculation Agent and the Rating Agencies no later than on the fourth Business Day prior to the Payment Date to which such Payment Report relates. The Cash Administrator may invest amounts standing to the credit of the Issuer Accounts in Authorised Investments.

The Cash Administration Agreement provides that the Issuer may terminate the appointment of the Cash Administrator with regard to some or all of its functions with the prior written consent of the Trustee upon giving the Cash Administrator not less than 30 calendar days' prior notice. The Cash Administrator may sub-contract or delegate the performance of its obligations under the Cash Administration Agreement, provided that certain conditions are met such as, among others, prior written consent being obtained by the Cash Administrator from the Issuer and the Trustee (where the sub-contractor is not an affiliate or subsidiary of Deutsche Bank AG). Notwithstanding any sub-contracting or delegation of the performance of its obligations under the Cash Administration Agreement, the Cash Administrator will not be discharged or released from its obligations thereunder, and will remain responsible for the performance of such obligations. The Cash Administrator may at any time resign from its office by giving the Issuer and the Trustee not less than 30 calendar days' prior notice, **provided that** there is a replacement cash administrator appointed. Any termination of the appointment of the Cash Administrator and any resignation of the Cash Administrator shall only become effective upon the appointment in accordance with the Cash Administration Agreement of one or more banks or financial institutions as replacement Cash Administrator. The right to terminate or resign for good cause will remain unaffected.

The Cash Administration Agreement will be governed by English Law.

Subscription Agreement

The Issuer and the Lead Managers have entered into the Subscription Agreement under which the Lead Managers have agreed to subscribe and pay for the Notes, subject to certain conditions. The Lead Managers have the right to all costs and expenses and certain representations, warranties and indemnities from the Issuer. The Subscription Agreement will be governed by English Law. See "*SUBSCRIPTION AND SALE*".

Vehicle Proceeds Declaration of Trust

Pursuant to the Vehicle Proceeds Declaration of Trust dated on or about the Closing Date, the Seller will declare a trust in favour of the Issuer over the VAT-exclusive proceeds of sale of Financed Vehicles. The Vehicle Proceed Declaration of Trust will be governed by English law.

Seller Accounts Declaration of Trust

Pursuant to the Seller Accounts Declaration of Trust dated on or about the Closing Date, SC UK will declare a trust in favour of itself and the Issuer over all amounts from time to time standing to the credit

of the Seller Accounts in the name of SC UK into which Customers pay amounts under the Underlying Agreements, whether or not relating to the Purchased Receivables. The Issuer will be a beneficiary of such trust to the extent that such amounts credited to the Seller Accounts relate to the Purchased Receivables.

Corporate Administration Agreement

Pursuant to a corporate administration agreement dated on or about the Closing Date (the "**Corporate Administration Agreement**"), the Corporate Administrator will provide 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 and suitable office accommodation, 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 will be governed by English Law.

EXPECTED MATURITY AND AVERAGE LIFE OF NOTES AND ASSUMPTIONS

The expected average life of the Class A Notes and the Class B 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 Class A Notes and the Class B 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 Class A Notes and the Class B 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 no Accelerated Amortisation Event will occur; and
- (e) that the 10 per cent. Clean-up Call will be exercised in accordance with the Receivables Sale Agreement and Condition 7.4 (*Early Redemption*) of the Terms and Conditions.

Constant Prepayment Rate in %	Expected Average Life of Class A Notes (years)	Expected Average Life of Class B Notes (years)
0%	1.21	3.13
5%	1.12	3.01
10%	1.03	2.86
15%	0.96	2.74

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.

Assumptions (c) and (d) above relate to circumstances which are not predictable.

The average lives of the Class A Notes and the Class B 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.

DESCRIPTION OF THE PORTFOLIO

The Portfolio consists of Purchased Receivables arising under the Underlying Agreements and the Related Collateral, originated by the Seller pursuant to the Credit and Collection Policy. See "*CREDIT AND COLLECTION POLICY*". The Receivables included in the Portfolio are derived from a portfolio of credit agreements to retail customers to finance the purchase of Financed Vehicles and were acquired by the Issuer pursuant to the Receivables Sale Agreement. The Aggregate Asset Amount Outstanding as of the beginning of business on the Cut-Off Date was GBP 1,284,202,426. There will be no substitution of the Purchased Receivables in the Portfolio as existing Purchased Receivables repay.

The Purchased Receivables arise under three types of contracts:

1. Fixed-Sum Loan Agreements ("**Fixed-Sum Loan Agreements**")

These are unsecured fixed interest rate, fully amortising loan agreements. Under the terms of these contracts, the Customer obtains title to the Financed Vehicle from a third party and is required to make an initial payment followed by generally equal monthly payment instalments of interest and principal which fully amortise the amount financed. The Customer may be required to provide a guarantee for its obligations under the Underlying Agreement.

2. Conditional Sale Agreements ("**Conditional Sale Agreements**")

These are fixed interest rate, fully amortising level payment sale contracts secured by retention of title to the Financed Vehicle. Title to the Financed Vehicle passes to the Customer once all payments have been made. These agreements require the Customer to make an initial payment followed by generally equal monthly payments of interest and principal which fully amortise the amount financed. In certain cases, a completion fee may be payable by a Customer who accelerates payment under the relevant Conditional Sale Agreement. In such a case the final payment will not be level with all others. The Customer is required to insure the Financed Vehicle for its replacement value and against liability to others for loss or damage.

3. Personal Contract Purchase Agreements ("**PCP Agreements**")

These are fixed interest rate, fully amortising conditional sale contracts secured by retention of title to the Financed Vehicle. These contracts apply Customer payments to reduce the amount financed on the basis of generally equal monthly instalment payments of interest and principal and, in the event that the relevant Customer opts to keep the Financed Vehicle at the end of the contract term, a final payment for all amounts due at the end of the contract term ("**Guaranteed Future Value Payments**"). In the event that a Customer decides not to keep the Financed Vehicle at the end of the contract term, the Customer may (i) trade the Financed Vehicle for a new vehicle, (ii) appoint SC UK as its agent for sale of the Financed Vehicle, whereupon the due date for the payment of the final payment will be delayed for 90 days or, if earlier, until the date on which the net sale proceeds are received by SC UK as agent of the Customer. The Customer may be required to provide a guarantee for its obligations under such Underlying Agreement.

Guaranteed Future Value Payments will neither form part of the Collections nor the Purchase Price and will be remitted to the Seller in accordance with the Receivables Sale Agreement.

In the event that SC UK takes possession of the Financed Vehicle in accordance with an Underlying Agreement, the proceeds recovered in respect of such Financed Vehicle will be applied first towards any amounts outstanding under the Underlying Agreement other than in respect of any Guaranteed Future Value Payment, and then towards any Guaranteed Future Value Payments then outstanding.

The Fixed-Sum Loan Agreements, Conditional Sale Contracts and the PCP Agreements are regulated by the Consumer Credit Act 1974.

The Issuer's assets will include:

- (a) The Purchased Receivables and Collections on the Purchased Receivables after the Cut-Off Date;
- (b) rights under the Underlying Agreements;

- (c) recoveries under guarantees;
- (d) proceeds from claims on any insurance policies which form part of the Related Collateral;
- (e) rights to receive any sums payable by Customers on early termination;
- (f) rights to the VAT-exclusive proceeds of the sale of any Financed Vehicles under the Vehicle Proceeds Declaration of Trust;
- (g) rights in respect of amounts standing to the credit of the Issuer Accounts;
- (h) rights under the Transaction Documents, including those relating to the repurchase of Purchased Receivables that do not meet the Eligibility Criteria; and
- (i) rights under the Basis Rate Swap.

The Seller has made certain representations and warranties with respect to the Portfolio under the Receivables Sale Agreement to the Issuer (see further "*OUTLINE OF THE OTHER PRINCIPAL TRANSACTION DOCUMENTS – Receivables Sale Agreement*").

ELIGIBILITY CRITERIA

As of the Purchase Date, the following criteria (the "**Eligibility Criteria**") must have been met by the Receivables to be eligible for acquisition by the Issuer pursuant to the Receivables Sale Agreement.

A Receivable is eligible if it meets the following conditions:

1. The Receivable is governed by an Underlying Agreement which is governed by English, Scots or Northern Irish law.
2. The Underlying Agreement relates to a Financed Vehicle.
3. The Receivable:
 - (i) was originated in the ordinary course of business of the Seller in accordance with the Credit and Collection Policy and is based on the applicable general terms and conditions of business of the Seller;
 - (ii) was originated after 3 March 2006;
 - (iii) is denominated and payable in GBP;
 - (iv) is not subject to an Underlying Agreement which has been terminated;
 - (v) is not a Defaulted Receivable; and
 - (vi) has a fixed interest rate and is fully amortising through payment of constant monthly instalments (except for the first instalment and the final instalment payable under the relevant Underlying Agreement which may differ from the monthly instalments payable for subsequent or previous months).
4. The Receivable exists and constitutes legally valid, binding and enforceable obligations of the Customer and is not subject to any right of revocation, set-off, lien, retention, right of rescission, subordination, compensation, balance of accounts or counter-claim or warranty claims of the Customer or any other right of objection, or any defences to payment of any amount due or to become due or to the performance of any other obligations due under an Underlying Agreement irrespective of whether the Issuer knew or could have known of the existence of objections, defences or counter-rights.
5. The Receivable is segregated and identified at any time for purposes of ownership and Related Collateral (if any) in the electronic files of the Seller and such electronic files and the related software is able to provide the information to be included in the offer with respect to such Receivables and Related Collateral (if any) pursuant to the relevant Underlying Agreement.
6. The Receivable relates to the supply to the Customer of the relevant Financed Vehicle and (except in respect of any Receivable relating to a Fixed-Sum Loan Agreement) SC UK retains title to such Financed Vehicle and at the time of sale and assignment of the relevant Receivable and of the Related Collateral (if any) the Seller has no direct possession and a valid claim for the return of such Financed Vehicle.
7. The Receivable is a claim or other analogous right which can be transferred by way of assignment or assignation or held on trust without the consent of the related Customer and which shall be validly transferred, together with the Related Collateral (if any), to the Issuer in the manner contemplated by the relevant Transaction Document and the Receivables Sale Agreement and no further act, condition or thing will be required to be done to enable the Issuer to require payment of the Purchased Receivables to the Issuer, to determine the applicable Asset Rate or to enforce any such right in court (other than the delivery to each Customer of a Notification Event Notice).
8. The Receivable is a receivable (including any part thereof, the related Financed Vehicle and the other Related Collateral, (if any)) to which the Seller is fully entitled, free of any Encumbrance and any rights of any third party, of which the Seller may freely dispose and in respect of which

the Issuer will, upon completion of the purchase of such Receivable, acquire the title or beneficial interest therein unencumbered by any counterclaim, lien, right of rescission, compensation, retention or defence, set-off right or other objection; in particular, such Receivable (and the Related Collateral (if any)) has not been assigned to or is held on trust for any third party for refinancing and has been documented in a set of documents which designates the Financed Vehicle, the acquisition costs thereof, the related Customer, the payments, the applicable interest rate, the initial due dates and the term of relevant Underlying Agreement.

9. The Receivable has been created in compliance with all applicable laws, rules and regulations (in particular with respect to customer protection and data protection) and all required consents, approvals and authorisations have been obtained in respect thereof and neither the Seller nor the relevant Underlying Agreement are in violation of any such law, rule or regulation.
10. The sale, transfer and assignment of the Receivable and entry by the Seller into the Transaction Documents does not violate any law or agreements (in particular with respect to customer protection and data protection) to which the Seller is bound. Following the assignment and transfer of the Receivable and Related Collateral (if any), such Receivable and the Related Collateral (if any) shall not be available to the creditors of the Seller on the occasion of any insolvency of the Seller.
11. At least 1 payment has been fully paid in accordance with the Underlying Agreement to which the relevant Receivable relates.
12. The Receivable does not have an overpayment balance on the Purchase Date.
13. The Receivable together with all other Purchased Receivables does not exceed any concentration limit on the Cut-off Date. "**Concentration Limit**" shall mean each of the following requirements:
 - (i) on the Calculation Date, the sum of the Asset Amount Outstanding of the relevant Purchased Receivable and the Asset Amount Outstanding of all other Purchased Receivables owed by the relevant Customer owing the Receivable does not exceed GBP 125,000;
 - (ii) on the Cut-Off Date, the weighted average interest rate of the relevant Purchased Receivable and all other Purchased Receivables is at least equal to 11.5 per cent. per annum; and
 - (iii) on the Cut-Off Date, the weighted average remaining term of the Underlying Agreements relating to all Purchased Receivables does not exceed 38 months.
14. The Receivable is due from a Customer who is either a private individual resident in the United Kingdom or a self-employed individual resident in the United Kingdom who met the criteria set out in the Credit and Collection Policy for new business in force at the time such Customer entered into the Underlying Agreement to which they are a party.
15. The Receivable is due from a Customer who is not subject to a Bankruptcy Event, not the subject of a special servicing indicator or, so far as the Seller is aware, is not dead or untraceable.
16. The Receivable is not due from a Customer who is either an employee or an officer of the Seller.
17. As of the Closing Date, none of the Receivables is more than one Instalment in arrears.
18. No Receivable has a principal balance at origination of more than GBP 125,000.
19. The last scheduled payment date under an Underlying Agreement in relation to the conditional sale of a Financed Vehicle is not more than 72 months from the first payment date of such Underlying Agreement.
20. The last scheduled payment date under a PCP Agreement is not more than 43 months from the first payment date of such PCP Agreement.
21. As of the Closing Date, no Receivable has a negative net present value.

INFORMATION TABLES REGARDING THE PORTFOLIO

The following statistical information sets out certain characteristics of the Portfolio as at 31 December 2010. The information set out below in respect of the provisional Portfolio may not necessarily correspond to that of the Purchased Receivables as of the Closing Date. After the Closing Date, the Portfolio will change from time to time as a result of repayment, prepayments or repurchase of Purchased Receivables.

Table 1: Agreement Balances at Origination

PCP - New (£)	Total of Origination Balances in Range (£)	Number of Agreements
3000 – 3999	361,929	101
4000 – 4999	1,115,096	241
5000 – 5999	2,948,231	529
6000 - 6999	6,137,568	938
7000 - 7999	12,521,674	1,662
8000 – 8999	19,299,386	2,270
9000 – 9999	21,253,344	2,240
10000-10999	18,462,101	1,762
11000- 11999	16,045,715	1,398
12000- 12999	15,958,707	1,279
13000-13999	17,471,773	1,296
14000-14999	16,055,155	1,108
15000-15999	13,524,399	874
16000-16999	11,876,595	721
17000-17999	8,474,989	485
18000-18999	7,586,134	411
19000- 19999	5,317,889	273
20000 – 20999	4,480,299	219
21000-21999	3,137,650	146
22000 – 22999	2,880,039	128
23000 – 23999	2,698,601	115
24000 – 24999	2,495,258	102
25000 – 25999	2,594,213	102
26000 – 26999	1,799,128	68
27000 – 27999	1,508,570	55
28000 – 28999	1,339,092	47
29000 – 29999	1,208,164	41
30000 – 30999	790,788	26
31000-31999	408,285	13
32000 – 32999	454,220	14
33000 – 33999	233,791	7
34000 – 34999	173,396	5
35000+	362,231	9
	220,974,407	18,685
Conditional Sale -New (£)	Total of Origination Balances in Range (£)	Number of Agreements
1000- 1999	177,387	104
2000 – 2999	2,042,021	820
3000 – 3999	6,827,999	1,966
4000 – 4999	18,770,182	4,151
5000 – 5999	38,346,501	7,028
6000 – 6999	32,062,328	4,984
7000 – 7999	42,061,656	5,618
8000 – 8999	41,709,351	4,930
9000 – 9999	38,402,076	4,068
10000- 10999	32,223,134	3,107
11000-11999	15,513,461	1,356
12000-12999	13,044,543	1,048
13000- 13999	10,259,666	763
14000-14999	7,652,979	530
15000-15999	7,281,855	474
16000- 16999	5,400,603	328
17000- 17999	4,414,945	253
18000-18999	3,649,093	198
19000- 19999	2,820,441	145
20000 - 20999	4,080,050	201
21000-21999	2,743,216	128
22000 – 22999	2,445,084	109

Conditional Sale -New (£)	Total of Origination Balances in Range (£)	Number of Agreements
23000 – 23999	2,089,663	89
24000 – 24999	2,003,694	82
25000 – 25999	1,541,410	61
26000 – 26999	684,023	26
27000 – 27999	1,069,428	39
28000 – 28999	684,401	24
29000 – 29999	352,564	12
30000 – 30999	758,288	25
31000-31999.....	347,028	11
32000 – 32999	550,658	17
33000 – 33999	166,673	5
34000 – 34999	206,545	6
35000+.....	5,313,460	107
	347,696,406	42,813

Fixed Sum – New (£)	Total of Origination Balances in Range (£)	Number of Agreements
3000 – 3999	30,974	8
4000 – 4999	869,122	184
5000 – 5999	3,466,536	624
6000 – 6999	6,995,025	1,073
7000 – 7999	9,832,468	1,309
8000 – 8999	12,269,671	1,444
9000 – 9999	14,542,370	1,532
1000- :109.....	14,929,584	1,425
1100- :119.....	13,431,931	1,170
12000- 12999.....	11,908,848	954
13000- 13999.....	9,351,540	694
14000- 14999.....	7,463,682	516
15000- 15999.....	5,832,704	377
16000-16999.....	4,671,175	284
17000-17999.....	4,259,071	244
18000- 18999.....	2,934,861	159
19000-19999.....	2,486,797	128
20000 – 20999	768,621	38
21000-21999.....	323,628	15
22000 – 22999	381,455	17
23000 – 23999	186,920	8
24000 – 24999	221,899	9
25000 - 25999	75,000	3
	127,233,884	12,215

PCP - Used (£)	Total of Origination Balances in Range (£)	Number of Agreements
3000 – 3999	15,123	4
4000 – 4999	206,661	45
5000 – 5999	748,152	135
6000 – 6999	1,840,790	280
7000 – 7999	2,438,451	324
8000 – 8999	3,158,260	371
9000 – 9999	2,986,246	314
10000-10999.....	2,844,403	271
11000-11999.....	3,314,769	288
12000-12999.....	2,925,579	234
13000-13999.....	2,856,551	211
14000- 14999.....	2,449,486	169
15000-15999.....	2,062,501	133
16000-16999.....	1,803,804	109
17000-17999.....	1,258,043	72
18000-18999.....	1,309,808	71
19000-19999.....	876,315	45
20000 – 20999	1,002,017	49
21000-21999.....	623,116	29
22000 – 22999	608,493	27
23000 – 23999	591,402	25
24000 – 24999	588,433	24
25000 – 25999	326,240	13
26000 – 26999	210,627	8

PCP - Used (£)	Total of Origination Balances in Range (£)	Number of Agreements
27000 – 27999	110,745	4
28000 – 28999	114,179	4
29000 – 29999	59,241	2
30000 – 30999	150,579	5
33000 – 33999	33,235	1
34000 – 34999	34,000	1
	37,547,250	3,268

Conditional Sale -Used (£)	Total of Origination Balances in Range (£)	Number of Agreements
1000 - 1999	2,520,827	1,465
2000 – 2999	22,261,011	8,876
3000 – 3999	46,737,629	13,412
4000 – 4999	66,439,200	14,862
5000 – 5999	82,154,940	15,084
6000 – 6999	81,019,267	12,547
7000 – 7999	73,767,842	9,895
8000 – 8999	58,154,243	6,886
9000 – 9999	47,338,442	5,003
10000 - 10999	44,213,752	4,269
11000 - 11999	30,381,270	2,651
12000 - 12999	25,587,711	2,058
13000 - 13999	18,300,639	1,361
14000 - 14999	16,940,697	1,170
15000 - 15999	15,493,464	1,008
16000 - 16999	10,944,748	666
17000 - 17999	9,162,182	525
18000 - 18999	8,340,771	453
19000 - 19999	6,371,910	327
20000 – 20999	11,059,056	545
21000 - 21999	5,988,089	279
22000 – 22999	5,611,061	250
23000 – 23999	4,710,593	201
24000 – 24999	4,362,809	178
25000 – 25999	4,514,659	179
26000 – 26999	1,800,289	68
27000 – 27999	1,400,445	51
28000 – 28999	1,136,172	40
29000 – 29999	1,234,890	42
30000 – 30999	1,666,254	55
31000-31999	976,334	31
32000 – 32999	837,503	26
33000 – 33999	871,109	26
34000 – 34999	828,627	24
35000+	11,008,938	228
	724,137,376	104,741

Fixed Sum - Used (£)	Total of Origination Balances in Range (£)	Number of Agreements
1000 - 1999	16,438	9
2000 – 2999	981,019	362
3000 – 3999	8,643,020	2,386
4000 – 4999	30,244,619	6,628
5000 – 5999	58,045,616	10,496
6000 – 6999	77,368,219	11,892
7000 – 7999	81,327,238	10,871
8000 – 8999	72,696,391	8,572
9000 – 9999	66,275,532	6,989
10000 - 10999	54,414,789	5,202
11000 - 11999	43,074,341	3,755
12000-12999	33,775,305	2,709
13000 - 13999	26,531,902	1,969
14000 - 14999	19,567,658	1,353
15000 - 15999	14,692,926	951
16000 - 16999	10,893,211	662
17000 - 17999	8,267,021	473
18000 - 18999	6,557,448	355
19000 - 19999	5,031,101	258

Fixed Sum - Used (£)	Total of Origination Balances in Range (£)	Number of Agreements
20000 – 20999	2,081,853	103
21000 – 21999	687,023	32
22000 – 22999	447,455	20
23000 – 23999	468,611	20
24000 – 24999	392,274	16
25000 – 25999	150,000	6
	622,631,008	76,089

Table 2: Current Loan Balances

PCP - New (£)	Total of Current Balances in Range (£)	Number of Agreements
2000 – 2999	60,780	21
3000 – 3999	669,832	188
4000 – 4999	2,188,717	477
5000 – 5999	6,721,027	1,205
6000 – 6999	14,360,094	2,202
7000 – 7999	17,771,398	2,369
8000 – 6999	18,935,440	2,233
9000 - 9999	17,474,390	1,843
10000 - 10999	16,415,182	1,566
11000 - 11999	16,053,020	1,397
12000 – 12999	14,734,999	1,180
13000 - 13999	12,482,949	928
14000 - 14999	10,670,018	737
15000 - 15999	7,864,296	508
16000 - 16999	6,530,002	397
17000 - 17999	4,685,105	268
18000 - 18999	3,994,412	216
19000 - 19999	3,118,785	160
20000 – 20999	2,771,381	135
21000 – 21999	2,316,392	108
22000 – 22999	2,606,095	116
23000 – 23999	2,349,581	100
24000 – 24999	1,936,885	79
25000 – 25999	1,863,104	73
26000 – 26999	1,403,966	53
27000 – 27999	1,266,751	46
28000 – 28999	768,700	27
29000 – 29999	414,117	14
30000 – 30999	336,395	11
31000-31999	345,562	11
32000 – 32999	130,216	4
33000 – 33999	234,910	7
34000 – 34999	103,120	3
35000+	115,678	3
	193,693,298	18,685

Conditional Sale -New (£)	Total of Current Balances in Range (£)	Number of Agreements
0-999.....	591,579	865
1000 - 1999	3,175,498	2,039
2000 – 2999	11,908,158	4,685
3000 – 3999	23,308,310	6,635
4000 – 4999	31,148,436	6,943
5000 – 5999	32,649,311	5,954
6000 - 6999	28,363,997	4,376
7000 - 7999	24,787,932	3,319
3000 – 8999	19,940,103	2,353
9000 - 9999	15,849,473	1,675
10000 - 10999	10,059,524	963
11000 - 11999	7,543,076	657
12000 - 12999	5,679,827	455
13000 - 13999	4,976,434	369
14000 - 14999	3,805,418	263
15000 - 15999	3,282,869	212
16000 - 16999	3,116,220	189
17000 - 17999	2,199,670	126

Conditional Sale -New (£)	Total of Current Balances in Range (£)	Number of Agreements
18000 -18999.....	2,528,861	137
19000 - 19999.....	1,817,828	93
20000 - 20999.....	1,822,306	89
21000 - 21999.....	1,675,076	78
22000 - 22999.....	1,729,900	77
23000 - 23999.....	1,034,213	44
24000 - 24999.....	686,679	28
25000 - 25999.....	741,695	29
26000 - 26999.....	479,027	18
27000 - 27999.....	521,895	19
28000 - 28999.....	283,512	10
29000 - 29999.....	237,082	8
30000 - 30999.....	183,702	6
31000 - 31999.....	314,896	10
32000 - 32999.....	130,529	4
33000 - 33999.....	101,417	3
34000 - 34999.....	345,454	10
35000+.....	3,453,074	72
	250,472,982	42,813

Fixed Sum – New (£)	Total of Current Balances in Range (£)	Number of Agreements
0 - 999.....	58,186	87
1000- 1999.....	688,872	430
2000 - 2999.....	1,729,476	702
3000 - 3999.....	2,389,954	677
4000 - 4999.....	4,416,938	976
5000 - 5999.....	6,385,526	1,159
6000 - 6999.....	8,370,776	1,287
7000 - 7999.....	10,403,449	1,385
8000 - 8999.....	10,837,809	1,276
9000 - 9999.....	10,446,744	1,101
10000 - 10999.....	9,621,698	918
11000 - 11999.....	7,378,924	644
12000 - 12999.....	6,290,594	504
13000 - 13999.....	4,871,885	362
14000 - 14999.....	3,667,648	254
15000 - 15999.....	2,658,533	172
16000 - 16999.....	2,077,616	126
17000 - 17999.....	1,342,571	77
18000 - 18999.....	943,060	51
19000 - 19999.....	408,587	21
20000 - 20999.....	41,336	2
21000 - 21999.....	21,393	1
22000 - 22999.....	45,090	2
23000 - 23999.....	23,229	1
	95,119,894	12,215

PCP - Used (£)	Total of Current Balances in Range (£)	Number of Agreements
2000 - 2999.....	30,934	11
3000 - 3999.....	162,821	44
4000 - 4999.....	715,115	157
5000 - 5999.....	1,608,956	289
6000 - 6999.....	2,385,673	366
7000 - 7999.....	3,105,951	414
8000 - 8999.....	3,055,489	360
9000 - 9999.....	2,733,217	288
10000 - 10999.....	3,070,766	293
11000 - 11999.....	2,199,086	191
12000 - 12999.....	2,453,410	197
13000 - 13999.....	2,053,846	152
14000 - 14999.....	1,845,126	127
15000 - 15999.....	1,039,733	67
16000 - 16999.....	1,201,780	73
17000 - 17999.....	1,031,525	59
18000 - 18999.....	794,150	43
19000 - 19999.....	682,281	35

PCP - Used (£)	Total of Current Balances in Range (£)	Number of Agreements
20000 – 20999	491,441	24
21000 – 21999	452,002	21
22000 – 22999	269,073	12
23000 – 23999	352,074	15
24000 – 24999	341,717	14
25000 – 25999	127,389	5
27000 – 27999	82,052	3
28000 – 28999	171,763	6
29000 – 29999	59,014	2
	32,516,385	3,268

Conditional Sale -Used (£)	Total of Current Balances in Range (£)	Number of Agreements
0 - 999.....	2,715,761	4,083
1000 - 1999	16,285,243	10,422
2000 – 2999	38,317,468	15,207
3000 – 3999	55,514,287	15,885
4000 – 4999	65,034,748	14,488
5000 – 5999	64,924,164	11,844
6000 – 6999	60,693,990	9,370
7000 – 7999	46,634,797	6,242
8000 - 999.....	37,931,753	4,477
9000 - 999.....	30,579,840	3,230
10000 - 10999	21,984,467	2,098
11000 - 11999	18,816,072	1,641
12000 - 12999	14,062,450	1,127
13000 - 13999	12,651,053	938
14000 - 14999	10,349,769	716
15000 - 15999	8,084,520	522
16000 - 16999	6,862,912	416
17000 - 17999	6,812,886	390
18000 - 18999	5,121,181	277
19000 - 19999	5,711,491	293
20000 - 20999	4,116,039	201
21000 - 21999	3,674,417	171
22000 - 22999	3,013,572	134
23000 - 23999	2,113,095	90
24000 - 24999	1,787,257	73
25000 - 25999	919,456	36
26000 - 26999	1,033,639	39
27000 - 27999	963,094	35
28000 - 28999	826,153	29
29000 - 29999	1,061,992	36
30000 - 30999	759,248	25
31000 - 31999	534,663	17
32000 - 32999	521,526	16
33000 - 33999	367,800	11
34000 - 34999	483,062	14
35000+.....	7,053,645	148
	558,317,510	104,741

Fixed Sum - Used (£)	Total of Current Balances in Range (£)	Number of Agreements
0 - 999.....	837,940	1,267
1000 - 1999	5,946,588	3,845
2000 – 2999	13,110,974	5,197
3000 – 3999	25,433,758	7,186
4000 – 4999	45,845,584	10,141
5000 – 5999	62,470,042	11,351
6000 – 6999	66,524,337	10,259
7000 – 7999	58,011,585	7,754
8000 - 999.....	51,920,818	6,125
9000 - 999.....	40,384,058	4,267
10000 – 10999	30,490,248	2,911
11000 – 11999	22,348,625	1,949
12000 – 12999	16,534,580	1,327
13000 – 13999	12,230,386	907
14000 – 14999	8,432,691	583

Fixed Sum - Used (£)	Total of Current Balances in Range (£)	Number of Agreements
15000 – 15999	6,223,802	402
16000 – 16999	4,954,760	301
17000 – 17999	3,057,434	175
18000 – 18999	1,968,358	107
19000 – 19999	563,171	29
20000 – 20999	60,974	3
21000 – 21999	21,049	1
23000 – 23999	46,989	2
	477,418,753	76,089

Table 3: Total Period of Agreements

New or Used	Product	Period Range	Current Principal Balance (£)	Number of Agreements
N	PCP	25-36 Months	19,656,932	1,929
N	PCP	37-48 Months	174,036,365	16,756
N	Conditional Sale	0-12 Months	569,389	238
N	Conditional Sale	13-24 Months	12,099,388	3,292
N	Conditional Sale	25-36 Months	145,865,067	27,414
N	Conditional Sale	37-48 Months	39,336,185	5,204
N	Conditional Sale	49-60 Months	52,276,773	6,626
N	Conditional Sale	> 60 Months	326,180	39
N	Fixed Sum	13-24 Months	4,814	3
N	Fixed Sum	25-36 Months	153,779	36
N	Fixed Sum	37-48 Months	11,912,424	1,569
N	Fixed Sum	49-60 Months	82,794,480	10,576
N	Fixed Sum	> 60 Months	254,397	31
U	PCP	25-36 Months	2,187,800	261
U	PCP	37-48 Months	30,328,584	3,007
U	Conditional Sale	0-12 Months	1,947,021	967
U	Conditional Sale	13-24 Months	31,442,020	11,080
U	Conditional Sale	25-36 Months	156,749,700	36,851
U	Conditional Sale	37-48 Months	178,189,631	29,592
U	Conditional Sale	49-60 Months	189,674,312	26,212
U	Conditional Sale	> 60 Months	314,826	39
U	Fixed Sum	13-24 Months	12,388	9
U	Fixed Sum	25-36 Months	1,452,224	684
U	Fixed Sum	37-48 Months	102,526,678	18,208
U	Fixed Sum	49-60 Months	372,607,746	57,066
U	Fixed Sum	> 60 Months	819,717	122
			1,607,538,821	257,811

Table 4: Agreement Seasoning

New/ Used	Product	Seasoning (months)	Current Principal Balance (£)	Number of Agreements
N	PCP	1	13,078,618	1,055
N	PCP	2	13,644,988	1,085
N	PCP	3	31,903,515	2,667
N	PCP	4	7,210,397	638
N	PCP	5	10,440,379	870
N	PCP	6	14,830,849	1,273
N	PCP	7	11,037,688	1,004
N	PCP	8	9,954,407	907
N	PCP	9	19,974,102	1,923
N	PCP	10	5,422,364	574
N	PCP	11	5,604,096	609
N	PCP	12	8,886,516	973
N	PCP	13	5,566,942	608
N	PCP	14	5,241,063	625
N	PCP	15	12,053,854	1,439
N	PCP	16	2,044,432	260
N	PCP	17	2,705,799	324
N	PCP	18	2,804,677	338
N	PCP	19	1,801,392	239
N	PCP	20	2,379,236	304
N	PCP	21	5,023,641	675
N	PCP	22	1,306,800	182

New/ Used	Product	Seasoning (months)	Current Principal Balance (£)	Number of Agreements
N	PCP	23	628,447	93
N	PCP	24	22,850	3
N	PCP	25	9,785	2
N	PCP	26	54,335	4
N	PCP	27	12,140	3
N	PCP	28	9,662	1
N	PCP	29	17,452	2
N	PCP	30	14,533	3
N	PCP	32	4,389	1
N	PCP	33	3,948	1
			193,693,298	18,685

New/ Used	Product	Seasoning (months)	Current Principal Balance (£)	Number of Agreements
N	Conditional Sale.....	1	11,678,808	1,336
N	Conditional Sale.....	2	11,860,423	1,349
N	Conditional Sale.....	3	28,513,352	3,577
N	Conditional Sale.....	4	6,779,986	872
N	Conditional Sale.....	5	10,587,373	1,311
N	Conditional Sale.....	6	16,251,610	2,136
N	Conditional Sale.....	7	11,714,334	1,666
N	Conditional Sale.....	8	13,913,650	2,036
N	Conditional Sale.....	9	34,786,775	5,611
N	Conditional Sale.....	10	6,988,902	1,235
N	Conditional Sale.....	11	6,799,175	1,255
N	Conditional Sale.....	12	11,051,841	1,973
N	Conditional Sale.....	13	9,550,934	1,769
N	Conditional Sale.....	14	9,260,549	1,855
N	Conditional Sale.....	15	21,593,396	4,812
N	Conditional Sale.....	16	3,815,766	848
N	Conditional Sale.....	17	5,566,510	1,277
N	Conditional Sale.....	18	5,191,974	1,356
N	Conditional Sale.....	19	3,406,855	925
N	Conditional Sale.....	20	3,430,446	861
N	Conditional Sale.....	21	5,490,618	1,366
N	Conditional Sale.....	22	1,338,934	300
N	Conditional Sale.....	23	987,128	207
N	Conditional Sale.....	24	646,488	112
N	Conditional Sale.....	25	426,790	80
N	Conditional Sale.....	26	827,197	149
N	Conditional Sale.....	27	1,512,910	336
N	Conditional Sale.....	28	521,564	120
N	Conditional Sale.....	29	533,121	124
N	Conditional Sale.....	30	465,827	101
N	Conditional Sale.....	31	534,934	93
N	Conditional Sale.....	32	402,835	115
N	Conditional Sale.....	33	724,819	200
N	Conditional Sale.....	34	150,102	51
N	Conditional Sale.....	35	241,668	83
N	Conditional Sale.....	36	229,240	59
N	Conditional Sale.....	37	263,475	81
N	Conditional Sale.....	38	299,321	84
N	Conditional Sale.....	39	278,326	93
N	Conditional Sale.....	40	111,844	42
N	Conditional Sale.....	41	237,794	74
N	Conditional Sale.....	42	187,866	59
N	Conditional Sale.....	43	242,608	93
N	Conditional Sale.....	44	156,887	76
N	Conditional Sale.....	45	202,373	109
N	Conditional Sale.....	46	64,600	31
N	Conditional Sale.....	47	86,002	44
N	Conditional Sale.....	48	43,681	16
N	Conditional Sale.....	49	19,164	12
N	Conditional Sale.....	50	44,380	23
N	Conditional Sale.....	51	58,837	38
N	Conditional Sale.....	52	38,908	25
N	Conditional Sale.....	53	72,233	48
N	Conditional Sale.....	54	62,720	45
N	Conditional Sale.....	55	70,288	60
N	Conditional Sale.....	56	36,546	36
N	Conditional Sale.....	57	89,731	113

New/ Used	Product	Seasoning (months)	Current Principal Balance (£)	Number of Agreements
N	Conditional Sale.....	58	12,556	21
N	Conditional Sale.....	59	16,011	34
			250,472,982	42,813

New/ Used	Product	Seasoning (months)	Current Principal Balance (£)	Number of Agreements
N	Fixed Sum.....	1	4,233,369	383
N	Fixed Sum.....	2	4,637,088	426
N	Fixed Sum.....	3	9,167,353	889
N	Fixed Sum.....	4	3,077,144	297
N	Fixed Sum.....	5	4,423,797	435
N	Fixed Sum.....	6	5,425,877	541
N	Fixed Sum.....	7	4,283,821	447
N	Fixed Sum.....	8	5,023,942	535
N	Fixed Sum.....	9	10,027,100	1,098
N	Fixed Sum.....	10	2,857,786	351
N	Fixed Sum.....	11	2,772,567	336
N	Fixed Sum.....	12	3,770,704	450
N	Fixed Sum.....	13	3,793,855	475
N	Fixed Sum.....	14	3,702,116	472
N	Fixed Sum.....	15	6,772,998	884
N	Fixed Sum.....	16	1,677,416	230
N	Fixed Sum.....	17	1,176,122	146
N	Fixed Sum.....	18	641,353	79
N	Fixed Sum.....	19	384,632	41
N	Fixed Sum.....	20	781,734	94
N	Fixed Sum.....	21	1,707,915	200
N	Fixed Sum.....	22	678,500	81
N	Fixed Sum.....	23	577,811	81
N	Fixed Sum.....	24	495,201	76
N	Fixed Sum.....	25	513,576	74
N	Fixed Sum.....	26	851,190	129
N	Fixed Sum.....	27	1,333,205	194
N	Fixed Sum.....	28	535,773	80
N	Fixed Sum.....	29	678,880	104
N	Fixed Sum.....	30	641,245	107
N	Fixed Sum.....	31	394,768	66
N	Fixed Sum.....	32	512,074	91
N	Fixed Sum.....	33	707,232	134
N	Fixed Sum.....	34	256,157	51
N	Fixed Sum.....	35	387,719	83
N	Fixed Sum.....	36	272,141	58
N	Fixed Sum.....	37	449,188	92
N	Fixed Sum.....	36	405,296	102
N	Fixed Sum.....	39	601,614	138
N	Fixed Sum.....	40	273,356	66
N	Fixed Sum.....	41	318,668	85
N	Fixed Sum.....	42	275,600	74
N	Fixed Sum.....	43	396,090	114
N	Fixed Sum.....	44	405,744	133
N	Fixed Sum.....	45	768,956	276
N	Fixed Sum.....	46	274,831	102
N	Fixed Sum.....	47	328,478	120
N	Fixed Sum.....	48	194,321	74
N	Fixed Sum.....	49	263,921	114
N	Fixed Sum.....	50	226,675	99
N	Fixed Sum.....	51	388,857	184
N	Fixed Sum.....	52	151,631	72
N	Fixed Sum.....	53	100,406	57
N	Fixed Sum.....	54	67,645	41
N	Fixed Sum.....	55	25,893	19
N	Fixed Sum.....	56	9,265	9
N	Fixed Sum.....	57	12,582	14
N	Fixed Sum.....	58	3,418	5
N	Fixed Sum.....	59	3,295	7
			95,119,894	12,215

New/ Used	Product	Seasoning (months)	Current Principal Balance (£)	Number of Agreements
U	PCP	1	2,721,396	233
U	PCP	2	2,222,547	187
U	PCP	3	2,364,547	206
U	PCP	4	1,979,313	171
U	PCP	5	1,878,010	172
U	PCP	6	1,860,867	168
U	PCP	7	1,644,574	147
U	PCP	8	1,895,731	183
U	PCP	9	2,792,123	270
U	PCP	10	1,981,469	189
U	PCP	11	1,398,520	137
U	PCP	12	884,579	98
U	PCP	13	875,370	99
U	PCP	14	902,652	103
U	PCP	15	850,462	102
U	PCP	16	776,902	95
U	PCP	17	909,320	113
U	PCP	18	759,940	94
U	PCP	19	560,617	71
U	PCP	20	619,056	74
U	PCP	21	690,947	92
U	PCP	22	624,610	87
U	PCP	23	481,657	66
U	PCP	24	191,435	26
U	PCP	25	110,091	15
U	PCP	26	179,788	22
U	PCP	27	133,606	16
U	PCP	28	85,589	11
U	PCP	29	70,546	8
U	PCP	30	32,421	7
U	PCP	31	13,506	3
U	PCP	32	24,192	3
			32,516,385	3,268

New/ Used	Product	Seasoning (months)	Current Principal Balance (£)	Number of Agreements
U	Conditional Sale	1	38,286,198	5,705
U	Conditional Sale	2	36,260,883	5,602
U	Conditional Sale	3	41,935,706	6,442
U	Conditional Sale	4	41,926,861	6,609
U	Conditional Sale	5	39,392,234	6,257
U	Conditional Sale	6	39,464,884	6,376
U	Conditional Sale	7	33,218,767	5,507
U	Conditional Sale	8	32,735,814	5,705
U	Conditional Sale	9	36,749,058	6,416
U	Conditional Sale	10	27,123,709	4,829
U	Conditional Sale	11	20,480,306	3,804
U	Conditional Sale	12	16,926,134	2,974
U	Conditional Sale	13	18,456,859	3,438
U	Conditional Sale	14	17,071,973	3,440
U	Conditional Sale	15	17,811,345	3,678
U	Conditional Sale	16	11,533,108	2,535
U	Conditional Sale	17	12,917,480	2,927
U	Conditional Sale	16	8,225,456	1,927
U	Conditional Sale	19	6,448,573	1,595
U	Conditional Sale	20	6,492,241	1,646
U	Conditional Sale	21	7,001,730	1,882
U	Conditional Sale	22	5,933,399	1,632
U	Conditional Sale	23	4,226,047	1,243
U	Conditional Sale	24	2,870,695	745
U	Conditional Sale	25	2,969,233	798
U	Conditional Sale	26	3,439,394	939
U	Conditional Sale	27	4,007,061	1,098
U	Conditional Sale	28	3,507,203	978
U	Conditional Sale	29	3,082,158	850
U	Conditional Sale	30	2,350,259	663
U	Conditional Sale	31	2,094,406	612
U	Conditional Sale	32	1,823,043	639
U	Conditional Sale	33	1,580,744	583
U	Conditional Sale	34	1,239,407	517
U	Conditional Sale	35	1,094,432	428

New/ Used	Product	Seasoning (months)	Current Principal Balance (£)	Number of Agreements
U	Conditional Sale	36	689,414	213
U	Conditional Sale	37	818,786	274
U	Conditional Sale	38	827,755	289
U	Conditional Sale	39	682,923	258
U	Conditional Sale	40	736,515	306
U	Conditional Sale	41	674,509	277
U	Conditional Sale	42	508,205	222
U	Conditional Sale	43	630,264	276
U	Conditional Sale	44	395,131	232
U	Conditional Sale	45	283,667	176
U	Conditional Sale	46	145,317	118
U	Conditional Sale	47	166,898	115
U	Conditional Sale	48	61,652	30
U	Conditional Sale	49	75,338	45
U	Conditional Sale	50	125,939	69
U	Conditional Sale	51	130,667	79
U	Conditional Sale	52	138,630	99
U	Conditional Sale	53	95,058	78
U	Conditional Sale	54	103,349	92
U	Conditional Sale	55	130,556	126
U	Conditional Sale	56	70,612	89
U	Conditional Sale	57	67,636	95
U	Conditional Sale	58	48,023	83
U	Conditional Sale	59	33,861	81
			558,317,510	104,741

New/ Used	Product	Seasoning (months)	Current Principal Balance (£)	Number of Agreements
U	Fixed Sum.....	1	26,802,137	3,265
U	Fixed Sum.....	2	26,969,935	3,377
U	Fixed Sum.....	3	30,016,947	3,791
U	Fixed Sum.....	4	30,428,377	3,877
U	Fixed Sum.....	5	28,361,580	3,631
U	Fixed Sum.....	6	30,331,204	3,973
U	Fixed Sum.....	7	25,005,074	3,308
U	Fixed Sum.....	8	25,047,773	3,403
U	Fixed Sum.....	9	29,357,827	4,109
U	Fixed Sum.....	10	22,113,562	3,131
U	Fixed Sum.....	11	18,080,742	2,592
U	Fixed Sum.....	12	12,457,650	1,782
U	Fixed Sum.....	13	15,516,498	2,266
U	Fixed Sum.....	14	16,900,108	2,575
U	Fixed Sum.....	15	19,480,517	3,079
U	Fixed Sum.....	16	11,900,303	1,966
U	Fixed Sum.....	17	9,482,485	1,489
U	Fixed Sum.....	18	5,706,643	901
U	Fixed Sum.....	19	4,680,066	773
U	Fixed Sum.....	20	4,894,893	819
U	Fixed Sum.....	21	6,344,557	1,040
U	Fixed Sum.....	22	6,027,445	987
U	Fixed Sum.....	23	5,819,380	1,100
U	Fixed Sum.....	24	3,866,421	766
U	Fixed Sum.....	25	3,978,731	785
U	Fixed Sum.....	26	4,725,685	945
U	Fixed Sum.....	27	5,004,192	1,023
U	Fixed Sum.....	28	4,179,484	875
U	Fixed Sum.....	29	4,023,612	868
U	Fixed Sum.....	30	3,052,876	694
U	Fixed Sum.....	31	3,067,897	676
U	Fixed Sum.....	32	2,786,453	654
U	Fixed Sum.....	33	2,299,463	577
U	Fixed Sum.....	34	2,531,769	611
U	Fixed Sum.....	35	2,293,736	588
U	Fixed Sum.....	36	1,278,922	330
U	Fixed Sum.....	37	1,710,662	469
U	Fixed Sum.....	38	1,913,011	568
U	Fixed Sum.....	39	1,679,515	523
U	Fixed Sum.....	40	1,890,203	619
U	Fixed Sum.....	41	1,677,876	568
U	Fixed Sum.....	42	1,519,599	539
U	Fixed Sum.....	43	1,542,110	590

New/ Used	Product	Seasoning (months)	Current Principal Balance (£)	Number of Agreements
U	Fixed Sum.....	44	1,530,911	637
U	Fixed Sum.....	45	1,655,214	682
U	Fixed Sum.....	46	1,347,921	650
U	Fixed Sum.....	47	1,331,707	689
U	Fixed Sum.....	48	629,015	290
U	Fixed Sum.....	49	840,845	408
U	Fixed Sum.....	50	819,911	426
U	Fixed Sum.....	51	610,141	349
U	Fixed Sum.....	52	652,095	404
U	Fixed Sum.....	53	520,257	347
U	Fixed Sum.....	54	364,883	279
U	Fixed Sum.....	55	139,782	117
U	Fixed Sum.....	56	79,071	86
U	Fixed Sum.....	57	81,874	99
U	Fixed Sum.....	58	34,756	57
U	Fixed Sum.....	59	32,449	67
			477,418,753	76,089

Table 5: Remaining Term of Agreements

New/ Used	Product	Remaining Term (Months)	Current Principal Balance (£)	Number of Agreements
N	PCP.....	2	5,536	1
N	PCP.....	3	8,354	1
N	PCP.....	4	66,281	11
N	PCP.....	5	25,015	5
N	PCP.....	6	13,180	2
N	PCP.....	7	29,836	4
N	PCP.....	8	57,420	6
N	PCP.....	9	18,640	3
N	PCP.....	10	97,351	16
N	PCP.....	11	52,769	4
N	PCP.....	12	91,473	11
N	PCP.....	13	109,103	14
N	PCP.....	14	1,003,685	131
N	PCP.....	15	1,708,614	225
N	PCP.....	16	6,527,083	825
N	PCP.....	17	3,435,080	406
N	PCP.....	18	3,048,676	362
N	PCP.....	19	4,733,439	520
N	PCP.....	20	3,910,934	444
N	PCP.....	21	3,060,257	354
N	PCP.....	22	17,908,309	1,978
N	PCP.....	23	7,046,884	784
N	PCP.....	24	6,858,509	716
N	PCP.....	25	8,696,382	946
N	PCP.....	26	5,174,654	561
N	PCP.....	27	4,773,749	496
N	PCP.....	28	17,786,368	1,708
N	PCP.....	29	8,727,571	791
N	PCP.....	30	9,685,286	876
N	PCP.....	31	12,538,167	1,057
N	PCP.....	32	8,787,116	717
N	PCP.....	33	6,110,567	548
N	PCP.....	34	24,618,558	2,024
N	PCP.....	35	10,618,649	848
N	PCP.....	36	10,036,615	822
N	PCP.....	37	452,498	49
N	PCP.....	38	489,694	40
N	PCP.....	39	341,166	30
N	PCP.....	40	1,967,250	146
N	PCP.....	41	1,345,011	87
N	PCP.....	42	1,727,568	116
			193,693,298	18,685

New/ Used	Product	Remaining Term (Months)	Current Principal Balance (£)	Number of Agreements
N	Conditional Sale	1	113,925	114

New/ Used	Product	Remaining Term (Months)	Current Principal Balance (£)	Number of Agreements
N	Conditional Sale	2	111,127	111
N	Conditional Sale	3	395,288	429
N	Conditional Sale	4	308,884	226
N	Conditional Sale	5	365,498	238
N	Conditional Sale	6	435,718	224
N	Conditional Sale	7	539,605	256
N	Conditional Sale	8	441,869	169
N	Conditional Sale	9	1,238,014	552
N	Conditional Sale	10	717,182	267
N	Conditional Sale	11	714,724	230
N	Conditional Sale	12	690,311	219
N	Conditional Sale	13	1,067,621	309
N	Conditional Sale	14	1,138,057	328
N	Conditional Sale	15	5,065,174	1,481
N	Conditional Sale	16	3,562,191	957
N	Conditional Sale	17	3,523,956	963
N	Conditional Sale	18	5,250,682	1,333
N	Conditional Sale	19	4,839,213	1,094
N	Conditional Sale	20	3,322,102	758
N	Conditional Sale	21	18,505,877	4,227
N	Conditional Sale	22	7,144,964	1,436
N	Conditional Sale	23	6,550,342	1,303
N	Conditional Sale	24	7,402,204	1,439
N	Conditional Sale	25	4,813,834	877
N	Conditional Sale	26	3,858,226	748
N	Conditional Sale	27	22,029,919	3,875
N	Conditional Sale	28	11,665,242	1,695
N	Conditional Sale	29	8,387,699	1,256
N	Conditional Sale	30	10,164,007	1,511
N	Conditional Sale	31	8,276,183	1,113
N	Conditional Sale	32	5,286,163	732
N	Conditional Sale	33	20,264,505	2,821
N	Conditional Sale	34	8,865,280	1,148
N	Conditional Sale	35	8,371,739	1,099
N	Conditional Sale	36	2,372,916	283
N	Conditional Sale	37	1,738,800	214
N	Conditional Sale	38	1,526,233	226
N	Conditional Sale	39	5,342,895	701
N	Conditional Sale	40	3,356,762	347
N	Conditional Sale	41	2,452,087	275
N	Conditional Sale	42	2,855,355	311
N	Conditional Sale	43	2,815,004	301
N	Conditional Sale	44	1,619,072	180
N	Conditional Sale	45	6,066,171	719
N	Conditional Sale	46	3,955,530	434
N	Conditional Sale	47	4,020,857	442
N	Conditional Sale	48	2,350,214	252
N	Conditional Sale	49	1,248,308	176
N	Conditional Sale	50	1,591,876	205
N	Conditional Sale	51	4,391,106	545
N	Conditional Sale	52	2,403,896	244
N	Conditional Sale	53	1,818,879	195
N	Conditional Sale	54	2,244,000	218
N	Conditional Sale	55	1,622,454	157
N	Conditional Sale	56	1,086,196	105
N	Conditional Sale	57	4,021,194	371
N	Conditional Sale	58	2,198,025	196
N	Conditional Sale	59	1,940,599	177
N	Conditional Sale	60	7,230	1
			250,472,982	42,813

New/ Used	Product	Remaining Term (Months)	Current Principal Balance (£)	Number of Agreements
N	Fixed Sum	1	12,250	19
N	Fixed Sum	2	31,744	22
N	Fixed Sum	3	46,879	45
N	Fixed Sum	4	28,268	20
N	Fixed Sum	5	49,758	33
N	Fixed Sum	6	73,419	45
N	Fixed Sum	7	115,551	64
N	Fixed Sum	8	183,162	83

New/ Used	Product	Remaining Term (Months)	Current Principal Balance (£)	Number of Agreements
N	Fixed Sum.....	9	428,710	198
N	Fixed Sum.....	10	254,347	111
N	Fixed Sum.....	11	280,320	117
N	Fixed Sum.....	12	206,050	78
N	Fixed Sum.....	13	351,673	120
N	Fixed Sum.....	14	295,832	94
N	Fixed Sum.....	15	799,653	264
N	Fixed Sum.....	16	433,017	132
N	Fixed Sum.....	17	386,188	103
N	Fixed Sum.....	18	310,838	77
N	Fixed Sum.....	19	407,799	97
N	Fixed Sum.....	20	305,605	69
N	Fixed Sum.....	21	668,872	147
N	Fixed Sum.....	22	433,110	101
N	Fixed Sum.....	23	453,702	91
N	Fixed Sum.....	24	312,939	64
N	Fixed Sum.....	25	427,886	87
N	Fixed Sum.....	26	328,993	61
N	Fixed Sum.....	27	787,772	136
N	Fixed Sum.....	28	545,689	95
N	Fixed Sum.....	29	470,534	74
N	Fixed Sum.....	30	638,249	106
N	Fixed Sum.....	31	738,231	112
N	Fixed Sum.....	32	761,277	109
N	Fixed Sum.....	33	2,523,738	367
N	Fixed Sum.....	34	1,369,588	197
N	Fixed Sum.....	35	1,009,287	145
N	Fixed Sum.....	36	1,022,771	140
N	Fixed Sum.....	37	898,755	120
N	Fixed Sum.....	38	958,808	119
N	Fixed Sum.....	39	3,211,087	373
N	Fixed Sum.....	40	1,401,574	160
N	Fixed Sum.....	41	858,891	98
N	Fixed Sum.....	42	1,290,498	147
N	Fixed Sum.....	43	1,621,734	182
N	Fixed Sum.....	44	1,895,662	242
N	Fixed Sum.....	45	6,720,611	819
N	Fixed Sum.....	46	3,802,407	450
N	Fixed Sum.....	47	4,006,026	471
N	Fixed Sum.....	48	3,250,233	377
N	Fixed Sum.....	49	2,462,849	294
N	Fixed Sum.....	50	2,511,878	303
N	Fixed Sum.....	51	8,337,499	896
N	Fixed Sum.....	52	4,322,438	456
N	Fixed Sum.....	53	3,732,064	382
N	Fixed Sum.....	54	4,698,189	465
N	Fixed Sum.....	55	3,806,935	369
N	Fixed Sum.....	56	2,592,256	245
N	Fixed Sum.....	57	7,838,618	751
N	Fixed Sum.....	58	3,898,618	360
N	Fixed Sum.....	59	3,508,563	313
			95,119,894	12,215

New/ Used	Product	Remaining Term (Months)	Current Principal Balance (£)	Number of Agreements
U	PCP.....	1	4,912	1
U	PCP.....	3	16,896	3
U	PCP.....	4	34,707	7
U	PCP.....	5	46,000	5
U	PCP.....	6	29,751	5
U	PCP.....	7	31,587	7
U	PCP.....	8	66,225	10
U	PCP.....	9	118,926	15
U	PCP.....	10	149,875	19
U	PCP.....	11	173,441	20
U	PCP.....	12	171,104	23
U	PCP.....	13	175,653	25
U	PCP.....	14	565,006	75
U	PCP.....	15	594,781	83
U	PCP.....	16	650,986	83
U	PCP.....	17	534,746	66

New/ Used	Product	Remaining Term (Months)	Current Principal Balance (£)	Number of Agreements
U	PCP.....	18	512,973	66
U	PCP.....	19	796,314	100
U	PCP.....	20	895,296	106
U	PCP.....	21	798,981	100
U	PCP.....	22	1,098,148	129
U	PCP.....	23	1,094,824	123
U	PCP.....	24	947,957	107
U	PCP.....	25	861,669	93
U	PCP.....	26	1,262,930	127
U	PCP.....	27	1,744,117	168
U	PCP.....	28	2,382,917	226
U	PCP.....	29	1,534,485	151
U	PCP.....	30	1,465,375	132
U	PCP.....	31	1,728,346	154
U	PCP.....	32	1,591,434	145
U	PCP.....	33	1,811,038	158
U	PCP.....	34	1,979,048	180
U	PCP.....	35	2,037,239	175
U	PCP.....	36	2,264,742	192
U	PCP.....	37	123,487	13
U	PCP.....	38	353,068	32
U	PCP.....	39	386,654	28
U	PCP.....	40	547,376	43
U	PCP.....	41	423,232	32
U	PCP.....	42	510,142	41
			32,516,385	3,268

New/ Used	Product	Remaining Term (Months)	Current Principal Balance (£)	Number of Agreements
U	Conditional Sale.....	1	191,427	378
U	Conditional Sale.....	2	436,490	627
U	Conditional Sale.....	3	609,561	794
U	Conditional Sale.....	4	903,782	838
U	Conditional Sale.....	5	946,766	805
U	Conditional Sale.....	6	1,234,862	800
U	Conditional Sale.....	7	1,726,780	990
U	Conditional Sale.....	8	2,022,938	1,097
U	Conditional Sale.....	9	2,535,957	1,249
U	Conditional Sale.....	10	2,628,186	1,222
U	Conditional Sale.....	11	2,550,065	1,031
U	Conditional Sale.....	12	2,269,746	894
U	Conditional Sale.....	13	3,236,357	1,301
U	Conditional Sale.....	14	3,821,068	1,410
U	Conditional Sale.....	15	5,323,977	1,840
U	Conditional Sale.....	16	5,239,067	1,681
U	Conditional Sale.....	17	5,625,803	1,672
U	Conditional Sale.....	18	6,335,774	1,810
U	Conditional Sale.....	19	7,761,461	2,174
U	Conditional Sale.....	20	9,162,029	2,441
U	Conditional Sale.....	21	11,307,760	2,830
U	Conditional Sale.....	22	10,936,770	2,599
U	Conditional Sale.....	23	10,703,739	2,508
U	Conditional Sale.....	24	7,402,332	1,636
U	Conditional Sale.....	25	9,760,237	2,138
U	Conditional Sale.....	26	11,551,345	2,564
U	Conditional Sale.....	27	15,056,029	3,160
U	Conditional Sale.....	28	14,516,791	2,925
U	Conditional Sale.....	29	14,147,932	2,759
U	Conditional Sale.....	30	16,258,799	3,042
U	Conditional Sale.....	31	17,851,175	3,335
U	Conditional Sale.....	32	18,306,951	3,321
U	Conditional Sale.....	33	20,751,611	3,572
U	Conditional Sale.....	34	19,020,166	3,186
U	Conditional Sale.....	35	19,446,570	3,243
U	Conditional Sale.....	36	8,520,781	1,254
U	Conditional Sale.....	37	9,148,930	1,386
U	Conditional Sale.....	38	11,796,980	1,838
U	Conditional Sale.....	39	15,186,984	2,288
U	Conditional Sale.....	40	14,673,634	2,115
U	Conditional Sale.....	41	14,097,106	2,063
U	Conditional Sale.....	42	14,640,197	2,094

New/ Used	Product	Remaining Term (Months)	Current Principal Balance (£)	Number of Agreements
U	Conditional Sale.....	43	16,492,238	2,292
U	Conditional Sale.....	44	15,273,200	2,041
U	Conditional Sale.....	45	17,124,620	2,302
U	Conditional Sale.....	46	15,846,155	2,066
U	Conditional Sale.....	47	16,998,619	2,120
U	Conditional Sale.....	48	6,121,425	719
U	Conditional Sale.....	49	6,312,474	829
U	Conditional Sale.....	50	7,772,546	995
U	Conditional Sale.....	51	9,683,122	1,223
U	Conditional Sale.....	52	9,203,635	1,145
U	Conditional Sale.....	53	8,797,984	1,093
U	Conditional Sale.....	54	9,969,628	1,213
U	Conditional Sale.....	55	10,310,019	1,219
U	Conditional Sale.....	56	10,841,949	1,284
U	Conditional Sale.....	57	10,853,334	1,288
U	Conditional Sale.....	58	8,406,698	1,012
U	Conditional Sale.....	59	8,664,946	990
			558,317,510	104,741

New/ Used	Product	Remaining Term (Months)	Current Principal Balance (£)	Number of Agreements
U	Fixed Sum.....	1	122,520	199
U	Fixed Sum.....	2	147,377	238
U	Fixed Sum.....	3	214,648	256
U	Fixed Sum.....	4	244,748	260
U	Fixed Sum.....	5	258,632	236
U	Fixed Sum.....	6	516,623	404
U	Fixed Sum.....	7	742,690	502
U	Fixed Sum.....	8	917,130	571
U	Fixed Sum.....	9	892,798	510
U	Fixed Sum.....	10	1,110,811	569
U	Fixed Sum.....	11	1,125,808	534
U	Fixed Sum.....	12	904,278	403
U	Fixed Sum.....	13	1,676,850	747
U	Fixed Sum.....	14	1,673,174	666
U	Fixed Sum.....	15	2,045,362	745
U	Fixed Sum.....	16	1,953,495	689
U	Fixed Sum.....	17	1,989,399	659
U	Fixed Sum.....	18	1,811,365	595
U	Fixed Sum.....	19	2,177,644	664
U	Fixed Sum.....	20	2,281,626	659
U	Fixed Sum.....	21	2,088,949	598
U	Fixed Sum.....	22	2,364,015	627
U	Fixed Sum.....	23	2,031,165	523
U	Fixed Sum.....	24	1,750,655	421
U	Fixed Sum.....	25	3,054,950	710
U	Fixed Sum.....	26	3,100,720	669
U	Fixed Sum.....	27	3,052,713	674
U	Fixed Sum.....	28	3,513,659	725
U	Fixed Sum.....	29	3,673,717	725
U	Fixed Sum.....	30	3,917,307	780
U	Fixed Sum.....	31	5,283,865	995
U	Fixed Sum.....	32	6,637,528	1,270
U	Fixed Sum.....	33	9,388,897	1,727
U	Fixed Sum.....	34	8,635,338	1,541
U	Fixed Sum.....	35	7,347,118	1,292
U	Fixed Sum.....	36	7,141,436	1,224
U	Fixed Sum.....	37	9,934,228	1,684
U	Fixed Sum.....	38	11,275,955	1,789
U	Fixed Sum.....	39	13,205,795	2,102
U	Fixed Sum.....	40	10,538,005	1,668
U	Fixed Sum.....	41	10,942,260	1,678
U	Fixed Sum.....	42	11,529,743	1,738
U	Fixed Sum.....	43	14,382,116	2,144
U	Fixed Sum.....	44	16,130,281	2,387
U	Fixed Sum.....	45	21,732,517	3,133
U	Fixed Sum.....	46	18,575,900	2,631
U	Fixed Sum.....	47	17,982,720	2,451
U	Fixed Sum.....	48	9,843,595	1,312
U	Fixed Sum.....	49	13,365,785	1,778
U	Fixed Sum.....	50	16,603,868	2,210

New/ Used	Product	Remaining Term (Months)	Current Principal Balance (£)	Number of Agreements
U	Fixed Sum.....	51	21,782,351	2,875
U	Fixed Sum.....	52	19,145,442	2,440
U	Fixed Sum.....	53	18,281,931	2,287
U	Fixed Sum.....	54	22,366,260	2,774
U	Fixed Sum.....	55	20,791,011	2,502
U	Fixed Sum.....	56	22,112,148	2,671
U	Fixed Sum.....	57	21,898,859	2,620
U	Fixed Sum.....	58	19,681,727	2,354
U	Fixed Sum.....	59	19,527,247	2,254
			477,418,753	76,089

Table 6: Vehicle Type

New / Used	Product	Car or LCV	Current Principal Balance (£)	Number of Agreements
N	PCP.....	C	193,693,298	18,685
N	Conditional Sale.....	C	242,394,809	41,843
N	Conditional Sale.....	LCV	8,078,173	970
N	Fixed Sum.....	C	95,108,705	12,213
N	Fixed Sum.....	LCV	11,189	2
U	PCP.....	C	32,516,385	3,268
U	Conditional Sale.....	C	548,352,121	103,042
U	Conditional Sale.....	LCV	9,965,389	1,699
U	Fixed Sum.....	C	477,353,038	76,076
U	Fixed Sum.....	LCV	65,715	13
			1,607,538,821	257,811

Table 7: Agreement Yields (APR)

New Vehicle PCP Yields

Yield Range (APR)	Current Principal Balance (£)	Number of Agreements
0 APR.....	1,115,207	131
0%-1%.....	7,161	1
1%-2%.....	29,122	4
2%-3%.....	25,875	4
3%-4%.....	42,698,370	4,433
4%-5%.....	4,921,350	651
5%-6%.....	77,658,048	7,400
6%-7%.....	15,165,706	1,491
7%-8%.....	23,703,949	1,326
8%-9%.....	7,898,604	874
9%-10%.....	8,774,492	955
10%-11%.....	5,185,906	583
11%-12%.....	2,788,147	334
12%-13%.....	1,766,750	226
13%-14%.....	1,040,415	147
14%-15%.....	499,007	67
15%-16%.....	148,832	20
16%-17%.....	142,234	20
17%-18%.....	48,384	7
18%-19%.....	61,063	9
19%-20%.....	14,676	2
193,693,298		18,685

New Vehicle Conditional Sale Yields

Yield Range (APR)	Current Principal Balance (£)	Number of Agreements
0 APR.....	105,525,307	20,699
0%-1%.....	15,240	2
1%-2%.....	32,650	7
2%-3%.....	54,184	7
3%-4%.....	5,004,794	829

Yield Range (APR)	Current Principal Balance (£)	Number of Agreements
4%-5%	1,523,999	410
5%-6%	10,324,030	1,713
6%-7%	6,405,031	1,066
7%-8%	11,541,148	1,129
8%-9%	19,012,180	2,287
9%-10%	26,221,991	3,624
10%-11%	18,063,612	2,668
11%-12%	14,724,548	2,354
12%-13%	10,570,502	1,842
13%-14%	7,563,964	1,323
14%-15%	5,057,071	924
15%-16%	3,349,774	645
16%-17%	1,876,763	393
17%-18%	1,377,698	301
18%-19%	1,021,681	211
19%-20%	565,490	140
20%-21%	220,618	70
21%-22%	180,018	59
22%-23%	97,211	36
23%-24%	61,958	28
24%-25%	30,966	17
25%-26%	34,315	22
26%-27%	16,242	7
	250,472,982	42,813

New Vehicle Fixed Sum Yields

Yield Range (APR)	Current Principal Balance (£)	Number of Agreements
0 APR	5,141,711	596
1%-2%	47,301	5
2%-3%	34,868	8
3%-4%	122,095	20
4%-5%	24,467	5
5%-6%	411,555	52
6%-7%	284,872	51
7%-8%	2,016,325	264
8%-9%	10,002,914	1,241
9%-10%	19,328,494	2,279
10%-11%	13,685,405	1,790
11%-12%	13,562,731	1,802
12%-13%	10,866,155	1,474
13%-14%	8,193,854	1,076
14%-15%	4,568,602	612
15%-16%	3,186,388	437
16%-17%	1,585,228	213
17%-18%	947,882	136
18%-19%	744,283	100
19%-20%	204,794	30
20%-21%	87,660	12
21%-22%	18,410	4
22%-23%	48,112	7
23%-24%	5,786	1
	95,119,894	12,215

Used Vehicle PCP Yields

Yield Range (APR)	Current Principal Balance (£)	Number of Agreements
3%-4%	5,673	1
5%-6%	55,433	3
6%-7%	1,435,293	114
7%-8%	177,429	17
8%-9%	7,439,238	702
9%-10%	7,328,556	686
10%-11%	4,923,200	461
11%-12%	3,449,223	350
12%-13%	3,304,435	367

Yield Range (APR)	Current Principal Balance (£)	Number of Agreements
%-14%	2,030,615	247
4%-15%	879,191	121
15%-16%	568,950	77
16%-17%	328,936	45
17%-18%	238,620	28
18%-19%	179,414	25
19%-20%	107,573	13
20%-21%	28,958	5
21%-22%	10,525	2
22%-23%	15,662	3
26%-27%	9,461	1
	32,516,385	3,268

Used Vehicle Conditional Sale Yields

Yield Range (APR)	Current Principal Balance (£)	Number of Agreements
0 APR	16,979,938	4,236
0%-1%	7,116	1
1%-2%	106,335	22
2%-3%	85,262	13
3%-4%	597,320	93
4%-5%	374,846	60
5%-6%	950,003	148
6%-7%	2,880,529	416
7%-8%	9,712,964	1,266
8%-9%	39,062,893	5,369
9%-10%	62,388,487	8,576
10%-11%	59,143,064	8,157
11%-12%	62,312,155	9,028
12%-13%	62,716,735	10,438
13%-14%	51,845,469	9,195
14%-15%	42,004,423	8,456
15%-16%	37,122,069	7,950
16%-17%	25,597,359	6,011
17%-18%	21,383,609	5,385
18%-19%	17,432,553	4,509
19%-20%	13,950,229	3,829
20%-21%	9,774,029	2,849
21%-22%	6,884,749	2,215
22%-23%	4,708,131	1,687
23%-24%	3,592,949	1,449
24%-25%	2,306,528	1,050
25%-26%	2,528,987	1,289
26%-27%	1,868,237	1,043
27%-28%	541	1
	558,317,510	104,741

Used Vehicle Fixed Sum Yields

Yield Range (APR)	Current Principal Balance (£)	Number of Agreements
0 APR	5,841,117	960
1%-2%	42,683	7
2%-3%	56,686	12
3%-4%	212,787	32
4%-5%	218,413	31
5%-6%	869,995	141
6%-7%	1,026,110	185
7%-8%	3,680,246	630
8%-9%	19,912,284	2,748
%-10%	38,562,906	5,196
0%-11%	45,691,380	6,374
11%-12%	62,929,363	8,679
12%-13%	63,545,803	9,747
13%-14%	59,028,783	9,283
14%-15%	44,194,087	7,552
15%-16%	41,107,976	7,261

Yield Range (APR)	Current Principal Balance (£)	Number of Agreements
16%-17%	25,267,211	4,666
17%-18%	19,902,631	3,764
18%-19%	20,013,197	3,481
19%-20%	11,463,540	2,194
20%-21%	6,675,758	1,387
21%-22%	3,715,850	836
22%-23%	1,911,528	470
23%-24%	829,096	239
24%-25%	361,457	102
25%-26%	196,748	63
26%-27%	155,014	46
27%-28%	349	1
28%-29%	917	1
Missing	4,839	1
	477,418,753	76,089

Table 8: Current Agreement Balance as a Percentage of Vehicle Value

PCP - New	Total of Current Balances in Range (£)	Number of Agreements
>30%-40%	354,390	45
>40%-50%	5,524,980	671
>50%-60%	32,577,977	3,458
>60%-70%	60,317,821	5,934
>70%-80%	57,863,998	5,253
>80%-90%	29,228,899	2,571
>90%-100%	7,006,203	672
>100%-110%	806,879	80
>110%-120%	12,151	1
	193,693,298	18,685

PCP - Used	Total of Current Balances in Range (£)	Number of Agreements
>20%-30%	25,560	3
>30%-40%	47,959	6
>40%-50%	1,053,781	135
>50%-60%	5,705,871	656
>60%-70%	8,504,325	888
>70%-80%	8,483,178	792
>80%-90%	6,022,464	543
>90%-100%	1,962,209	180
>100%-110%	674,662	61
>110%-120%	36,377	4
	32,516,385	3,268

Conditional Sale -New	Total of Current Balances in Range (£)	Number of Agreements
0%-10%	1,156,125	1,198
>10%-20%	8,429,536	3,460
>20%-30%	35,369,887	9,120
>30%-40%	56,507,611	10,540
>40%-50%	53,432,745	7,904
>50%-60%	31,790,539	4,133
>60%-70%	27,290,582	3,193
>70%-80%	20,917,118	1,988
>80%-90%	10,971,002	908
>90%-100%	4,048,447	324
>100%-110%	527,591	43
>110%-120%	7,410	1
>120%-130%	24,390	1
	250,472,982	42,813

Conditional Sale -Used	Total of Current Balances in Range (£)	Number of Agreements
0%-10%	1,716,231	2,382
>10%-20%	8,930,199	5,559
>20%-30%	21,964,996	8,236
>30%-40%	42,259,507	11,524
>40%-50%	64,736,915	13,877
>50%-60%	82,898,763	15,046
>60%-70%	97,779,395	15,481
>70%-80%	99,488,591	14,208
>80%-90%	80,357,736	10,491
>90%-100%	45,239,228	6,006
>100%-110%	10,901,711	1,627
>110%-120%	1,902,322	286
>120%-130%	125,820	16
>130%-140%	16,096	2
	558,317,510	104,741

Fixed Sum - New	Total of Current Balances in Range (£)	Number of Agreements
0%-10%	69,576	92
>10%-20%	798,834	423
>20%-30%	2,006,345	750
>30%-40%	2,574,563	640
>40%-50%	5,087,159	864
>50%-60%	12,062,050	1,636
>60%-70%	21,180,337	2,578
>70%-80%	22,711,738	2,487
>80%-90%	15,285,635	1,526
>90%-100%	7,710,898	726
>100%-110%	3,462,810	311
>110%-120%	1,239,961	106
>120%-130%	602,706	51
>130%-140%	175,166	15
>140%-150%	152,117	10
	95,119,894	12,215

Fixed Sum - Used	Total of Current Balances in Range (£)	Number of Agreements
0%-10%	260,567	504
>10%-20%	1,829,138	1,477
>20%-30%	5,191,180	2,706
>30%-40%	7,548,904	2,918
>40%-50%	12,129,751	3,449
>50%-60%	26,406,899	5,431
>60%-70%	55,861,607	9,282
>70%-80%	84,712,956	12,551
>80%-90%	96,725,021	13,438
>90%-100%	83,922,597	11,179
>100%-110%	55,622,168	7,196
>110%-120%	27,610,588	3,523
>120%-130%	12,194,019	1,521
>130%-140%	5,454,198	667
>140%-150%	1,874,240	237
>150%-160%	49,297	7
>160%-170%	8,872	1
>170%-180%	9,978	1
>200%	6,772	1
	477,418,753	76,089

Table 9: Origination Agreement Balance as a Percentage of Vehicle Value

PCP - New	Total of Origination Balances in Range (£)	Number of Agreements
>40%-50%	493,976	45
>50%-60%	12,505,208	1,113
>60%-70%	34,507,466	2,978
>70%-80%	60,928,521	5,099

PCP - New	Total of Origination Balances in Range (£)	Number of Agreements
>80%-90%	71,897,745	6,026
>90%-100%	33,209,611	2,747
>100%-110%	7,034,776	635
>110%-120%	397,105	42
	220,974,407	18,685

PCP - Used	Total of Origination Balances in Range (£)	Number of Agreements
0%-10%	48,559	22
>10%-20%	1,486,336	466
>20%-30%	7,726,719	1,761
>30%-40%	19,742,946	3,500
>40%-50%	95,563,423	12,911
>50%-60%	75,903,975	9,884
>60%-70%	38,153,945	4,030
>70%-80%	45,264,503	4,586
>80%-90%	36,940,957	3,435
>90%-100%	20,215,013	1,653
>100%-110%	6,120,465	519
>110%-120%	400,733	38
>120%-130%	107,490	7
>130%-140%	21,342	1
	347,696,406	42,813

Conditional Sale - New	Total of Origination Balances in Range (£)	Number of Agreements
>30%-40%	35,548	6
>40%-50%	544,507	71
>50%-60%	3,651,027	413
>60%-70%	11,683,041	1,250
>70%-80%	24,013,125	2,457
>80%-90%	32,481,463	3,215
>90%-100%	24,266,245	2,212
>100%-110%	15,989,886	1,389
>110%-120%	7,738,816	671
>120%-130%	3,614,975	288
>130%-140%	1,823,729	137
>140%-150%	1,131,656	86
>150%-160%	259,865	20
	127,233,884	12,215

Conditional Sale -Used	Total of Origination Balances in Range (£)	Number of Agreements
>30%-40%	45,877	4
>40%-50%	87,467	10
>50%-60%	1,370,052	127
>60%-70%	5,785,935	518
>70%-80%	9,032,810	787
>80%-90%	11,220,411	951
>90%-100%	7,229,633	630
>100%-110%	2,483,821	213
>110%-120%	291,244	28
	37,547,250	3,268

Fixed Sum - New	Total of Origination Balances in Range (£)	Number of Agreements
0%-10%	50,689	13
>10%-20%	1,308,752	487
>20%-30%	8,085,901	2,362
>30%-40%	21,286,501	5,000
>40%-50%	43,679,011	8,428
>50%-60%	67,295,753	11,403
>60%-70%	95,469,278	13,993
>70%-80%	128,648,493	17,715

Fixed Sum - New	Total of Origination Balances in Range (£)	Number of Agreements
>80%-90%	148,806,666	18,611
>90%-100%	141,211,099	17,408
>100%-110%	52,785,320	7,122
>110%-120%	14,174,669	2,014
>120%-130%	974,004	146
>130%-140%	222,076	24
>140%-150%	112,271	13
>150%-160%	26,893	2
	724,137,376	104,741

Fixed Sum - Used	Total of Origination Balances in Range (£)	Number of Agreements
>20%-30%	25,406	4
>30%-40%	104,569	13
>40%-50%	369,652	60
>50%-60%	3,065,705	541
>60%-70%	17,576,330	2,627
>70%-80%	45,048,935	6,002
>80%-90%	92,237,267	11,577
>90%-100%	125,637,031	15,124
>100%-110%	129,555,345	15,729
>110%-120%	89,959,903	10,751
>120%-130%	59,877,320	7,019
>130%-140%	30,157,189	3,400
>140%-150%	23,981,204	2,668
>150%-160%	4,890,036	556
>160%-170%	96,076	13
>170%-180%	29,361	3
>180%-190%	12,978	1
>200%	6,701	1
	622,631,008	76,089

Table 10: Deposit as a percentage of Purchase Price

New / Used	Product	Deposit Value %	Total Origination Balance in Band (£)	Total Current Balance in Band (£)	Number of Agreements
N	PCP	%-10%	66,868,015	56,963,887	5,568
N	PCP	0%-20%	75,996,659	65,776,436	6,227
N	PCP	0%-30%	46,687,132	41,880,191	3,993
N	PCP	0%-40%	31,272,268	28,953,434	2,879
N	PCP	0%-50%	144,230	113,489	17
N	PCP	0%-60%	6,104	5,861	1
			220,974,407	193,693,298	18,685

New / Used	Product	Deposit Value %	Total Origination Balance in Band (£)	Total Current Balance in Band (£)	Number of Agreements
U	PCP	%-10%	11,920,209	10,117,483	1,021
U	PCP	0%-20%	10,570,249	9,081,510	913
U	PCP	0%-30%	8,752,827	7,630,153	753
U	PCP	0%-40%	6,292,420	5,676,601	579
U	PCP	0%-60%	11,544	10,637	2
			37,547,250	32,516,385	3,268

New / Used	Product	Deposit Value %	Total Origination Balance in Band (£)	Total Current Balance in Band (£)	Number of Agreements
N	Conditional Sale	%-10%	50,243,248	37,687,911	4,759
N	Conditional Sale	0%-20%	39,103,865	28,587,975	3,520
N	Conditional Sale	0%-30%	36,823,103	26,719,519	3,754

New / Used	Product	Deposit Value %	Total Origination Balance in Band (£)	Total Current Balance in Band (£)	Number of Agreements
N	Conditional Sale	0%-40%	36,451,106	26,040,842	4,105
N	Conditional Sale	0%-50%	99,074,061	70,527,058	13,037
N	Conditional Sale	0%-60%	62,755,616	44,378,163	8,837
N	Conditional Sale	0%-70%	16,020,844	11,465,720	2,960
N	Conditional Sale	0%-80%	6,073,845	4,259,378	1,455
N	Conditional Sale	0%-90%	1,106,220	779,202	367
N	Conditional Sale	0%-100%	44,497	27,214	19
			347,696,406	250,472,982	42,813

New / Used	Product	Deposit Value %	Total Origination Balance in Band (£)	Total Current Balance in Band (£)	Number of Agreements
U	Conditional Sale	%-10%	216,138,656	171,505,129	27,060
U	Conditional Sale	0%-20%	158,916,453	124,075,213	20,396
U	Conditional Sale	0%-30%	119,998,038	91,377,406	16,461
U	Conditional Sale	0%-40%	89,836,559	68,000,451	13,388
U	Conditional Sale	0%-50%	67,053,344	50,263,851	11,246
U	Conditional Sale	0%-60%	42,372,203	31,445,794	8,371
U	Conditional Sale	0%-70%	20,710,474	15,094,824	5,007
U	Conditional Sale	0%-80%	7,874,384	5,701,949	2,320
U	Conditional Sale	0%-90%	1,221,647	844,055	485
U	Conditional Sale	0%-100%	15,620	8,838	7
			724,137,376	558,317,510	104,741

New / Used	Product	Deposit Value %	Total Origination Balance in Band (£)	Total Current Balance in Band (£)	Number of Agreements
N	Fixed Sum	%-10%	77,061,931	55,719,387	6,982
N	Fixed Sum	0%-20%	27,769,869	21,567,586	2,668
N	Fixed Sum	0%-30%	16,042,190	12,821,386	1,775
N	Fixed Sum	0%-40%	5,438,147	4,313,214	665
N	Fixed Sum	0%-50%	921,748	698,322	125
			127,233,884	95,119,894	12,215

New / Used	Product	Deposit Value %	Total Origination Balance in Band (£)	Total Current Balance in Band (£)	Number of Agreements
U	Fixed Sum	%-10%	423,454,580	317,793,796	49,408
U	Fixed Sum	0%-20%	119,975,876	95,053,374	15,397
U	Fixed Sum	0%-30%	54,092,627	43,693,293	7,353
U	Fixed Sum	0%-40%	20,253,254	16,778,639	3,029
U	Fixed Sum	0%-50%	4,492,343	3,784,146	798
U	Fixed Sum	0%-60%	344,702	300,716	96
U	Fixed Sum	0%-70%	13,262	11,552	6
U	Fixed Sum	0%-80%	4,365	3,236	2
			622,631,008	477,418,753	76,089

Table 11: Geographical Distribution

Postcode Area	Current Principal Balance (£)	Number of Agreements
Aberdeen.....	16,820,572	2,517
Bath	6,533,886	1,048
Belfast.....	40,203,409	6,123
Birmingham.....	32,793,024	4,865
Blackburn	13,089,796	2,127
Blackpool.....	6,163,432	1,158
Bolton	8,644,776	1,374

Postcode Area	Current Principal Balance (£)	Number of Agreements
Bournemouth	8,904,881	1,340
Bradford	14,615,749	2,285
Brighton	17,572,102	2,867
Bristol	15,524,522	2,629
Bromley	5,256,994	732
Cambridge	9,786,075	1,438
Canterbury	13,349,045	2,185
Cardiff	28,356,918	4,961
Carlisle	6,965,548	1,056
Chelmsford	19,147,795	2,802
Chester	24,196,709	3,975
Cleveland	31,464,229	5,955
Colchester	10,479,291	1,526
Coventry	17,586,335	2,636
Crewe	7,140,201	1,115
Croydon	5,417,091	776
Darlington	19,166,965	3,494
Dartford	11,071,102	1,879
Derby	18,230,254	3,044
Doncaster	28,770,728	4,937
Dorchester	3,055,022	484
Dudley	11,184,636	1,789
Dumfries	4,470,636	721
Dundee	7,471,968	1,190
Durham	17,284,888	3,009
Edinburgh	26,023,838	4,367
Enfield	6,258,905	931
Exeter	14,434,446	2,268
Falkirk	14,324,118	2,238
Glasgow	45,058,897	6,996
Gloucester	13,145,427	2,152
Guildford	16,121,305	2,255
Halifax	3,612,074	512
Harrogate	6,963,121	995
Harrow	7,066,669	1,014
Hemel Hempstead	13,335,480	2,042
Hereford	2,493,001	379
Huddersfield	6,998,289	1,068
Hull	14,923,772	2,613
Ilford	5,995,762	845
Inverness	6,440,089	943
Ipswich	13,692,836	2,070
Isle of Man	34,708	7
Jersey	14,624	3
Kilmarnock	16,987,919	2,753
Kingston upon Hull	8,918,436	1,141
Kirkcaldy	10,332,652	1,672
Kirkwall	1,437,367	223
Lancaster	4,646,498	699
Leeds	27,718,580	4,611
Leicester	24,368,274	4,000
Lerwick	1,171,841	202
Lincoln	9,148,174	1,593
Liverpool	23,109,800	3,551
Llandrindod Wells	704,133	131
Llandudno	7,847,827	1,261
London E	8,825,548	1,308
London EC	181,760	20
London N	7,612,883	1,071
London NW	4,738,754	643
London SE	9,789,992	1,460
London SW	8,322,284	984
London W	4,416,179	534
London WC	172,307	25
Luton	7,781,460	1,355
Manchester	22,666,803	3,643
Milton Keynes	17,386,883	2,945
Motherwell	25,572,415	4,031
Newcastle upon Tyne	54,655,553	9,522
Newport	9,947,342	1,713
Northampton	23,750,088	3,697
Norwich	17,929,395	2,998

Postcode Area	Current Principal Balance (£)	Number of Agreements
Nottingham	33,226,502	5,646
Oldham	10,643,692	1,771
Outer Hebrides	496,045	80
Oxford	13,170,056	1,977
Paisley	11,322,172	1,782
Perth	4,630,825	723
Peterborough	24,593,578	3,766
Plymouth	9,906,024	1,832
Portsmouth	21,360,101	3,438
Preston	14,487,920	2,427
Reading	19,344,335	2,758
Redhill	14,372,816	2,148
Rochester	20,623,284	3,309
Romford	13,844,783	2,111
Royal Tunbridge Wells	21,755,692	3,443
Salisbury	4,598,584	682
Selkirk	2,891,579	473
Sheffield	34,654,554	5,862
Shrewsbury	5,576,601	859
Slough	8,177,773	1,134
Southall	5,976,585	901
Southampton	16,165,942	2,392
Southend on Sea	10,468,360	1,584
St Albans	6,461,490	981
Stevenage	12,085,166	1,753
Stockport	16,915,304	2,774
Stoke-on-Trent	13,396,999	2,253
Sunderland	15,839,354	2,996
Sutton	3,283,806	457
Swansea	21,450,842	3,639
Swindon	14,105,517	2,221
Taunton	3,519,662	602
Telford	4,729,166	719
Torquay	6,615,101	1,117
Truro	7,108,500	1,209
Twickenham	7,043,167	946
Wakefield	18,712,008	3,213
Walsall	8,354,385	1,382
Warrington	18,371,652	2,793
Watford	7,164,596	1,079
Wigan	7,600,549	1,294
Wolverhampton	6,795,110	1,188
Worcester	5,979,098	927
York	16,872,228	2,758
Missing	5,050,234	891
	1,607,538,821	257,811

Isle of Man and Jersey Agreements to be removed from the Portfolio prior to Closing Date.

Table 12: Conditional Sale Loan Balloon Payments - Balloon as a percentage of loan origination balance,

New / Used	Balloon Payment/Loan Origination Balance	Current Principal Balance (£)	Number of Agreements
N	0%-10%	1,336	1
N	>10%-20%	64,324	7
N	>20%-30%	1,189,358	139
N	>30%-40%	5,462,188	441
N	>40%-50%	4,458,777	300
N	>50%-60%	1,595,320	117
N	>60%-70%	272,952	23
N	>70%-80%	301,175	17
N	>80%-90%	244,219	10
N	>90%-100%	83,955	5
U	0%-10%	7,595	2
U	>10%-20%	145,035	18
U	>20%-30%	3,953,947	375
U	>30%-40%	18,626,506	1454

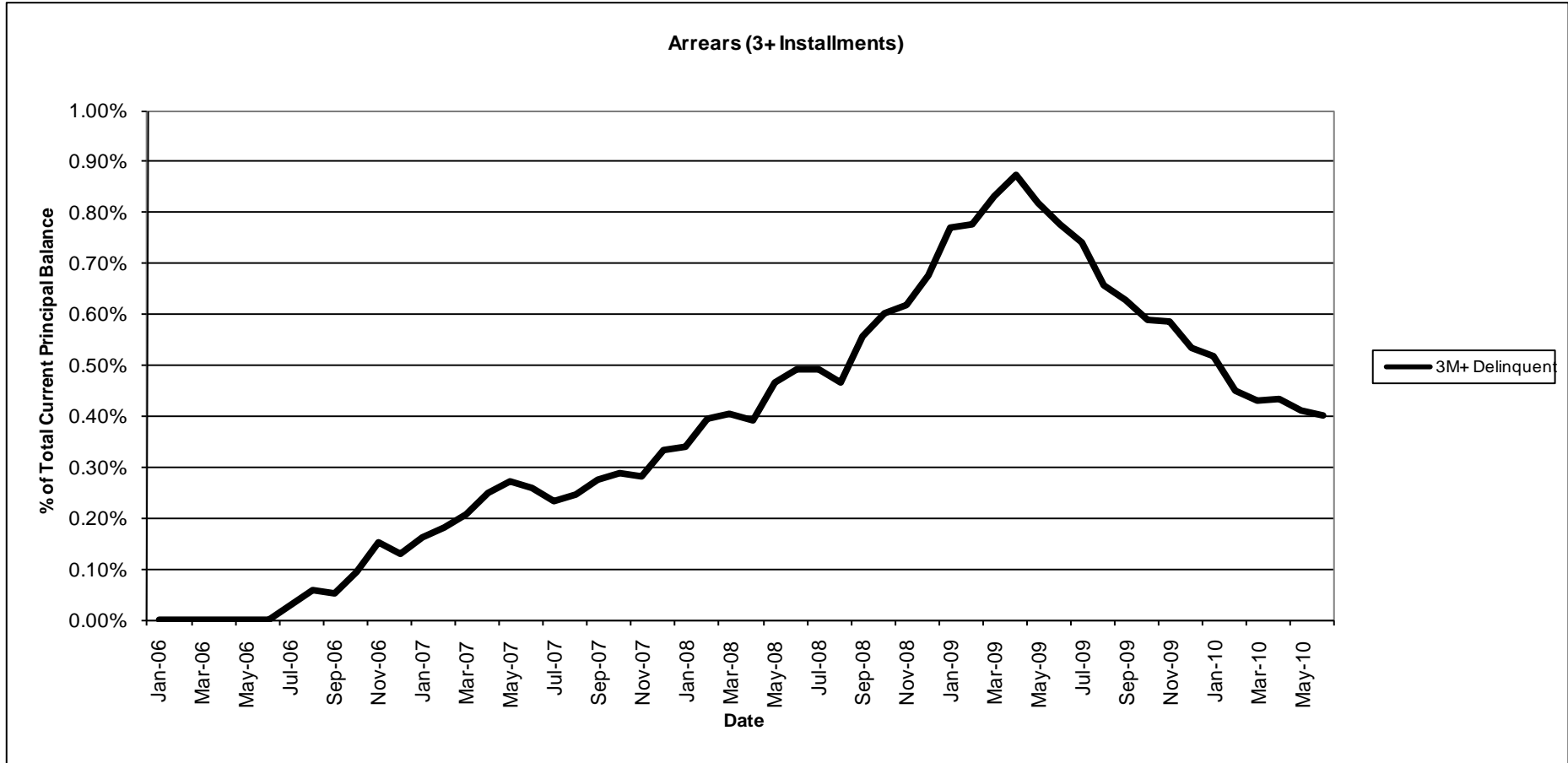
U	>40%-50%	13,281,617	930
U	>50%-60%	4,663,088	325
U	>60%-70%	1,897,843	129
U	>70%-80%	544,788	41
U	>80%-90%	233,406	17
U	>90%-100%	155,053	6
U	>100%-110%	128,015	9
U	>120%	10,639	1
		57,321,137	4,367

Table 13: PCP Loan Guaranteed Future Value Payments as a percentage of PCP Origination Balance

New / Used	GFV / Loan Origination Balance	Current Balance (£)	Percentage of Net Balance	Number of Agreements	% by Number of Agreements
N	0%-10%	5,426	0.00%	1	0.00%
N	>20%-30%	1,646,729	0.73%	139	0.63%
N	>30%-40%	42,982,982	19.00%	3,804	17.33%
N	>40%-50%	87,952,426	38.88%	8,637	39.34%
N	>50%-60%	38,542,718	17.04%	3,831	17.45%
N	>60%-70%	14,892,478	6.58%	1,465	6.67%
N	>70%-80%	5,996,629	2.65%	634	2.89%
N	>80%-90%	1,479,960	0.65%	155	0.71%
N	90%-100%	193,950	0.09%	19	0.09%
U	0%-10%	4,095	0.00%	1	0.00%
U	>20%-30%	469,199	0.21%	44	0.20%
U	>30%-40%	8,943,716	3.95%	840	3.83%
U	>40%-50%	14,126,991	6.25%	1,435	6.54%
U	>50%-60%	6,348,978	2.81%	658	3.00%
U	>60%-70%	1,956,483	0.86%	212	0.97%
U	>70%-80%	538,495	0.24%	60	0.27%
U	>80%-90%	93,860	0.04%	14	0.06%
U	90%-100%	24,015	0.01%	3	0.01%
U	100%-110%	10,553	0.00%	1	0.00%
		226,209,682		21,953	
Total GFV of Used PCPs		16,892,259			
Total GFV of New PCPs		103,693,876			

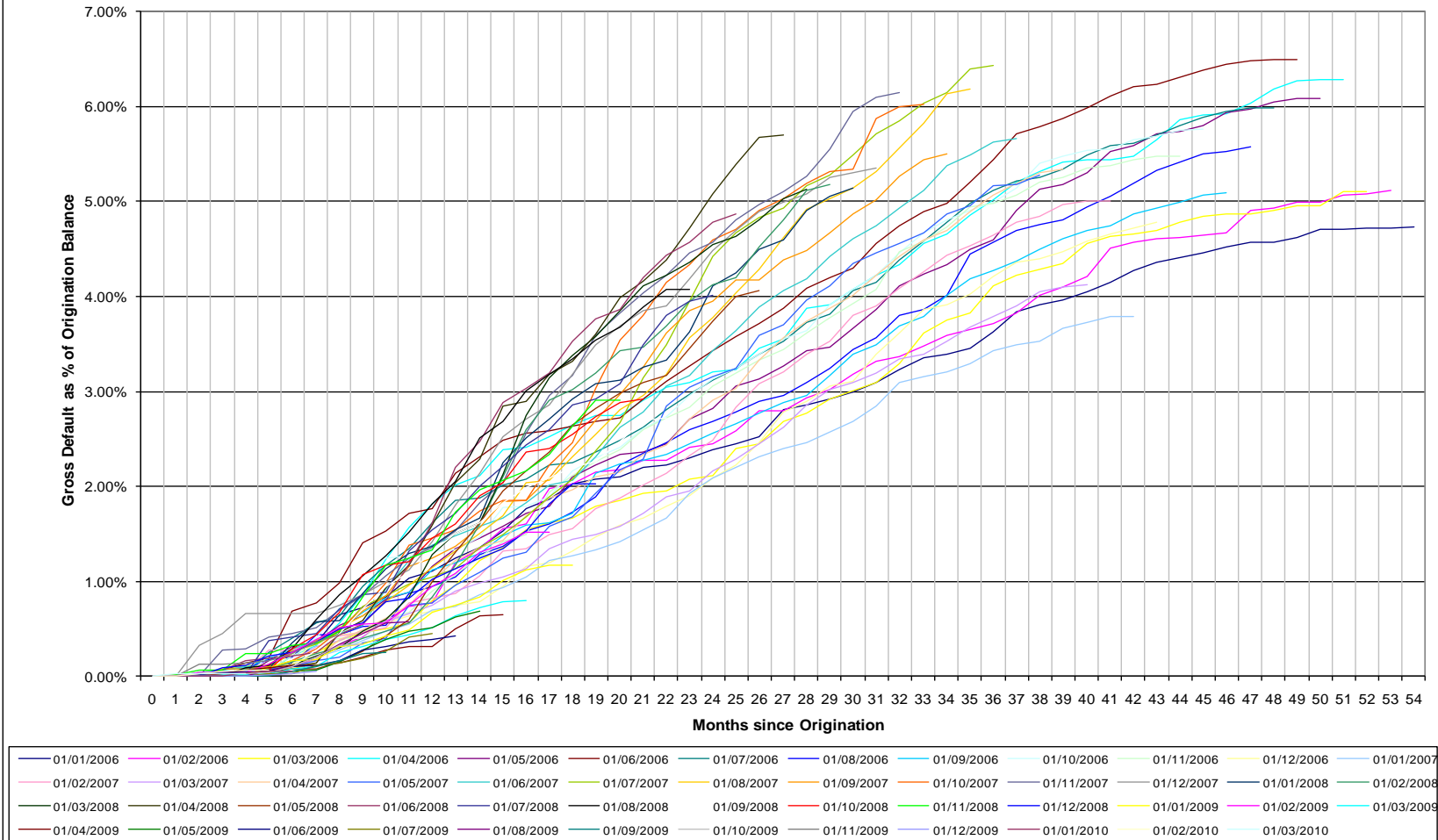
Delinquency

Arrears (3+ Installments)



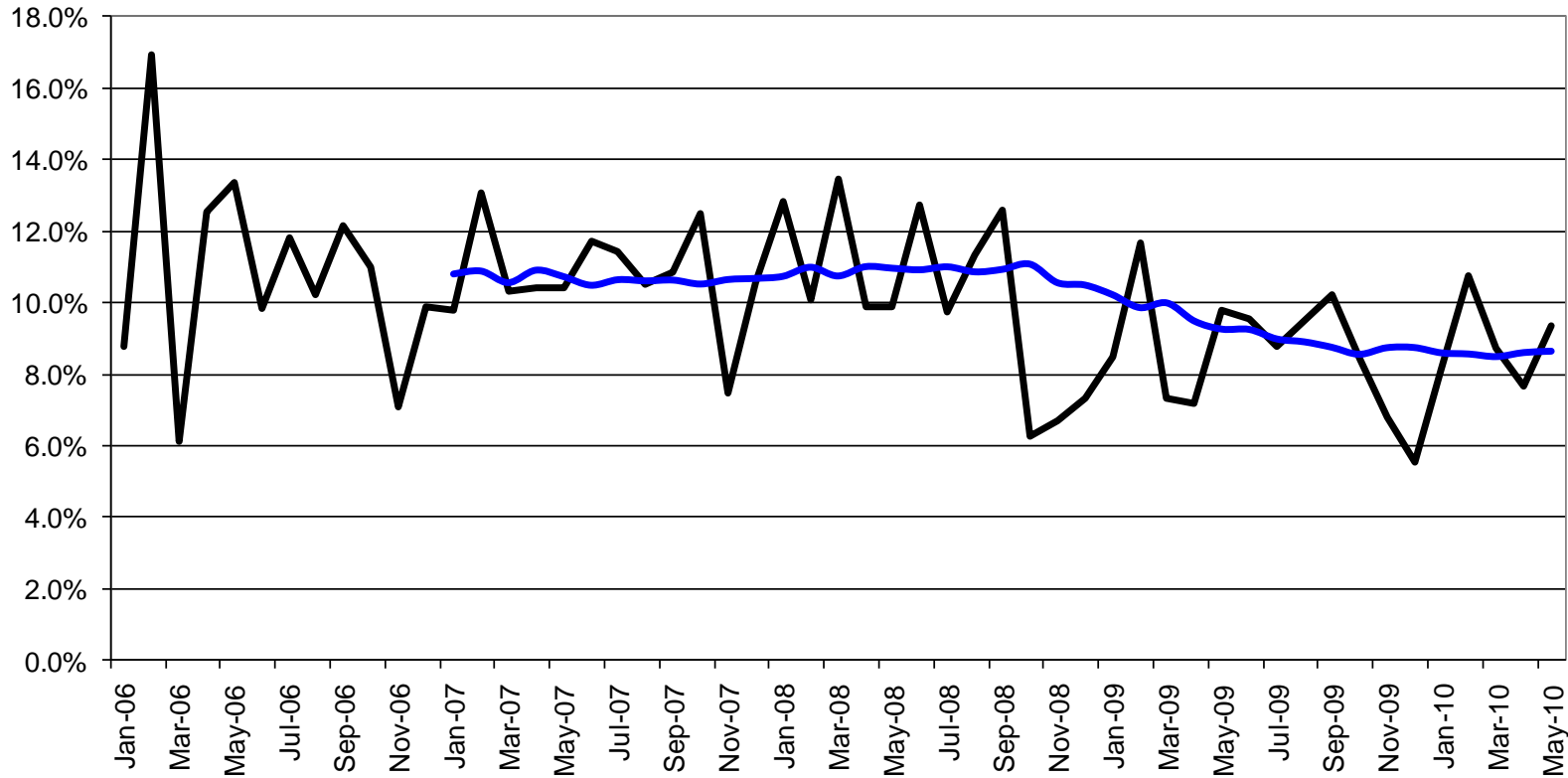
Gross Defaults

Vintage Gross Defaults - Overall

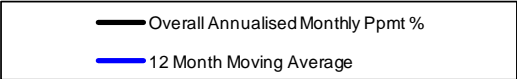


Prepayments

Annualised Monthly Prepayment Rates as % of Outstanding Principal Balance

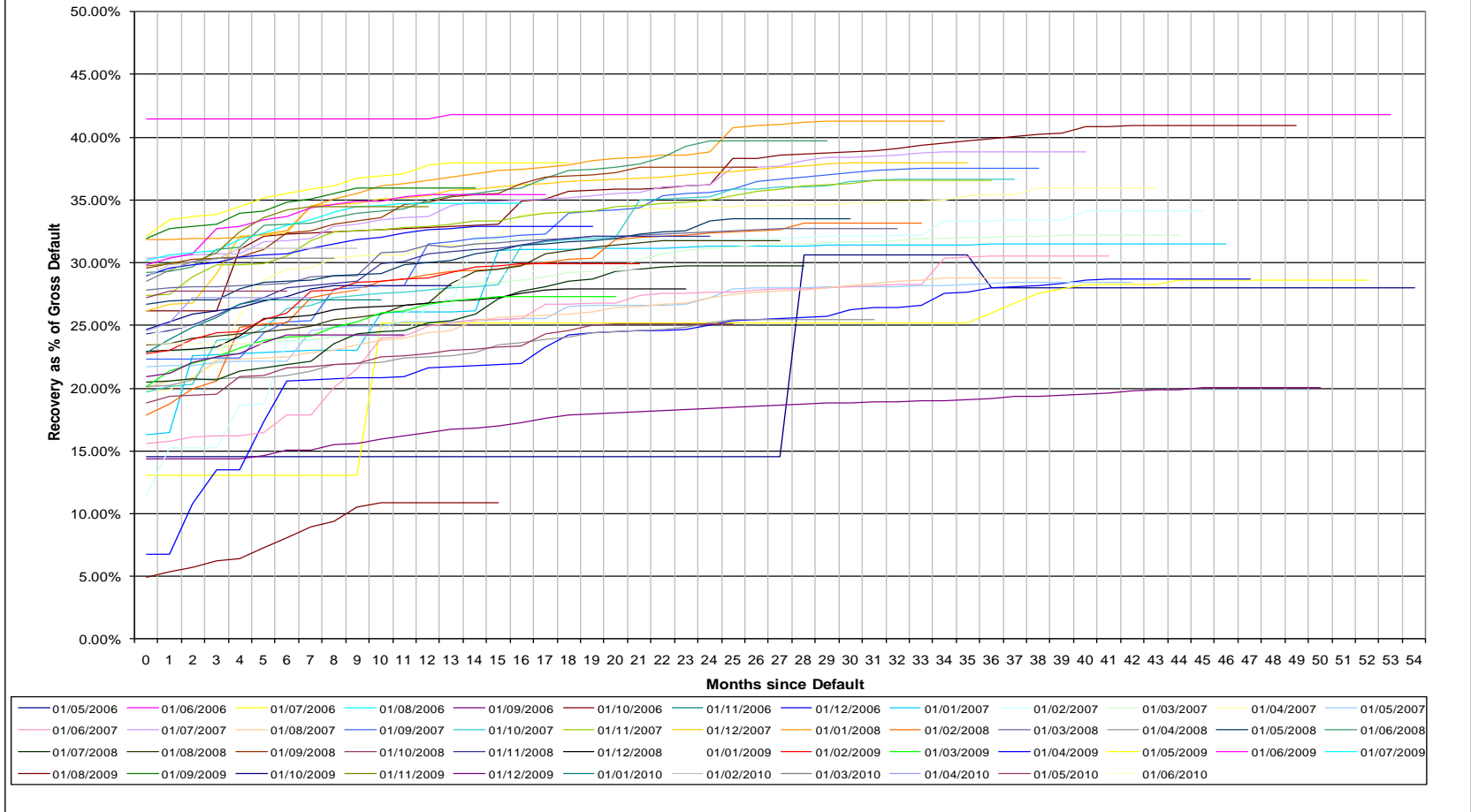


Date

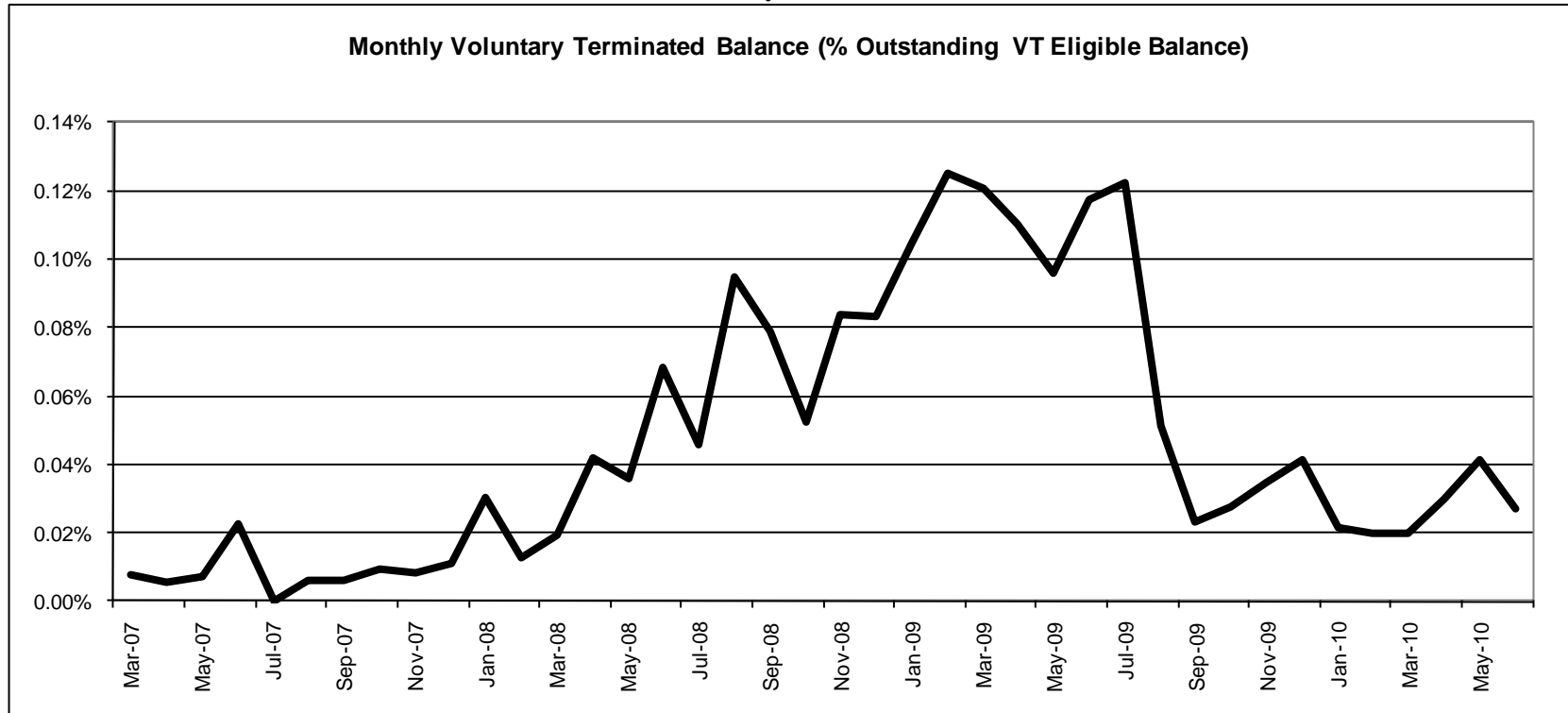


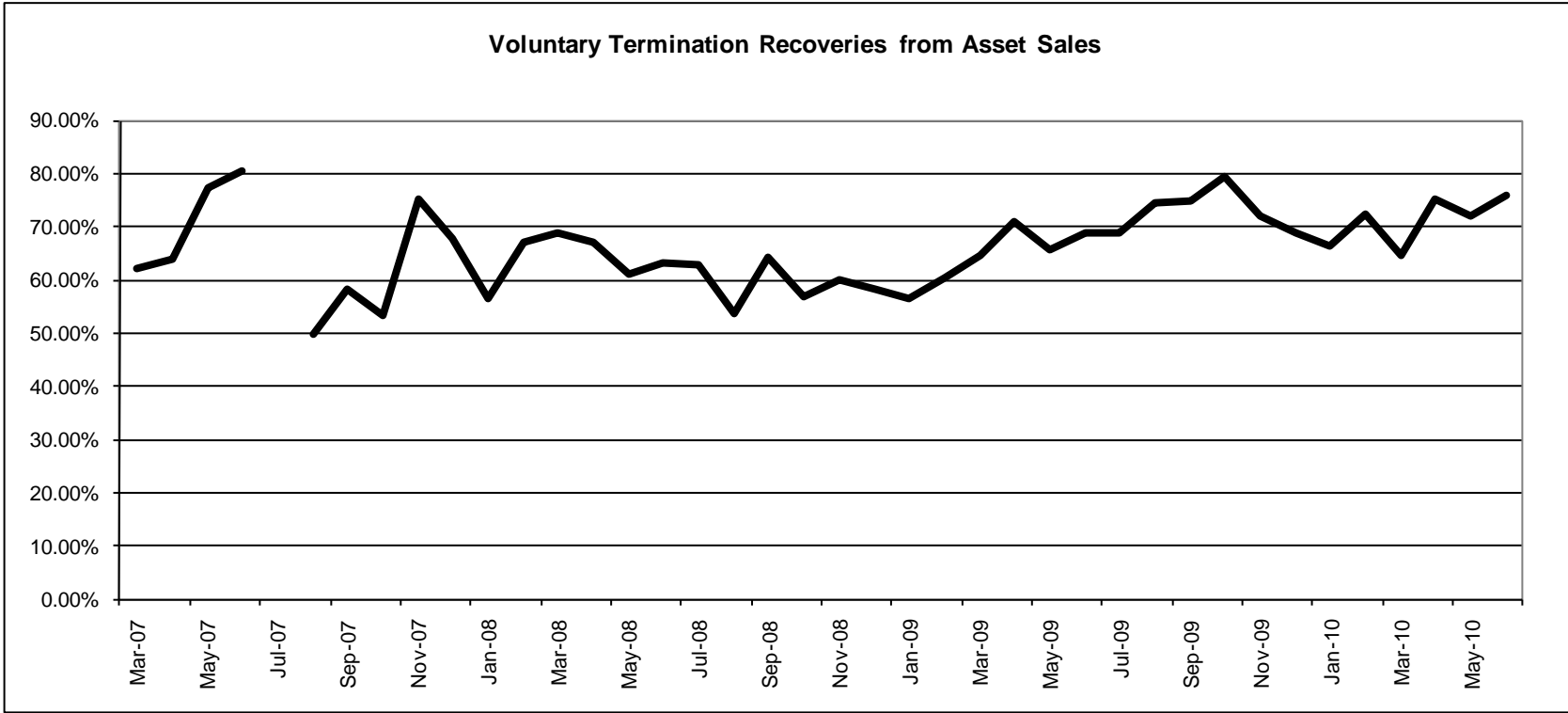
Recoveries

Vintage Gross Recoveries - Overall



Voluntary Termination





CREDIT AND COLLECTION POLICY

The following is a description of the Credit and Collection Policy which must be complied with in respect to the origination and servicing of the Purchased Receivables and the Related Collateral.

I. Credit Policies

Scoring Module

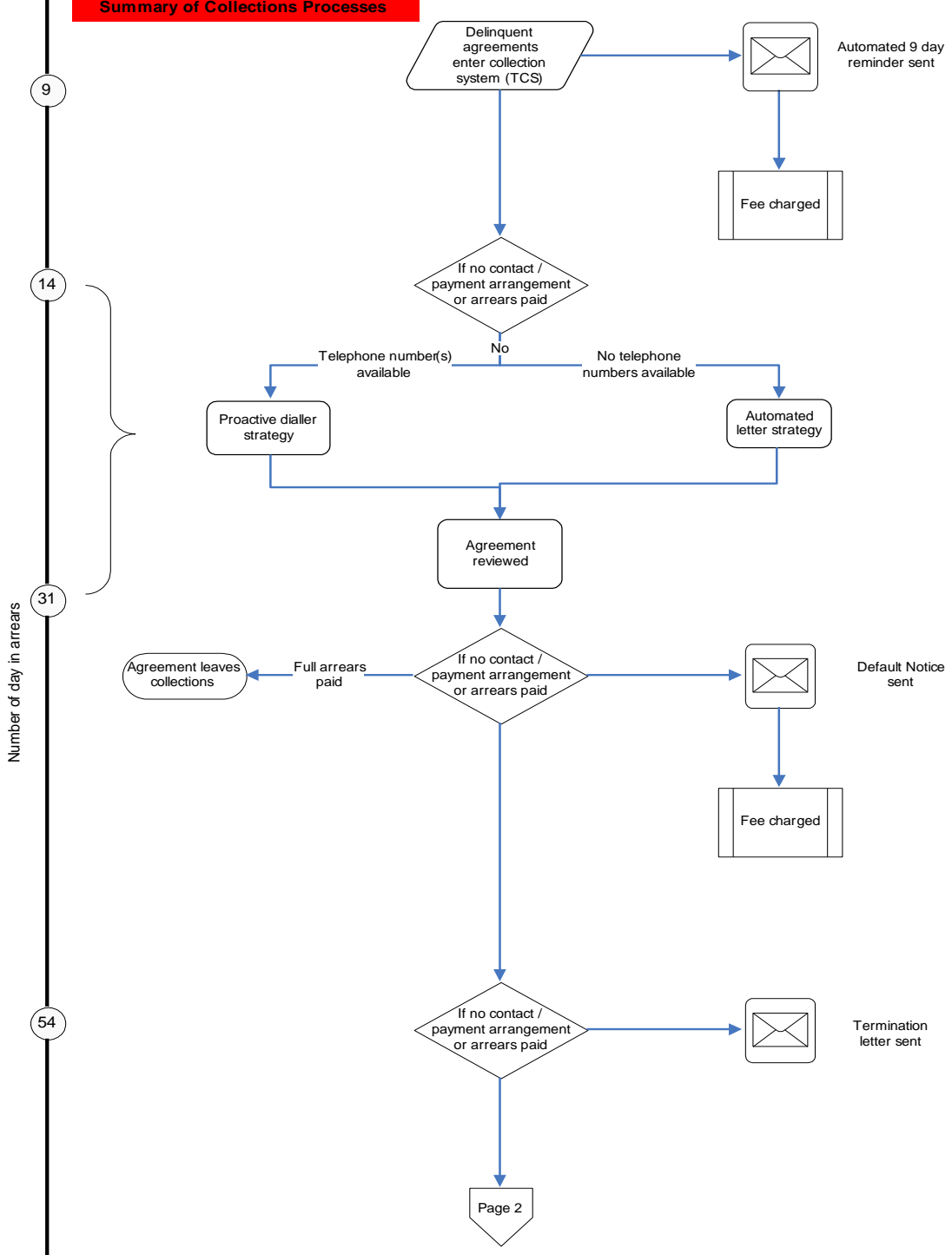
SC UK's scorecard evolves in reaction to business strategy and macro economic events. SC UK benefits from using a specialist 'Decision Sciences' unit at Santander Group level to assist in internal development of the card. Recent changes have taken into effect the integration of the GE Money business, and future changes will seek to reflect the strategy of writing more new, manufacturer based business, and will also benefit from increasingly sophisticated Credit Reference Agency data. The scorecard utilises data from Experian Limited, which provides additional background into a customer's credit history.

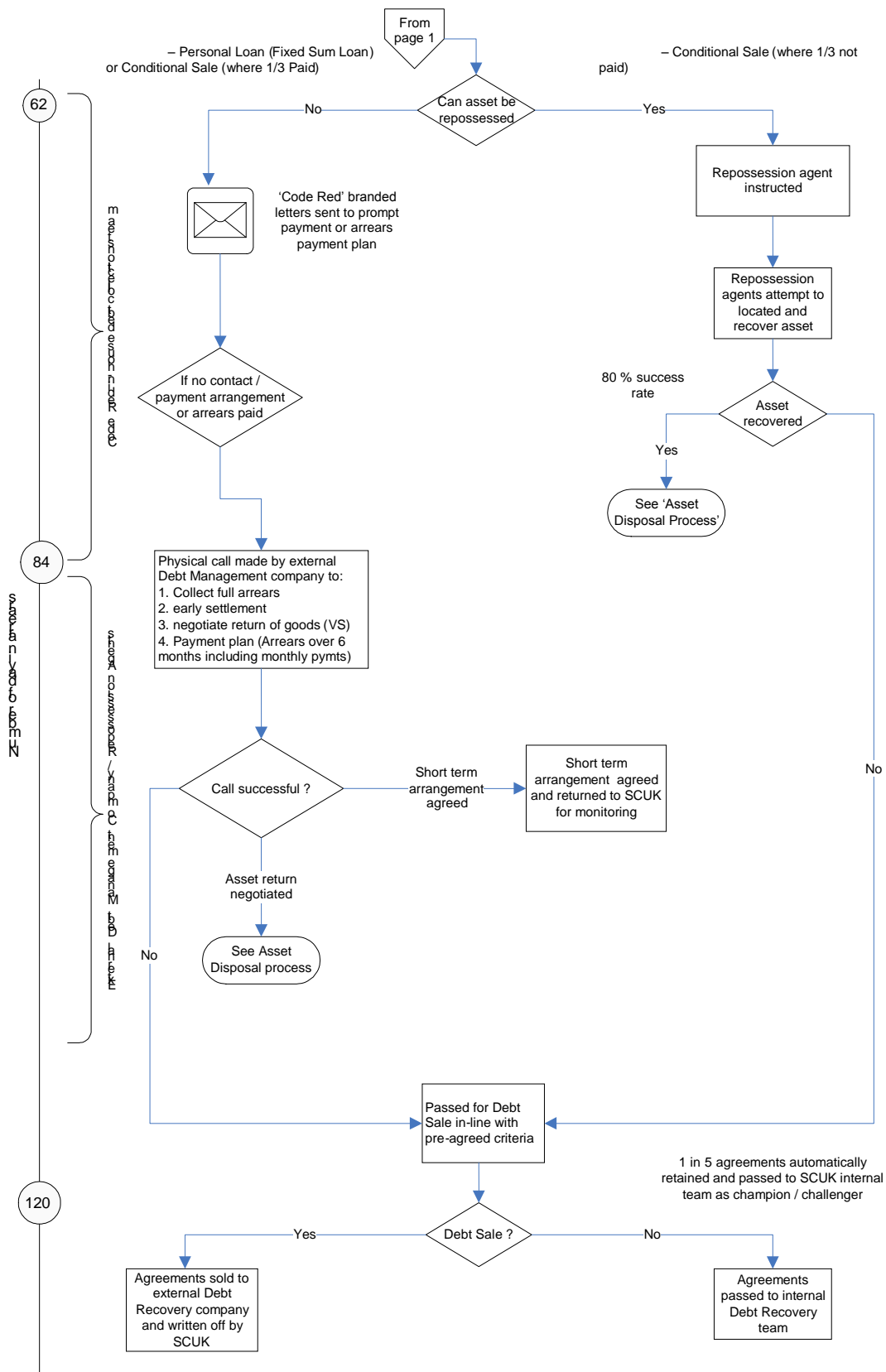
The scorecard sits within the 'Modellica' decision engine, accumulating 'points' for a proposal against particular customer characteristics. Characteristics such as length of time in employment and marital status are assessed and combine to create an overall score. In addition, information is taken from credit reference agencies to assess a customer's credit history. The risk professionals in SC UK and at Santander Consumer, S.A. assess what business sits above and below the number of points for a score and "accept" decision. The scorecard performance is monitored closely within the company, and reported on a monthly basis through the Risk and Pricing Committee.

II. Collection Policy

The collection of early stage default is undertaken in the collections department, whilst post 90 day default is handled by the recoveries specialists. Charge-offs are always applied to the entire agreement balance at the time of charge-off. Collections advisors are carefully trained to ensure there is a high level of kept promises as a result of contact with a customer in arrears: although call lengths are slightly longer, the quality of the calls makes this worthwhile. The diagram below shows the timescales within which the resolution process works, as well as the statutory and other contacts made with the customer. The capturing of contact information is a key objective at the start of this process.

**Santander Consumer (UK)
Summary of Collections Processes**





III. **Credit Recoveries Process**

Different recovery processes are used depending on the product type and the retention of title and security for the agreement.

1.1 **Loans**

Fixed-Sum Loan Agreements provide loans to finance the purchase of a Financed Vehicle by the Customer from a third party supplier. SC UK does not purchase the Financed Vehicle, or retain title to or any right to take possession of the Financed Vehicle under the credit agreement. The Customer can, however, by signing a Sales Agency Form, request that SC UK sells the Financed Vehicle on his behalf and credit the net sale proceeds to the Underlying Agreement.

If the Customer does not ask SC UK to collect and sell the Financed Vehicle on his behalf, SC UK undertakes normal collection activity to recover the debt. As soon as the agreement is 31 days in arrears, and no arrangement is in place to clear the arrears, a default notice is sent. Further attempts to resolve the arrears position are attempted but if nothing is arranged, SC UK terminates the agreement and passes it to the Debt Recovery Unit ("DRU").

Post termination, the DRU can consider passing the agreement to SC UK's authorised agents, to try to arrange payment of the arrears or surrender of the Financed Vehicle under a Sales Agency Form. If this is not possible, the agreement will be either sold as part of the Debt Sale agreement or written off to Recoveries to consider legal action for the unpaid balance.

1.2 **Conditional Sale Agreements and PCP Agreements**

Conditional Sale Agreements and PCP Agreements provide finance for the supply of a Financed Vehicle by SC UK to the Customer. SC UK purchases the Financed Vehicle from the dealer before SC UK enters into the Underlying Agreement, and retains title to and a right to take possession of the Financed Vehicle under the Underlying Agreement, subject to the rights of the Customer.

When an agreement is 31 days in arrears, unless an arrangement is in place with the Customer to pay the arrears, a default notice is sent on regulated agreements. If there is no response to these letters, a termination letter is sent. If the agreement is under one third paid, it is passed to the DRU for repossession activity, and if it is at least one third paid, it is passed to the DRU to pursue the Customer for the return of the Financed Vehicle, if appropriate, or for the balance outstanding if the Financed Vehicle is not worth pursuing.

Prior to legal action, agreements are passed to SC UK's authorised agents to physically call at the Customer's address to attempt to obtain a surrender of the Financed Vehicle, or payment of the arrears, provided the balance is over £500. If the balance is under £500, SC UK can instruct agents to attempt to collect via phone and letter.

1.3 **Voluntary Terminations (VTs)**

In the case of regulated Conditional Sale Agreements and PCP Agreements, the Customer has a statutory right to terminate the Underlying Agreement at any time by written notice, provided that the Underlying Agreement has not been terminated by SC UK or by payment in full or otherwise. The amount payable by the Customer on voluntary termination is limited by statute to paying or having paid at least one-half of the total amount payable for the Financed Vehicle, plus any arrears and damages for breach.

On receipt of the Customer's written notice of voluntary termination, strict procedures are in place to ensure that the Financed Vehicle is collected as quickly as possible, and the Customer is formally advised of any liability he has. SC UK's recovery agents are then instructed to collect the Financed Vehicle and deliver it to its preferred Manheim Limited auction site for sale on its behalf. Once the net sale proceeds have been received, the agreement is reviewed, with any remaining balance being written off if the Customer has no further liability. If there is a liability under the Voluntary Termination, the agreement is either transferred for Debt Sale or pursued under normal Recoveries procedures.

Abandoned Financed Vehicles

In all cases of abandoned Financed Vehicles, SC UK will consider the benefits of collecting the Financed Vehicles and which letters and statutory notices SC UK needs to send to the Customer. SC UK will always try to recover any fees it has paid to collect the Financed Vehicles, including agents' fees.

Specialist Categories

Accounts can fall into specialist categories, which may need action even when they are up to date. They are managed differently from straightforward arrears cases and are dealt with by the DRU.

Deceased Customers

Special procedures are in place when a customer has died, allowing the personal representative(s) of the estate three options:

- To informally take over the payments and keep the agreement up to date;
- To settle the agreement in full (often from an insurance policy or sale of property); or
- To return the Financed Vehicles to SC UK. In this case SC UK would pursue the estate of the deceased, if worthwhile, for any shortfall.

Insurance Claims (CPI)

Some of SC UK's customers take out Credit Protection Insurance ("**CPI**"), which covers certain payments under the Underlying Agreement, in full or in part, in the cases of unemployment, sickness, critical illness or death, or a combination of more than one of these criteria. Customers must keep their agreements up to date pending such a claim, and SC UK can contact the insurers to track the progress of the claim.

Write off Insurance

In certain cases, where the Financed Vehicle is subject to a write-off (guaranteed asset protection) insurance claim, it may, as a result of the circumstances surrounding the basis for such claim have little value, but SC UK expects that the insurance monies will be sufficient to discharge all or a portion of the amount required to settle the agreement or to provide a replacement vehicle, and on Conditional Sale Agreements and PCP Agreements SC UK advises the insurers of its interest. Customers must keep their agreements up to date pending any insurance pay out.

Conversions

Where the Customer has sold the Financed Vehicle to a third party without settling the Underlying Agreement and without SC UK's permission, SC UK has to determine whether the current keeper acquired title to the Financed Vehicle by law or not. If he did, SC UK loses title and can only pursue the Customer for the amount required to settle the agreement, but if the current keeper knew of SC UK's interest, SC UK will attempt repossession from him, with a court order or decree if necessary. If the current keeper validly purchased the Financed Vehicle from a dealer in the motor trade, it is possible that SC UK may have a claim against that dealer for the amount required to settle the agreement, or the value of the Financed Vehicle, whichever is the lesser.

Insolvencies

In the case of Conditional Sale Agreements and PCP Agreements, as soon as a Customer is declared insolvent or bankrupt, or a meeting of creditors is called, SC UK may terminate the Underlying Agreement. If the Official Receiver or, in Scotland, the Accountant in Bankruptcy or trustee in sequestration (as applicable) confirms to SC UK that he does not wish to adopt the Underlying Agreement, SC UK will attempt to recover the Financed Vehicle immediately. Once the Financed Vehicle is recovered and the net sale proceeds received, the remaining balance is written off and a claim lodged with the Official Receiver (or, in Scotland, the Accountant in Bankruptcy or trustee in sequestration, as applicable) accordingly in the hope of a dividend when the insolvency process is completed.

Missing Customers

When mail sent to a Customer address SC UK has on file is returned as undeliverable, or SC UK is advised by other means that its Customer is missing, it endeavours to trace the Customer's new address. Basic tracing attempts can be made in-house and then external tracing agents are used. A registration enquiry on the vehicle can often provide the new address.

THE ISSUER

Introduction

The Issuer was incorporated and registered in England and Wales under the Companies Act 2006 with limited liability as a public limited company on 12 July 2010 under registered number 7312004 in the name of Sunshinemist plc. The Issuer changed its name to Cider Finance 2010-1 PLC on 16 November, 2010 and to Motor 2011 PLC on 4 February 2011. The issued share capital of the Issuer comprises 50,000 ordinary shares of £1 each, of which 49,998 shares are partly paid to £0.25 each and two of which are fully paid and all are held by Motor 2011 Holdings Limited ("**Holdings**"). The entire issued share capital of Holdings is held by the Share Trustee under the terms of a share trust deed dated 21 March 2011 (the "**Share Declaration of Trust**") for charitable purposes.

The Issuer was established as a special purpose vehicle for the purposes of issuing the Notes. The Issuer has no subsidiaries. The Seller does not own directly or indirectly any of the share capital of Holdings or the Issuer.

The Issuer has not engaged, since its incorporation, in any material activities nor commenced operations other than those incidental to its registration as a public company under the Companies Act 2006 (as amended) and to the proposed issue of the Notes and the authorisation of the other Transaction Documents referred to in this Prospectus to which it is or will be a party and other matters which are incidental or ancillary to the foregoing. The Issuer has no employees.

As at the date of this Prospectus, no statutory accounts have been prepared or delivered to the Registrar of Companies on behalf of the Issuer. The accounting reference date of the Issuer is 31 December and the first statutory accounts of the Issuer will be drawn up to 31 December 2011.

Under the Corporate Administration Agreement, the Corporate Administrator will provide to the Issuer certain directors and other corporate services for the Issuer in consideration for the payment of an annual fee to the Corporate Administrator.

Directors

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

Name	Address	Principal Activity
Beejadhursingh Mahen Surnam	64 Langley Park Road, Iver, Buckinghamshire, SL0 9QS	Accountant
Nick Bland	122 Wellmeadow Road, London, SE6 1HP	Accountant

The Secretary of the Issuer is Jodie Osborne. Beejadhursingh Mahen Surnam and Nick Bland also act as directors of special purpose vehicles other than the Issuer.

The registered office of the Issuer is at Winchester House, Mailstop 428, 1 Great Winchester Street, London, EC2N 2DB, telephone number +44 20 7547 0253 facsimile number +44 20 7547 6732.

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

Name	Address	Principal Activity
Beejadhursingh Mahen Surnam	64 Langley Park Road, Iver, Buckinghamshire, SL0 9QS	Accountant
Nick Bland	122 Wellmeadow Road, London, SE6 1HP	Accountant

The company secretary of Holdings is Jodie Osborne.

CAPITALISATION AND INDEBTEDNESS STATEMENT

The following table shows the capitalisation and indebtedness of the Issuer as at the date of this document, adjusted for the issue of the Notes and the drawings under the Subordinated Loan:

Share Capital	£
<i>Authorised</i>	50,000
50,000 Ordinary Shares of £1 each.....	
<i>Issued</i>	
50,000 Ordinary Shares of £1 each,	12,501.50
2 of which are fully paid up and	
49,998 of which are one quarter paid up	
Borrowings	
<i>Class A1 Notes</i>	499,846,000
<i>Class A2 Notes</i>	480,000,000
<i>Class B Notes</i>	304,356,426
<i>Subordinated Loan</i>	42,026,073

The borrowings disclosed above are secured, but not guaranteed, and the Issuer has no other borrowings, whether secured or unsecured or guaranteed or unguaranteed.

As at the date hereof, save as disclosed above, the Issuer has no loan capital outstanding or created but unissued, no term loans outstanding and no other borrowings or indebtedness in the nature of borrowing nor any contingent liabilities or guarantees.

The current financial period of the Issuer will end on 31 December 2011.

THE SELLER AND THE SERVICER

Santander Consumer (UK) plc ("**SC UK**") is incorporated in England and Wales and commenced trading on 1 August 2005. It is a wholly owned subsidiary of Santander UK plc, which is in turn a wholly owned subsidiary of Banco Santander S.A.. SC UK is the second largest independent provider of motor vehicle point of sale finance within the UK.

Banco Santander S.A. is one of the largest banks in the world by market capitalisation; it has approximately 14,000 branches - more than any other international bank, 90 million customers and over 170,000 employees.

SC UK provides motor finance throughout the UK, mainly through intermediary relationships with car dealerships and selected dealer brokers. Although primarily an independent provider of motor finance, it also has relationships with Mazda, Volvo and Kia to act as their preferred finance provider, as well as providing financial management services to the Fiat Group Automotive UK Limited.

SC UK competes with both manufacturer linked and other independent providers of finance in the UK.

THE TRUSTEE

The Trustee is Deutsche Trustee Company Limited.

Deutsche Trustee Company Limited ("**DTCL**") is an English investment management firm registered under company number 338230 and regulated by the Financial Services Authority. DTCL is a Trust Corporation and acts as trustee for Eurobond issues, other forms of complex financing structures and loan capital issues and as agent for the service of process. DTCL has an authorised share capital of £5,150,000 and is wholly owned by its ultimate parent Deutsche Bank AG.

THE ACCOUNT BANK, THE PRINCIPAL PAYING AGENT, THE AGENT BANK, THE CALCULATION AGENT AND THE CASH ADMINISTRATOR

Deutsche Bank Aktiengesellschaft ("**Deutsche Bank**" or the "**Bank**") originated from the combination of Norddeutsche Bank Aktiengesellschaft, Hamburg, Rheinisch-Westfälische Bank Aktiengesellschaft, Duesseldorf and Süddeutsche Bank Aktiengesellschaft, Munich; pursuant to the Law on the Regional Scope of Credit Institutions, these had been disincorporated in 1952 from Deutsche Bank which was founded in 1870. The merger and the name were entered in the Commercial Register of the District Court Frankfurt am Main on 2 May 1957. Deutsche Bank is a banking institution and a stock corporation incorporated under the laws of Germany under registration number HRB 30000. The Bank has its registered office in Frankfurt am Main, Germany. It maintains its head office at Theodor-Heuss-Allee 70, 60486 Frankfurt am Main and branch offices in Germany and abroad including in London, New York, Sydney, Tokyo and an Asia-Pacific Head Office in Singapore, each of which serve as a hub for its operations in the respective regions.

The Bank is the parent company of a group consisting of banks, capital market companies, fund management companies, a real estate finance company, instalment financing companies, research and consultancy companies and other domestic and foreign companies.

Deutsche Bank AG, London Branch is the London branch of Deutsche Bank AG.

On 12 January 1973, Deutsche Bank AG filed in the United Kingdom the documents required pursuant to section 407 of the Companies Act 1948 to establish a place of business within Great Britain. On 14 January 1993, Deutsche Bank registered under Schedule 21A to the Companies Act 1985 as having established a branch (Registration No. BR000005) in England and Wales. Deutsche Bank AG, London Branch is an authorised person for the purposes of section 19 of the Financial Services and Markets Act 2000. In the United Kingdom, it conducts wholesale banking business and through its Private Wealth Management division, it provides holistic wealth management advice and integrated financial solutions for wealthy individuals, their families and selected institutions.

As of 31 December 2010, Deutsche Bank's issued share capital amounted to EUR 2,379,519,078.40 consisting of 929,499,640 ordinary shares without par value. The shares are fully paid up and in registered form. The shares are listed for trading and official quotation on all German Stock Exchanges. They are also listed on the New York Stock Exchange.

The consolidated financial statements for the fiscal years starting 1 January 2007 are prepared in compliance with International Financial Reporting Standards ("**IFRS**"). As of 30 September 2010, Deutsche Bank Group had total assets of EUR 1,957,748 million, total liabilities of EUR 1,918,209 million and total equity of EUR 39,539 million on the basis of IFRS (unaudited).

Deutsche Bank's long-term senior debt has been assigned a rating of A+ (outlook stable) by Standard & Poor's, a division of the McGraw-Hill Companies, Aa3 (outlook stable) by Moody's and AA- (outlook negative) by Fitch.

The foregoing information regarding Deutsche Bank AG, London Branch under the heading "*THE ACCOUNT BANK, THE PRINCIPAL PAYING AGENT, THE AGENT BANK, THE CALCULATION AGENT AND THE CASH ADMINISTRATOR*" has been provided by Deutsche Bank AG, London Branch and the Issuer assumes no responsibility therefor.

THE REGISTRAR

The Registrar is Deutsche Bank Luxembourg S.A.

Deutsche Bank Luxembourg S.A. is a public limited liability company incorporated under the laws of Luxembourg, registered with the Register of Commerce and Companies in Luxembourg under number B 9164, whose registered office is at 2, Boulevard Konrad Adenauer, L-1115 Luxembourg.

The foregoing information regarding Deutsche Bank Luxembourg S.A. under the heading "*THE REGISTRAR*" has been provided by Deutsche Bank Luxembourg S.A. and the Issuer assumes no responsibility therefor.

THE CORPORATE ADMINISTRATOR

Pursuant to the Corporate Administration Agreement, Deutsche Bank AG, London Branch will act as corporate administrator in respect of the Issuer.

Deutsche Bank AG, London Branch has its offices at Winchester House, Mailstop 428, 1 Great Winchester Street, London, EC2N 2DB.

The foregoing information regarding the Corporate Administrator under the heading "*THE CORPORATE ADMINISTRATOR*" has been provided by Deutsche Bank AG, London Branch and the Issuer assumes no responsibility therefor.

THE BASIS RATE SWAP COUNTERPARTY AND THE LIQUIDITY FACILITY PROVIDER

Banco Santander, S.A. is the parent bank of Grupo Santander. It was established on 21 March 1857 and incorporated in its present form by a public deed executed in Santander, Spain, on 14 January 1875. Grupo Santander is a financial group operating principally in Spain, the United Kingdom, Portugal, other European countries, Brazil and other Latin American countries and the United States, offering a wide range of financial products.

On 31 December 2010 Grupo Santander was the 12th largest banking group in the world by market capitalisation and the largest banking group in the euro zone with a stock market capitalisation at that date of EUR66,000 million. Santander had 3,202,324 shareholders at the close of 2010. It has approximately 14,000 branches, 90 million customers and over 170,000 employees, making Santander the international financial group with the most shareholders and the largest branch network.

Santander UK plc, a wholly owned subsidiary of Banco Santander, S.A., is a significant financial services provider in the United Kingdom, following the addition of Alliance & Leicester plc and Bradford and Bingley plc's retail deposits, branch network and its related employees in 2008. It also provides a wide range of retail savings accounts, and operates across the full range of personal financial services.

On 31 December 2010 Grupo Santander had a majority shareholding in banks based in Argentina, Brazil, Chile, Colombia, Mexico, Puerto Rico and Uruguay. Grupo Santander's significant position in Latin America is attributable to its financial strength, high degree of diversification (by countries, businesses, products, etc.), breadth and depth of its franchise.

The foregoing information regarding Banco Santander, S.A. under the heading "*THE BASIS RATE SWAP COUNTERPARTY AND THE LIQUIDITY FACILITY PROVIDER*" has been provided by Banco Santander, S.A. and the Issuer assumes no responsibility therefor.

USE OF PROCEEDS

The gross proceeds of the issue of the Notes are expected to amount to £1,284,202,426 and will be used to (i) finance the purchase by the Issuer of the Portfolio under the Receivables Sale Agreement and (ii) to fund certain expenses relating to the issue of the Notes by the Issuer.

Amounts drawn under the Subordinated Loan will be applied towards funding the Required Reserve Amount which will be deposited in the Sterling Account and utilised as the Reserve Fund as described in the section entitled "*Credit Structure – Reserve Fund*".

THE ISSUER ACCOUNTS

The Issuer will maintain the Issuer Accounts in connection with the Transaction Documents 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 Accounts will comprise a sterling denominated Collection Account and a sterling denominated Sterling Account. The Sterling Account will be kept as a current account at the Account Bank, Deutsche Bank AG, London Branch (or any other person appointed as Account Bank), and the Collection Account will be kept as a current account at the Collection Account Bank, Santander UK plc, each in accordance with the Account Bank Agreement, the Cash Administration Agreement and the Deed of Charge.

The Issuer will procure that the proceeds of the issue of the Notes to fund the purchase of the Purchased Receivables and Related Collateral will, on receipt, be deposited into the Sterling Account. The Issuer will procure payment of the Purchase Price out of the Sterling Account on the Closing Date.

Pursuant to the Deed of Charge, all claims of the Issuer in respect of the Issuer Accounts have been transferred for security purposes to the Trustee. Under the Deed of Charge, the Issuer is entitled to administer the Issuer Accounts in accordance with the Cash Administration Agreement to the extent that all obligations of the Issuer are fulfilled in accordance with the Pre-Enforcement Priority of Payments, Condition 7.7 (*Pre-Enforcement Priority of Payments*) of the Terms and Conditions and the requirements of the Deed of Charge. The Trustee may revoke the authority granted to the Issuer and take any necessary action with respect to the Issuer Accounts if, in the opinion of the Trustee, this is necessary to protect the security granted pursuant to the Deed of Charge, including funds credited to the Issuer Accounts.

In addition, the Trustee will have the right to receive periodic account statements of the Issuer Accounts and may intervene in such instructions in certain circumstances as provided for in the Deed of Charge. See "*THE MAIN PROVISIONS OF THE DEED OF CHARGE*".

Following the delivery of an Enforcement Notice, the Issuer Accounts will be directly administered solely by the Trustee in accordance with the Deed of Charge.

Account Bank Agreement

Pursuant to the Account Bank Agreement entered into between the Issuer, the Seller, the Cash Administrator, the Collection Account Bank, the Trustee and the Account Bank in relation to the Issuer Accounts, the Collection Account has been opened with the Collection Account Bank and the Sterling Account has been opened with the Account Bank on or prior to the Purchase Date. The Collection Account Bank and the Account Bank will comply with any written direction of the Issuer (or of the Cash Administrator on its behalf) to effect a payment by debit from the Collection Account and the Sterling Account, respectively if such direction is in writing and complies with the relevant account arrangements between the Issuer, the Collection Account Bank and the Account Bank and is permitted under the Account Bank Agreement.

Any amount standing to the credit of the Issuer Accounts will bear interest as agreed between the relevant parties 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 Issuer Accounts in accordance with the Collection Account Bank's and the Account Bank's (as applicable) usual procedure for crediting interest to such accounts.

If at any time either the Account Bank's unsecured, unsubordinated, unguaranteed debt obligations are assigned a long term rating of less than either A2 in the case of Moody's, A in the case of Fitch, or BBB (high) in the case of DBRS, or such other rating as may be agreed with the Rating Agencies has not been maintained (or the Account Bank has been assigned a short term rating of less than, in the case of Moody's, P-1; in the case of Fitch, F1 and in the case of DBRS, R-1 (low), **provided that**, if the Account Bank's long term ratings have been placed on "Ratings Watch Negative" by Fitch, the Account Bank will be required to have a long term rating of at least A+ by Fitch), or such other rating as may be agreed with the Rating Agencies has not been maintained, or any such rating has been withdrawn by any of the Rating Agencies, the Cash Administrator (on behalf of the Issuer) (with the consent of the Trustee) will be required, within 30 calendar days after the Account Bank Downgrade, to transfer any amounts credited to

the Sterling Account, at no cost to the Issuer or the Trustee, to an alternative bank with at least the Required Rating.

If at any time either (i) the short-term unsecured, unsubordinated and unguaranteed debt obligations or the long-term, unsecured and unguaranteed debt obligations of the Collection Account Bank are assigned a rating of less than the Required Rating or (ii) such debt obligations are no longer rated by either of the Rating Agencies, **provided that**, if the Collection Account Bank's long-term unsecured and unguaranteed ratings have been placed on "Ratings Watch Negative" by Fitch, the Collection Account Bank will be required to have long-term unsecured and unguaranteed ratings of at least A+ by Fitch, the Cash Administrator (on behalf of the Issuer) (with the consent of the Trustee) will be required, within 30 calendar days after the Collection Account Bank Downgrade, to transfer any amounts credited to the Collection Account (including, for the avoidance of doubt, the Reserve Ledger), at no cost to the Issuer or the Trustee, to an alternative bank with at least the Required Rating.

TAXATION

Taxation in the United Kingdom

The following discussion is a summary of the United Kingdom withholding tax treatment as at the date hereof of the principal and interest paid in respect of the Notes (together with certain European Union withholding information reporting requirements). It does not deal with other United Kingdom tax consequences of acquiring, holding or disposing of the Notes. It describes consequences for persons who are absolute beneficial owners of the Notes based on law and practice as at the date of this Prospectus. The discussion is only a summary. It is a general guide and should be treated with appropriate caution. It is not intended as tax advice, and it does not describe all of the tax considerations that may be relevant to a prospective purchaser.

EACH PROSPECTIVE PURCHASER IS URGED TO CONSULT ITS OWN TAX ADVISER ABOUT THE TAX CONSEQUENCES UNDER ITS CIRCUMSTANCES OF PURCHASING, HOLDING AND SELLING THE NOTES UNDER THE LAWS OF THE UNITED KINGDOM, ITS POLITICAL SUBDIVISIONS AND ANY OTHER JURISDICTIONS WHERE THE PROSPECTIVE PURCHASER MAY BE SUBJECT TO TAX.

United Kingdom Taxation

(i) *Withholding Tax*

The Notes will constitute "quoted Eurobonds" within the meaning of section 987 of the Income Tax Act 2007 (the "**Income Tax Act**") provided they carry a right to interest and are and continue to be listed on a "recognised stock exchange" within the meaning of section 1005 of the Income Tax Act. Securities will be treated as listed on a recognised stock exchange if (and only if) they are admitted to trading on an exchange and either they are included in the United Kingdom official list (within the meaning of Part 6 of the Financial Services and Markets Act 2000) or they are officially listed, in accordance with provisions corresponding to those generally applicable in European Economic Area states, in a country outside the United Kingdom in which there is a recognised stock exchange. The Irish Stock Exchange is a recognised stock exchange for these purposes. Whilst the Notes are and continue to be listed as mentioned above, payments of interest on the Notes may be made without withholding or deduction for or on account of United Kingdom income tax.

Interest on the Notes may also be paid without withholding or deduction on account of United Kingdom tax where interest on such Notes is paid by a company and, at the time the payment is made, the Issuer reasonably believes (and any person by or through whom interest on such Notes is paid reasonably believes) that the beneficial owner is within the charge to United Kingdom corporation tax as regards the payment of interest, provided that HM Revenue and Customs has not given a direction (in circumstances where it has reasonable grounds to believe that it is likely that the above exemption is not available in respect of such payment of interest at the time the payment is made) that the interest should be paid under deduction of tax.

In all other cases an amount must be withheld on account of United Kingdom income tax at the basic rate (currently 20 per cent.), subject to any direction to the contrary by HM Revenue and Customs under an applicable double taxation treaty or to any other exemption which may apply.

Other Rules Relating to United Kingdom Withholding Tax

Where interest has been paid under deduction of United Kingdom income tax, Noteholders who are not resident in the United Kingdom may be able to recover all or part of the tax deducted if there is an appropriate provision in any applicable double taxation treaty.

The references to "interest" and "principal" in this summary of the United Kingdom withholding tax position mean "interest" and "principal" as understood in United Kingdom tax law. The statements in this summary do not take any account of any different definitions of "interest" or "principal" which may prevail under any other law or which may be created by the terms and conditions of the Notes or any related documentation.

Substitution of another corporate entity in place of the Issuer as principal debtor on the Notes (as described in "*Condition 11 – Substitution of the Issuer*") may give rise to different withholding tax consequences to those described above.

(ii) ***Provision of Information***

Noteholders who are individuals should note that where any interest on Notes is paid to them (or to any person acting on their behalf) by the Issuer or any person in the United Kingdom acting on behalf of the Issuer (a "**Payment Agent**") or is received by any person in the United Kingdom acting on behalf of the relevant Noteholder (other than solely by clearing or arranging the clearing of a cheque) (a "**Collecting Agent**"), then the Issuer, the Payment Agent or the Collecting Agent (as the case may be) may, in certain cases, be required to supply to HM Revenue and Customs details of the payment and certain details relating to the Noteholder (including the Noteholder's name and address). These provisions will apply whether or not the interest has been paid subject to withholding or deduction for or on account of United Kingdom income tax and whether or not the Noteholder is resident in the United Kingdom for United Kingdom taxation purposes. In certain circumstances, the details provided to HM Revenue and Customs may be passed by HM Revenue and Customs to the tax authorities of certain other jurisdictions.

EU Savings Directive

Under EC Council Directive 2003/48/EC on the taxation of savings income, 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, Belgium and Luxembourg may instead apply a withholding system in relation to such payments, deducting tax at rates rising over time to 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. Belgium has replaced this withholding tax with a regime of exchange of information to the Member States of residence as from 1 January 2010.

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 their respective jurisdictions 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 Commission has proposed certain amendments to the EU Savings Directive, which may, if implemented, amend or broaden the scope of the requirements described above. Investors who are in any doubt as to their position should consult their professional advisers.

SUBSCRIPTION AND SALE

Subscription of the Notes

Pursuant to the Subscription Agreement, each of the Lead Managers has agreed, subject to certain conditions, to subscribe, or to procure subscriptions for, all or a portion of the Notes. The Issuer has agreed to reimburse the Lead Managers for certain of their expenses in connection with the issue of the 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 Lead Managers to terminate their obligations thereunder in certain circumstances prior to payment of the purchase price of the Notes. The Issuer has agreed to indemnify the Lead Managers against certain liabilities in connection with the offer and sale of the Notes.

Selling Restrictions

United States of America and its Territories

The 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 of the Lead Managers has represented and agreed that it has not offered and sold the Notes, and will not offer and 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. Neither the Lead Managers, their respective affiliates nor any persons acting on its or their behalf have engaged or will engage in any directed selling efforts with respect to the 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 Notes, it 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 Securities as determined and certified by the Lead 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 paragraphs above have the meaning given to them by Regulation S under the Securities Act.

United Kingdom

Each of the Lead Managers 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 FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and
- (b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

As used herein, "**United Kingdom**" means the United Kingdom of Great Britain and Northern Ireland.

General

All applicable laws and regulations must be observed in any jurisdiction in which Notes may be offered, sold or delivered. Each of the Lead Managers has agreed that it will not offer, sell or deliver any of the Notes, directly or indirectly, or distribute this Prospectus or any other offering material relating to the Notes, in or from any jurisdiction except under circumstances that will to the best knowledge and belief of the Lead Managers 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.

GENERAL INFORMATION

Subject of this Prospectus

This Prospectus relates to GBP 1,284,202,426 aggregate principal amount of Notes issued by the Issuer.

Authorisation

The issue of the Notes was authorised by a resolution of the board of directors of the Issuer passed on 18 April 2011.

Litigation

The Issuer is not, and has not been since its incorporation been engaged in any governmental, litigation or arbitration proceedings which may have or have had during such period a significant effect on its financial position, and, as far as the Issuer is aware, no such governmental, litigation or arbitration proceedings are pending or threatened, respectively.

Payment Information

In connection with the Notes, the Issuer will procure the notification to the Irish Stock Exchange of the Interest Amounts, the Interest Periods and the Interest Rates and, if relevant, the payments of principal on each Class of Notes, in each case in the manner described in the Terms and Conditions.

Payments and transfers of the Class A1 Notes will be settled through Clearstream Luxembourg and Euroclear, as described herein. The Class A1 Notes have been accepted for clearing by Clearstream Luxembourg and Euroclear.

All notices regarding the Notes will either 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 Trustee shall approve having a general circulation in Dublin or, if the rules of the Irish Stock Exchange so permit, by delivery to the applicable clearing systems of the relevant notice for communication to the 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. Application has been made to the Irish Stock Exchange for the Notes to be admitted to the Official List and trading on its regulated market as defined in 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 Deutsche Bank Luxembourg S.A. 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 of Ireland, the Prospectus will be filed with the Companies Registration Office within 14 days in accordance with Regulation 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.

Publication of Documents

This Prospectus will be made available to the public by publication in electronic form on the website of the Central Bank of Ireland (www.centralbank.ie).

Availability of Documents

From the date hereof as long as the Prospectus is valid and as long as the Notes remain outstanding and, as long as the Notes are listed on the Official List and traded on the regulated market of the Irish Stock Exchange, 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 Terms and Conditions;
- (e) this Prospectus and all Transaction Documents referred to in this Prospectus;
- (f) annual financial statements of the Seller for the years ended 2008 and 2009.

Post-issuance Reporting

Following the Closing Date, the Principal Paying Agent will provide the Issuer, the Corporate Administrator, the Trustee and, on behalf of the Issuer, by means of notification in accordance with Condition 13 (*Form of Notices*) of the Terms and Conditions of the Notes, 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 Paying Agency Agreement and the Terms and Conditions of the Notes:

- (i) with respect to each Payment Date, the Interest Amount pursuant to Condition 6.1 (*Interest Calculation*) of the Terms and Conditions of the Notes;
- (ii) with respect to each Payment Date, the amount of Interest Shortfall pursuant to Condition 6.5 (*Interest Shortfall*) of the Terms and Conditions of the Notes, if any;
- (iii) with respect to each Payment Date, the amount of principal on each Class A Note and each Class B Note pursuant to Condition 7 (*Redemption*) of the Terms and Conditions of the Notes to be paid on such Payment Date;
- (iv) with respect to each Payment Date, the Aggregate Note Principal Amount Outstanding of each Class A Note and each Class B Note; and
- (v) in the event the payments to be made on a Payment Date constitute the final payment with respect to the Notes pursuant to Condition 7.3 (*Legal Maturity Date*) of the Terms and Conditions of the Notes, the fact that such is the final payment.

In each case, such notification shall be made by the Principal Paying Agent on the LIBOR Determination Date preceding the relevant Payment Date.

Clearing Codes

Class A1 Notes

ISIN: XS0605545952

Common Code: 060554595

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