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**Confirmation of your representation:** The attached document is delivered to you at your request and on the basis that you have confirmed to Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A., trading as Rabobank International and HSBC Bank plc (the "**Managers**"), HIGHWAY 2012-I B.V. (the "**Issuer**") and Athlon Car Lease Nederland B.V. (the "**Seller**") that (i) you are located outside the United States; and (ii) if you are in the UK, you are a relevant person; (iii) if you are in any member state of the EEA other than the UK, you are a Qualified Investor; (iv) if you are acting a financial intermediary (as that term is used in Article 3(2) of the Prospectus Directive), the securities acquired by you as a financial intermediary in the offer have not been acquired on a non-discretionary basis on behalf of, nor have they been acquired with a view to their offer or resale to, any person in circumstances which may give rise to an offer of any securities to the public other than their offer or resale in any member state of the EEA which has implemented the Prospectus Directive to Qualified Investors (as defined in the Prospectus Directive); (v) you are outside of the UK or EEA (and the electronic mail addresses that you gave us and to which this document has been delivered are not located in such jurisdictions) or (vi) you are a person into whose possession this document may lawfully be delivered in accordance with the laws of the jurisdiction in which you are located.

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The Managers are acting exclusively for the Issuer and the Seller and no one else in connection with the offer. It will not regard any other person (whether or not a recipient of this document) as its client in relation to the offer and will not be responsible to anyone other than the Issuer and the Seller for providing the protections afforded to its clients nor for giving advice in relation to the offer or any transaction or arrangement referred to herein.

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**PROSPECTUS DATED 10 MAY 2012**

**HIGHWAY 2012-I B.V.**
*(incorporated with limited liability in the Netherlands with its statutory seat in Amsterdam)*

**€ 450,000,000 Class A Floating Rate Notes due 2024**
**€ 242,400,000 Class B Floating Rate Notes due 2024**

Athlon Car Lease Nederland B.V. as Seller

Application has been made to list the EUR 450,000,000 Class A Floating Rate Notes due 2024 (the "**Class A Notes**") and the EUR 242,400,000 Class B Floating Rate Notes due 2024 (the "**Class B Notes**" and, together with the Class A Notes, the "**Notes**") on Euronext Amsterdam by NYSE Euronext ("**Euronext Amsterdam**"). The Notes are expected to be issued on or about 15 May 2012 or such other date as may be agreed between the Issuer and the Managers (the "**Closing Date**").

The Notes will carry floating rates of interest as set out below, payable monthly in arrear on each Payment Date. The ultimate source of funds for the payment of principal and interest on the Notes will be the right of the Issuer to receive (i) lease collections from a portfolio of car lease agreements between corporate lessees in the Netherlands and Athlon Car Lease Nederland B.V. ("**Athlon**") and (ii) vehicle realisation proceeds from the associated vehicles.

This prospectus (the "**Prospectus**") has been approved by the Dutch Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*) (the "**Financial Regulator**") and constitutes a prospectus for the purposes of Directive 2003/71/EC, as amended including by means of Directive 2010/73/EU and including any relevant implementing measure in each Relevant Member State (the "**Prospectus Directive**").

The Notes will be obligations of the Issuer only and will not be obligations or responsibilities of, or guaranteed by, any of the other parties to the transactions described in this Prospectus and any suggestion otherwise, express or implied, is expressly excluded.

The holders of the Notes (the "**Noteholders**") and the other Secured Creditors will benefit from the security provided to the Security Trustee in the form of a pledge over the Purchased Vehicles and the associated Lease Receivables and a pledge over substantially all of the assets of the Issuer in the manner as more fully described herein in the section entitled "*Description of Security*". The right to receive payment of interest and principal on the Class B Notes will be subordinated to the Class A Notes and may be limited as more fully described in the section entitled "*Terms and Conditions of the Notes*".

The Notes of each Class will be issued in new global note form, and will be initially represented, by a temporary global note in bearer form (each a "**Temporary Global Note**"), without interest coupons attached. Each Temporary Global Note will be exchangeable, as described herein, for a permanent global note in bearer form which is recorded in the records of Euroclear Bank S.A./N.V. ("**Euroclear**") and Clearstream Banking, société anonyme ("**Clearstream, Luxembourg**") (each, a "**Permanent Global Note**" and, together with the Temporary Global Notes, the "**Global Notes**" and each, a "**Global Note**") without interest coupons attached, not earlier than 40 calendar days after the Closing Date (provided that certification of non-U.S. beneficial ownership has been received). The Global Notes will be deposited with a common safekeeper (the "**Common Safekeeper**"), for Euroclear and Clearstream, Luxembourg on or before the Closing Date. The Common Safekeeper will hold the Global Notes in custody for Euroclear and Clearstream, Luxembourg. The Notes, issued in new global note form and represented by the Global Notes may be transferred in book-entry form only. The Notes will be issued in denominations of EUR 100,000. Interests in each Permanent Global Note will, in certain limited circumstances, be exchangeable for Definitive Notes in bearer form as described in the Conditions. The Global Notes with respect to the Class B Notes will be held by a commercial safekeeper.

The Class A Notes are expected to receive a rating of Aaa (sf) by Moody's Investors Service Limited ("**Moody's**") and AAA (sf) rating by Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc. ("**S&P**"). The Class B Notes will not be assigned a rating. A credit rating is not a recommendation to buy, sell or hold securities and may be subject to suspension or withdrawal at any time by the assigning rating organisation.

The Class A Notes are intended to be held in a manner which will allow Eurosystem eligibility. This means that the Class A Notes are intended upon issue to be deposited with one of the International Central Securities Depositories (the "**ICSDs**") and/or Central Securities Depositories (the "**CSDs**") that fulfils the minimum standard established by the European Central Bank, as common safekeeper and does not necessarily mean that the Class A Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria. The Class B Notes are not intended to be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem.

**Article 122a of the Capital Requirements Directive**
The Seller has undertaken to retain a material net economic interest of not less than 5% in the securitisation in accordance with Article 122a of directive 2006/48/EC (as amended) (the "**Capital Requirements Directive**"). As at the Closing Date, such interest will consist of the Initial Subordinated Loan Advance and (part of) the Class B Notes, each of which, in accordance with Article 122a paragraph (1) sub d) of the Capital Requirements Directive, comprises a tranche having the same or a more severe risk profile than those sold to investors. The Seller has provided a corresponding undertaking to the Managers and the Issuer in the Subscription Agreement and to the Security Trustee in the Trust Deed to procure that the Seller will retain the required interest during the period wherein the Notes are outstanding. In addition to the information set out herein and forming part of this Prospectus, the Seller has undertaken to make available materially relevant data with a view to complying with Article 122a paragraph (7) of the Capital Requirements Directive, which can be obtained from the Seller upon request. After the Closing Date, the Issuer will prepare monthly investor reports wherein relevant information with regard to the Purchased Vehicles and associated Lease Receivables will be disclosed publicly together with an overview of the retainment of the material net economic interest by the Seller.

Each prospective investor is required to independently assess and determine the sufficiency of the information described above for the purposes of complying with Article 122a and none of the Issuer, the Seller, the Issuer Administrator or the Managers makes any representation that the information described above is sufficient in all circumstances for such purposes.

To the fullest extent permitted by law, neither the Arranger nor the Managers accept any responsibility for the contents of this Prospectus or for any statement or information contained in or consistent with this Prospectus. The Arranger and the Managers accordingly disclaim all and any liability whether arising in tort or contract or otherwise which it might otherwise have in respect of this Prospectus or any such statement or information.

**Given the complexity of the terms and conditions of the Notes, an investment in the Notes is suitable only for experienced and financially sophisticated investors who understand and are in a position to evaluate the merits and risks inherent thereto and who have sufficient resources to be able to bear any losses which may result from such investment.**

**For a discussion of the significant factors affecting investments in the Notes, see the section entitled "*Risk Factors*".**

| Notes | Initial Principal Amount | Interest Margin | Final Maturity Date | Issue Price |
|---|---|---|---|---|
| Class A Notes | € 450,000,000 | One month Euribor plus 1.10% p.a. | Payment Date falling in March 2024 | 100% |
| Class B Notes | € 242,400,000 | One month Euribor | Payment Date falling in March 2024 | 100% |

For the page reference of the definitions of capitalised terms used herein see Index of Defined Terms.

Arranger

**Rabobank International**

Managers (in respect of the Class A Notes)

**HSBC**

**Rabobank International**

**CONTENTS**

## TRANSACTION SUMMARY

*The following is a summary of the principal features of the transaction described in this Prospectus including the issue of the Notes. The information in this section does not purport to be complete. This summary should be read as an introduction to this Prospectus and any decision to invest in the Notes should be based on a consideration of this Prospectus as a whole, including any amendment and supplement thereto (if any) and the documents incorporated by reference. Where a claim relating to the information contained in this Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the Member State, have to bear the costs of translating this Prospectus before the legal proceedings are initiated. Civil liability attaches to the Issuer, being the entity which has prepared the summary, but only if the summary is misleading, inaccurate or inconsistent when read with other parts of this Prospectus.*

*Capitalised terms used, but not defined, in this section can be found elsewhere in this Prospectus via the Index of Defined Terms unless otherwise stated.*

### Risk Factors

There are certain factors which are material for the purpose of assessing the risks associated with an investment in the Notes. If a prospective investor does not have sufficient knowledge and experience in financial, business and investment matters to permit it to make such an assessment, the investor should consult with its independent financial adviser prior to investing in the Notes. The Notes may not be a suitable investment for all investors.

There are certain factors which may affect the ability of the Issuer to fulfil its obligations under the Notes. Prospective Noteholders should take into account the fact that the liabilities of the Issuer under the Notes are limited recourse obligations and that the ability of the Issuer to meet such obligations will be affected by certain factors. These include the fact that the Issuer's results can be adversely affected by (i) general economic conditions, (ii) competition, (iii) regulatory change, (iv) standard market risks including changes in interest and foreign exchange rates and (v) operational, credit, market, liquidity and legal risk. In addition, there are certain factors which are material for the purpose of assessing the market risks associated with the Notes, such as the risk relating to the secondary market and any risk relating to exchange rates, exchange controls and interest rates.

For more details of general and specific risk factors affecting the Notes, see the section entitled "*Risk Factors*" below.

### Transaction

On the Signing Date, the Seller, the Issuer and the Security Trustee will enter into a Master Hire Purchase Agreement pursuant to which the Seller will from time to time sell to the Issuer Leased Vehicles together with the associated Lease Receivables, each of which meet the Eligibility Criteria (to the extent relating to it). The hire purchase (*huurkoop*) of each Leased Vehicle will be effected by means of a Hire Purchase Contract entered into on the relevant Purchase Date pursuant to which the Issuer will hire purchase the relevant Leased Vehicle and accept assignment of the associated Lease Receivables. The Purchase Price payable in consideration

of the relevant Leased Vehicle and the associated Lease Receivables pursuant to the relevant Hire Purchase Contract will be payable in instalments. Legal ownership of each Purchased Vehicle remains with the Seller until all Purchase Instalments owed by the Issuer under or in connection with the relevant Hire Purchase Contract concluded in respect of such Purchased Vehicle have been paid in full. Upon payment of the Final Purchase Instalment legal title to the relevant Purchased Vehicle will pass to the Issuer automatically by operation of law, thus without any action or notice being required. The Master Hire Purchase Agreement between the Seller and the Issuer has been drafted in such manner that it allows for the immediate payment by or on behalf of the Issuer of all remaining Purchase Instalments payable thereunder upon the occurrence of certain events, including, without limitation, an Insolvency of the Seller, which means that it is ensured that the Issuer is able to become the legal owner of the relevant Purchased Vehicle even if an Insolvency Event relating to the Seller has occurred.

The associated Lease Receivables in respect of a Purchased Vehicle will consist of any and all claims and rights of the Seller against the relevant Lessees under or in connection with the relevant Lease Agreement originated by the Seller (or any legal predecessor). Such Lease Receivables include, but are not limited to, any interest, principal and servicing amounts payable under the relevant Lease Agreement together with any amounts payable in respect of VAT, maintenance costs, insurance, roadside assistance and any related fees and expenses due and payable by the Lessee under the relevant Lease Agreement. Following the transfer of legal title of a Purchased Vehicle to the Issuer (i.e. the moment upon which the Final Hire Purchase Instalment is paid), the Issuer will also be entitled to the Vehicle Realisation Proceeds relating to such Purchased Vehicle. Pursuant to the terms of the Master Hire Purchase Agreement the Call Option Buyer has the option to repurchase the Purchased Vehicles at the Option Exercise Price equal to (i) in case of a Matured Lease, the Estimated Residual Value or (ii) in case of a Lease Agreement Early Termination, the Book Value of such Purchased Vehicles outstanding on the first day of the Collection Period within which the relevant Lease Early Termination Date falls. If an Insolvency Event has occurred with respect to a Lessee the Call Option Buyer may only exercise such option with respect to all (but not some of the) Purchased Vehicles relating to such Lessee. In case the Call Option Buyer elects not to exercise its Repurchase Option the Issuer will, unless the relevant Purchased Vehicle is associated with a Defaulted Lease Agreement, be entitled to receive an amount equal to the RV Shortfall Amount from the RV Guarantor in case the Vehicle Realisation Proceeds of a Purchased Vehicle are less than the Estimated Residual Value or, in case of a Lease Agreement Early Termination, the Book Value of such Purchased Vehicle.

The Issuer will use receipts of Lease Collections, in particular any Lease Interest Collections and Lease Principal Collections included therein, in respect of the Portfolio to make payments of, among other things, principal and interest due on the Notes provided that during the Revolving Period, Available Distribution Amounts will not be applied in redemption of the Notes but shall be applied to acquire Additional Leased Vehicles together with the associated Lease Receivables from the Seller. For the avoidance of doubt, the Issuer will be required to pay interest due on the Notes during the Revolving Period subject to and in accordance with the applicable Priority of Payments.

The Seller will be appointed as Servicer. Pursuant to the terms of the Servicing Agreement, the Servicer will act as servicing agent for the Issuer and provide services to the Issuer in relation to

the Initial Portfolio and any Additional Portfolio, including the collection of payments under the associated Lease Agreements and certain other administration services (including, but not limited to, the provision of certain cash administration, coordination of maintenance, recovery and repossession services). The Servicer will furthermore be under the obligation to sell any Purchased Vehicle on behalf of and for the account of the Issuer on its Lease Termination Date if and to the extent the Call Option Buyer elects not to exercise its Repurchase Option.

The obligations of the Issuer in respect of the payment of interest and principal on the Notes will rank behind the obligations of the Issuer in respect of certain items set forth in the applicable Priority of Payments and the right to receive payment of principal and interest on the Class B Notes will be subordinated to the right to payment of principal and interest on the Class A Notes and may be limited as set out under the section entitled "*Terms and Conditions of the Notes*".

In order to protect the Issuer against the risk of certain interest mismatches during the life of the transaction, the Issuer and the Swap Counterparty will, on or about the Closing Date, enter into an interest rate swap pursuant to which the Issuer will hedge the risks of a mismatch between the floating rate of interest payable by it on the Notes and fixed rate income being the Lease Interest Components included in the Lease Instalments to be received by the Issuer in respect of the Portfolio (see further under the section entitled "*Description of Certain Transaction Documents*" below).

Pursuant to the Liquidity Facility Agreement the Issuer will be entitled to make drawings if there are insufficient funds available to the Issuer as a result of a shortfall in the Available Distribution Amounts (see further the section entitled '*Credit Structure*' below).

Pursuant to the Account Agreement, the Account Bank will agree, *inter alia*, to pay a guaranteed rate of interest on the balance standing from time to time to the credit of the Issuer Accounts (see further the section entitled "*Credit Structure*").

Pursuant to the Subordinated Loan Facility, the Subordinated Lender will grant Subordinated Loan Advances to the Issuer subject to and in accordance with the Subordinated Loan Facility (see further the section entitled *'Description of Certain Transaction Documents*').

**The Issuer**

HIGHWAY 2012-I B.V. is incorporated under Dutch law as a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*), having its official seat in Amsterdam, the Netherlands and registered with the Trade Register under number 53863003. The entire issued share capital of the Issuer is held by the Shareholder. The Issuer is established to, *inter alia*, issue the Notes, to acquire the Leased Vehicles and the associated Lease Receivables and to enter into certain transactions described in this Prospectus.

**Security Structure**

The Noteholders will, together with the other Secured Creditors, benefit from the security granted in favour of the Security Trustee, by (i) a first ranking right of pledge granted by the Seller to the Security Trustee over the Purchased Vehicles, (ii) a (conditional) first ranking right

of pledge granted by the Issuer to the Security Trustee over the Purchased Vehicles, (iii) a first ranking right of pledge granted by the Issuer to the Security Trustee over the Lease Receivables and (iv) a first ranking right of pledge by the Issuer to the Security Trustee over the Issuer's rights under or in connection with the Master Hire Purchase Agreement, the Swap Agreement, the Conditional Deed of Novation, the RV Guarantee Agreement, the Servicing Agreement, the Account Agreement, the Liquidity Facility Agreement, the Subordinated Loan Facility, the Issuer Facility Agreement and in respect of the Issuer Accounts. In order to ensure the valid creation of the security rights under Dutch law in favour of the Security Trustee, the Issuer has undertaken in the Trust Deed to pay to the Security Trustee, by way of a parallel debt, under the same terms and conditions, an amount equal to the aggregate of all its undertakings, liabilities and obligations to the Secured Creditors pursuant to the relevant Transaction Documents.

The Trust Deed sets out the priority of the claims of the Secured Creditors. See for a more detailed description of the Security the section entitled "*Description of Security"* and for a more detailed description of the relevant Priority of Payments, the section entitled "*Credit Structure*" below.

**Redemption of the Notes**

Unless previously redeemed, the Issuer will redeem any remaining Notes outstanding at their respective Principal Amount Outstanding, together with the accrued interest, on the Payment Date falling in March 2024.

After termination of the Revolving Period and provided that no Notes Acceleration Notice has been served in accordance with Condition 9.1 (*Issuer Events of Default*), the Issuer shall on each Payment Date apply the Available Distribution Amounts, subject to the Normal Amortisation Priority of Payments, towards redemption, at their Principal Amount Outstanding, of the Notes.

Subject to and in accordance with the Conditions, the Issuer has, provided that no Notes Acceleration Notice has been served in accordance with Condition 9.1 (*Issuer Events of Default*), the option to redeem all of the Notes, in whole but not in part, in the event of certain tax changes affecting the Notes. In addition the Notes shall be redeemed by the Issuer in whole but not in part, upon exercise by the Seller of the Seller Clean-Up Call.

For an overview of the principal characteristics of the Notes and for a transaction diagram, reference is made to the section entitled "*Key Parties and Summary Description Principal Features*".

## RISK FACTORS

*The Issuer believes that the following factors may affect its ability to fulfil its obligations under the Notes. Most of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring.*

*In addition, factors that are material for the purpose of assessing the market risks associated with the Notes are also described below.*

*The Issuer believes that the factors described below represent the principal risks inherent in investing in the Notes, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with any Notes may occur for other reasons and the Issuer does not represent that the statements below regarding the risks of holding any Notes are exhaustive. Prospective investors should also read the detailed information set out elsewhere in this Prospectus and reach their own views prior to making any investment decision.*

*Before making an investment decision with respect to any Notes, prospective investors should consult their own stockbroker, bank manager, lawyer, accountant or other financial, legal and tax advisers and carefully review the risks entailed by an investment in the Notes and consider such an investment decision in the light of the prospective investor's personal circumstances.*

## RISK FACTORS RELATING TO THE NOTES

### Liability and limited recourse under the Notes

The Notes represent obligations of the Issuer only. The Notes will not be obligations or responsibilities of, or guaranteed by, any other entity or person, acting in whatever capacity, including, without limitation, the Seller, the Servicer, the Subordinated Lender, the Back-Up Servicer, the Call Option Buyer, the RV Guarantor, the Liquidity Facility Provider, the Swap Counterparty, the Back-Up Swap Counterparty, the Commingling Reserve Guarantor, the Arranger, the Managers, the Security Trustee, the Account Bank, the Paying Agent, the Reference Agent, the Shareholder, the Listing Agent, the Directors or of any other Transaction Party (except the Issuer) and except for certain limited obligations under the Trust Deed as more fully described in the section entitled "*Description of Security*", the Security Trustee. Furthermore, none of the Seller, the Servicer, the Subordinated Lender, the Back-Up Servicer, the Call Option Buyer, the RV Guarantor, the Liquidity Facility Provider, the Swap Counterparty, Back-Up Swap Counterparty, the Commingling Reserve Guarantor, the Arranger, the Managers, the Security Trustee, the Account Bank, the Paying Agent, the Reference Agent, Shareholder, the Listing Agent, the Directors or any other Transaction Party acting in whatever capacity, other than the Security Trustee in respect of limited obligations under the Trust Deed, will accept any liability whatsoever to the Noteholders in respect of any failure by the Issuer to pay any amounts due under the Notes.

All payment obligations of the Issuer under the Notes constitute limited recourse obligations to pay and are obligations solely of the Issuer. Therefore, the Noteholders will have a claim under the Notes against the Issuer only and only to the extent of the security granted pursuant to the Security Documents which includes, *inter alia*, amounts received by the Issuer under the

Portfolio and under the other Transaction Documents (including the Swap Agreement and the RV Guarantee Agreement). The Security may not be sufficient to pay amounts accrued under the Notes, which may result in a shortfall. The Notes shall not give rise to any payment obligation in addition to the foregoing. The enforcement of the payment obligations under the Notes shall only be effected by the Security Trustee in accordance with the Trust Deed. If the Security Trustee (indirectly) enforces the claims under the Notes, such enforcement will be limited to the Security. To the extent that such assets, or the proceeds of the realisation thereof, prove ultimately insufficient to satisfy, subject to the relevant Priority of Payments, the claims of all Noteholders in full, then the amount due under the Notes equal to such shortfall shall be extinguished and no Noteholder (nor the Security Trustee or any Secured Creditor) shall have any further claims against the Issuer, nor shall be able to petition for the winding-up of the Issuer. The Issuer is in any case a special purpose company with no assets other than its issued and outstanding share capital and the Portfolio and its rights under the Transaction Documents to which it is a party.

**Absence of a secondary market and market value of the Notes**

There is not, at present, an active and liquid secondary market for the Notes. There can be no assurance that a secondary market for any of the Notes will develop or, if a secondary market does develop, that it will provide the holders of such Notes with liquidity of investment or that it will continue for the life of the Notes. Consequently, any purchaser of the Notes must be prepared to hold the Notes until final redemption or earlier application in full of the proceeds of enforcement of the Security by the Security Trustee. The market price of the Notes could be subject to fluctuation in response to, among other things, variations in the value of the Portfolio, the market for similar securities, prevailing interest rates, changes in regulation and general market and economic conditions. It should not be assumed that there will be a significant correlation between the market value of the Notes and the market value of the Portfolio.

Potential investors in the Notes should be aware of the recent widely reported global credit market conditions, whereby there has been a severe lack of liquidity in the secondary market for instruments similar to the Notes. There still exists great uncertainty on how the aftermath of the liquidity and more recent state deficits crises will develop which imposes uncertainties to the Issuer and the investors and may affect the returns on the Notes to investors.

In addition, the liquidity and more recent state deficits crises has stalled the primary market for a number of financial products including instruments similar to the Notes. While this liquidity and more recent state deficits crises may have alleviated for certain sectors of the global credit markets, there can be no assurance that the market for securities similar to the Notes will recover at the same time or to the same degree as such other recovering global credit market sectors (if at all).

**Notes may not be suitable investment**

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 in this Prospectus or any other applicable supplement;

(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 behaviour 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.

The Notes are complex financial instruments. Sophisticated institutional investors generally do not purchase complex financial instruments as stand-alone investments. They purchase complex financial instruments as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios. A potential investor should not invest in the Notes unless it has the expertise (either alone or with a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of the Notes and the impact this investment will have on the potential investor's overall investment portfolio.

**Market Disruption**

The rate of interest in respect of the Class A Notes for each Interest Period will be one month EURIBOR plus the relevant margin and the rate of interest in respect of the Class B Notes for each Interest Period will be one month EURIBOR, determined in accordance with Condition 4.3 (*Rate of interest on the Notes*). Condition 4.4(a) contains provisions for the calculation of such underlying rates based on rates given by various market information sources and Condition 4.4(b) contains an alternative method of calculating the underlying rate should any of those market information sources be unavailable. The market information sources might become unavailable for various reasons, including suspensions or limitations on trading, events which affect or impair the ability of market participants in general, or early closure of market institutions. These could be caused by unusual trading, or matters such as currency changes. This may result in the EURIBOR for the next succeeding Interest Period not being determined in time or not at all and may therefore eventually result in a delay of the payment of interest on the Notes.

**Book-entry registration**

The Notes will be represented by Global Notes delivered to a common safekeeper for Clearstream, Luxembourg and Euroclear, and will not be held by the beneficial owners or their nominees. The Global Notes will not be registered in the names of the beneficial owners or their nominees. As a result, unless and until Notes in definitive form are issued, beneficial owners will not be recognised by the Issuer or the Security Trustee as Noteholders, as that term is used in

the Trust Deed. Until such time, beneficial owners will only be able to exercise their rights in relation to the Notes indirectly, through Clearstream, Luxembourg or Euroclear (as the case may be) and their respective participating organisations, and will, subject to Condition 14 (*Notice to Noteholders*), receive notices (which, so long as the Notes are admitted to trading, listing and/or quotation on Euronext Amsterdam are always published in accordance with the relevant guidelines of Euronext Amsterdam or any other competent authority, stock exchange and/or quotation system and in such other place as may be required by the rules and regulations of such competent authority, stock exchange and/or quotation system) and other information provided for under the Conditions only if and to the extent provided by Clearstream, Luxembourg or Euroclear (as the case may be) and their respective participating organisations.

**The Issuer's reliance on third parties**

The Issuer is a party to contracts with a number of third parties that have agreed to perform certain services and/or to make certain payments in relation to, *inter alia,* the Notes. The ability of the Issuer to make any principal and interest payments in respect of the Notes depends upon the ability of the parties to the Transaction Documents to perform their contractual obligations. In particular, and without limiting the generality of the foregoing, the timely payment of amounts due in respect of the Notes depends on the ability of (i) the Servicer to service the Portfolio and perform the Services, (ii) the Call Option Buyer to exercise the Repurchase Option and to pay the associated Option Exercise Price, (iii) the RV Guarantor to pay any RV Shortfall Amount, (iv) the ability of the Liquidity Facility Provider to make payments under the Liquidity Facility and (v) the Swap Counterparty to maintain the level of interest rate exchange protection offered by the Swap Agreement. In the event that any relevant third party fails to perform its obligations under the respective agreements to which it is a party, the Noteholders may be adversely affected. No assurances can be given that the Issuer will be able to find any replacement providers on a timely basis or at all. In this regard, see further '*Risk of change of Servicer*' and *'Replacement of Servicer*' below.

**Security**

Although the Security Trustee will hold the benefit of the Security created under the Security Documents for, *inter alios*, the Noteholders, such Security will also be held for certain other parties that will rank ahead of the Noteholders. In the event that the Security is enforced, the proceeds of such enforcement may be insufficient, after payment of all other claims ranking in priority to amounts due under the Notes, to pay in full all amounts of principal and interest (and any other amounts) due in respect of the Notes. Enforcement of the Security by the Security Trustee is the only remedy available for the purpose of recovering amounts owed in respect of the Notes.

**Conflict of interest between holders of different Classes of Notes**

Circumstances may arise when the interests of the holders of different Classes of Notes could conflict. The Trust Deed contains provisions requiring the Security Trustee to have regard to the interests of the Noteholders as regards all powers, trust, authorities, duties and discretions of the Security Trustee (except where expressly provided otherwise) each as a Class, but requiring the Security Trustee in any such case to have regard only to the interests of the holders of the Most Senior Class Outstanding and will not have regard to any lower ranking Class of Notes nor to the interests of the other Secured Creditors except to ensure the application of the Issuer's

funds in accordance with the relevant Priority of Payments. In addition, the Security Trustee shall have regard to the interests of the other Secured Creditors, provided that in case of a conflict of interest between the Secured Creditors the relevant Priority of Payments upon enforcement set forth in the Trust Deed determines which interest of which other Secured Creditors prevails.

Any Extraordinary Resolution duly passed shall be binding on all Noteholders of the relevant Class (whether or not they were present at the meeting at which such resolution was passed).

An Extraordinary Resolution passed by the Class A Noteholders may bind the Class B Noteholders in certain circumstances as further set out in Condition 11 (*Meetings of Noteholders; Modification; Consents; Waiver)*.

An Extraordinary Resolution of a class of Noteholders may be passed by a majority consisting of not less than two-thirds of the Noteholders eligible to vote or (in the case of a written resolution) by Noteholders holding not less than two-thirds of the aggregate Principal Amount Outstanding of the Notes of the relevant Class, except that the quorum required for an Extraordinary Resolution including the sanctioning of a Basic Terms Modification shall be at least three-fourths of the amount of the Principal Amount Outstanding of the Notes of the relevant Class and the majority required shall be at least three-fourths of the validly cast votes in respect of that Extraordinary Resolution.

If at a meeting the aforesaid quorum is not represented, a second meeting of Noteholders will be held within one month, with due observance of the same formalities for convening the meeting which governed the convening of the first meeting. At such second meeting an Extraordinary Resolution can be adopted with not less than a two-thirds majority of the validly cast votes, except that for an Extraordinary Resolution including a sanctioning of a Basic Terms Modification the majority required shall be three-fourths of the validly cast votes, regardless of the Principal Amount Outstanding of the Notes of the relevant Class then represented.

The Managers will on the Closing Date subscribe for the Notes and place all of the Class B Notes with the Seller. Neither the Seller nor any affiliated entity is excluded from purchasing any further Notes. In its capacity as Noteholder, the Seller and any affiliated entity is entitled to exercise the voting rights in respect of the Class B Notes (and after a potential purchase of Class A Notes, the Class A Notes), which may be prejudicial to other Noteholders.

**Modification, authorisation and waiver without consent of Noteholders**

The Security Trustee may agree, without the consent of the Noteholders, to (i) any modification of any of the provisions of the Transaction Documents which is of a formal, minor or technical nature or is made to correct a manifest error, or (ii) any other modification (except if prohibited in the Transaction Documents) and any waiver or authorisation of any breach or proposed breach of any of the provisions of the Transaction Documents, which is in the opinion of the Security Trustee not materially prejudicial to the interests of the Noteholders, provided, in respect of (ii) only, that each Rating Agency either has (x) provided a Rating Agency Confirmation in respect of the relevant event or matter or (y) not indicated by the 15th day after it was notified of such event or matter (a) which conditions are to be met before it is in a position to grant a Rating Agency Confirmation or (b) that its then current ratings of the Class A Notes will be adversely affected by or withdrawn as a result of the relevant modification or waiver or authorisation of any breach or proposed breach. The Security Trustee will notify the Rating Agencies of any such modification.

**Rating of the Class A Notes**

The ratings to be assigned to the Class A Notes by the Rating Agencies are based on the value and cash flow generating ability of the Purchased Vehicles and/or associated Lease Receivables and other relevant structural features of the transaction, including, *inter alia*, the short-term and long-term unsecured and unsubordinated debt rating of the other parties involved in the transaction, such as the providers of ancillary facilities (e.g. the Account Bank, the Back-Up Swap Counterparty, the Commingling Reserve Guarantor and the Liquidity Facility Provider) and reflect only the views of the Rating Agencies.

There is no assurance that any such rating will continue for any period of time or that they will not be reviewed, revised, suspended or withdrawn entirely by any of the Rating Agencies as a result of changes in or unavailability of information or if, in any of the Rating Agencies' judgement, circumstances so warrant. Any rating agency other than the Rating Agencies could seek to rate the Class A Notes and if such unsolicited ratings are lower than the comparable ratings assigned to the Class A Notes by the Rating Agencies, such unsolicited ratings could have an adverse effect on the value of the Notes. For the avoidance of doubt, any references to "ratings" or "rating" in this Prospectus are to ratings assigned by the Rating Agencies. Future events, including events affecting the Account Bank, the Back-Up Swap Counterparty or the Commingling Reserve Guarantor and/or circumstances relating to the Dutch auto leasing market, in general could have an adverse effect on the ratings of the Class A Notes as well.

A security rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time.

**Rating Agency Confirmation**

In addition, the Transaction Documents provide that upon the occurrence of a certain event or matter, the Security Trustee needs to obtain confirmation from each Rating Agency before it is allowed to take any action or consent to an amendment of the relevant Transaction Documents as a result of the occurrence of such event or matter. An exception applies only if (x) each Rating Agency either has (i) provided a Rating Agency Confirmation in respect of the relevant event or matter or (ii) not indicated by the 15th day after it was notified of such event or matter (a) which conditions are to be met before it is in a position to grant a Rating Agency Confirmation or (b) that its then current ratings of the Class A Notes will be adversely affected by or withdrawn as a result of the relevant event or matter or (y) in case of a modification to any of the Transaction Documents, such modification is of a formal, minor or technical nature or is made to correct a manifest error.

The Noteholders should be aware that a Rating Agency is not obliged to provide a written statement and that if a Rating Agency Confirmation has been obtained by the Security Trustee, this does not include a confirmation by a Rating Agency of the then current ratings assigned to the Class A Notes (even if such Rating Agency Confirmation includes a statement in writing from a Rating Agency that the then current rating assigned to the Class A Notes will not be adversely affected by or withdrawn as a result of the relevant event or matter), nor does it mean that the Notes may not be downgraded or such ratings may not be withdrawn by a Rating Agency, either as a result of the occurrence of the event or matter in respect of which such Rating Agency Confirmation has been obtained or for any other reason.

**Rating Agency Criteria**

The rating criteria used by a Rating Agency to assign a rating to the Class A Notes may be amended by such Rating Agency from time to time. Following amendments to the relevant rating criteria by a Rating Agency the relevant parties to a Transaction Document may agree to amend and restate the relevant Transaction Document in order to implement the new rating criteria so as to maintain the ratings then assigned to the Class A Notes, subject to the terms of the relevant Transaction Document. Such amendments and/or the costs associated with the implementation of such amendment may be prejudicial to the interest of one or more Classes of Noteholders.

**Eurosystem eligibility**

The Class A Notes are intended to be held in a manner which will allow Eurosystem eligibility. This means that the Class A Notes are intended upon issue to be deposited with one of Euroclear or Clearstream, Luxembourg as common safekeeper but does not necessarily mean that the Class A Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem (Eurosystem eligible collateral) either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria. It is expected that the Class B Notes will not satisfy the Eurosystem eligibility criteria. Neither the Issuer, the Arranger nor the Managers give any representation, warranty, confirmation or guarantee to any investor in the Class A Notes that the Class A Notes will, either upon issue or at any time prior to redemption in full, satisfy all or any of the requirements for Eurosystem eligibility and be recognised as Eurosystem eligible collateral. Any potential investor in the Class A Notes should make its own conclusions and seek its own advice with respect to whether or not the Class A Notes constitute Eurosystem eligible collateral.

**Foreign Account Tax Compliance Act**

The Issuer may be subject to U.S. withholding tax if it fails to enter into an agreement with the IRS to report certain information about the investors in the Notes or an investor in the Notes may become subject to U.S. withholding if it fails to provide requested information to the Issuer. The Hiring Incentives to Restore Employment Act, which was enacted in early 2010 and contains provisions ("**FATCA**") from the former Foreign Account Tax Compliance Act of 2009, imposes a 30 per cent. withholding tax on certain payments to certain non-US financial institutions (including entities such as the Issuer) who do not enter into and comply with an agreement with the IRS to provide certain information on the investors in its debt or equity (other than debt or equity interests that are regularly traded on an established securities market).

The relevant rules have not yet been fully developed and the future application of FATCA to the Issuer and the investors in the Notes is uncertain. The Issuer may enter into such an agreement with the IRS, and as a result of such agreement, investors may be required to provide certain information or be subject to withholding on certain payments made to them. If an investor does not provide the necessary information and is subject to withholding there will be no “gross up” (or any other additional amount) payable by way of compensation to the investor for the deducted amount. See “Taxation – United States Federal Income Taxation – FATCA Withholding” for a further discussion of FATCA, including a discussion of the timing of any withholding.

FATCA is particularly complex and its application to the Issuer is uncertain at this time. Each potential investor in the Notes should consult its own tax advisor to obtain a more detailed explanation of FATCA and to learn how this legislation might affect such investor.

**Maturity Risk**

There is a risk that the Issuer, on maturity, will not have received sufficient principal funds to fully redeem the Notes. The Final Maturity Date is the Payment Date falling in March 2024. In certain circumstances set out in Condition 6 (*Redemption*) all Notes will be redeemed (i) at the option of the Issuer following a change in tax law or (ii) following the exercise of the Seller Clean-Up Call by the Seller. No guarantee can be given that the Issuer will exercise its option to redeem the Notes or that the Seller will exercise the Seller Clean-Up Call.

**Interest rate risk on Notes/Risk of Swap Counterparty insolvency**

On the Signing Date, the Issuer will enter into the Swap Agreement with the Swap Counterparty. The Swap Agreement will hedge the risks of a mismatch between the floating rate of interest payable by the Issuer on the Notes and fixed rate income, being the Lease Interest Components included in the Lease Instalments, to be received by the Issuer in respect of the Portfolio. For a more detailed description of the Swap Agreement, see the paragraph "*Swap Agreement*" in the section entitled *"Description of Certain Transaction Documents"*.

During those periods in which the amount payable by the Swap Counterparty under the Swap Agreement is substantially greater than the amount payable by the Issuer under such Swap Agreement, the Issuer will be more dependent on timely receipt of payments from the Swap Counterparty in order to make interest payments on the Notes. If the Swap Counterparty fails to pay any amounts when due under the Swap Agreement, the Lease Collections from the Portfolio and, if applicable, any swap collateral posted by the Swap Counterparty in accordance with the terms of the Swap Agreement may be insufficient to make the required payments on the Notes and the Noteholders may experience delays and/or reductions in the interest and principal payments on the Notes. During those periods in which the amount payable by the Issuer to the Swap Counterparty under the Swap Agreement exceeds the amount payable by the Swap Counterparty under the Swap Agreement, the Issuer will nevertheless be obligated under the Swap Agreement to make the agreed payment to the Swap Counterparty. Such amounts (other than the Subordinated Swap Amount) will rank higher in priority than any payments on the Notes. If a payment under the Swap Agreement is due to the Swap Counterparty on any Payment Date, the Available Distribution Amounts may consequently be insufficient to make the required payments on the Notes and the Noteholders may experience delays and/or reductions in the interest and principal payments under the Notes.

There can be no assurance that the Swap Agreement will adequately address all hedging risks.

The Swap Counterparty may terminate a transaction under the Swap Agreement if, amongst other things, certain insolvency events occur in respect of the Issuer, if the Issuer fails to make a payment under the Swap Agreement when due (after taking into account any grace periods) or if a change of law results in the obligations of one of the parties becoming illegal. The Issuer may terminate the Swap Agreement if, amongst other things, certain insolvency events occur in respect of the Swap Counterparty, the Swap Counterparty fails to make a payment under the Swap Agreement (after taking into account any grace periods) or a change of law results in the obligations of one of the parties becoming illegal.

In the event that the rating of the Back-Up Swap Counterparty falls below the Swap Required Ratings at any time, the Swap Counterparty shall be required to take certain remedial actions, within the time frame stipulated in the Swap Agreement, intended to mitigate the effects of such downgrade below the Swap Required Ratings. Such actions could include the Swap Counterparty being obliged to post collateral in accordance with the Swap Agreement, transferring its obligations to a replacement swap counterparty or procuring a guarantor or co-obligor (in either case, which has the Swap Required Ratings), or taking any other action permitted under the Swap Agreement. In certain circumstances if the Swap Counterparty fails to take certain actions contemplated in the Swap Agreement within the relevant time specified in the Swap Agreement, the Issuer may be entitled to terminate the transactions under the Swap Agreement and the Issuer may then be entitled to receive (or be required to pay) a swap termination payment from or to the Swap Counterparty, as the case may be.

However, in the event that the Back-Up Swap Counterparty is downgraded, there can be no assurance that a guarantor or replacement swap counterparty will be found or that the amount of any collateral posted to the Issuer will be sufficient to meet the Swap Counterparty's obligations. Furthermore, there can be no assurance that the credit quality of such guarantor or replacement swap counterparty will ultimately prove as strong as that of the Back-Up Swap Counterparty (before its downgrading).

In the event that a transaction under the Swap Agreement is terminated or closed-out by either party, then a termination payment may be payable to the Issuer or to the Swap Counterparty in accordance with the relevant Priority of Payments. Any such termination payment could be substantial. Termination payments required to be made by the Issuer to the Swap Counterparty will rank higher in priority than all payments on the Notes (but only if the Swap Counterparty is not a defaulting party). In such event, the Available Distribution Amounts may be insufficient to fund the required payments on the Notes and the Noteholders may experience delays and/or reductions in the interest and principal payments on the Notes.

In the event that a transaction under the Swap Agreement is terminated or closed-out by either party, the Issuer may not be able to enter into a replacement swap agreement immediately or at all on similar terms. To the extent a replacement swap agreement is not in place, the funds available to the Issuer to pay principal and interest under the Notes will be reduced if the floating rate amount payable under the Notes exceed the Issuer's fixed rate income. In these circumstances, the Available Distribution Amounts may be insufficient to make the required payments under the Notes and the Noteholders may experience delays and/or reductions in the interest and principal payments under the Notes.

If the Swap Counterparty, *inter alia*, fails to make, when due, any payment to the Issuer under the Swap Agreement or is declared bankrupt (*failliet*), the Swap Agreement shall be novated to the Back-Up Swap Counterparty pursuant to the Conditional Deed of Novation.

**Reports disseminated to Noteholders**

It is intended that the Issuer Administrator will publish the Investor Reports and that the Servicer will publish the Servicer Monthly Report for dissemination to Noteholders by publication on the structured finance website available at www.atccapitalmarkets.com and publication by any competent authority, stock exchange and/or quotation system, notice shall also be published in such other place as may be required by the rules and regulations of such competent authority, stock exchange and/or quotation system. Other than with regard to any other notices required to

be published by the Issuer pursuant to the rule of Euronext Amsterdam relating to asset-back securities, the Issuer is not obliged to publish any additional reports to Noteholders or at a more frequent interval.

**Conflicts of Interest**

Certain Transaction Parties, including but not limited to the Seller, the Managers, the Arranger, the Swap Counterparty, the Back-Up Swap Counterparty, the Liquidity Facility Provider, the RV Guarantor, the Directors, the Issuer Administrator, the Account Bank, the Subordinated Lender, the Back-Up Servicer, the Commingling Reserve Guarantor and the Paying Agent may engage in commercial relationships, in particular, be lenders, provide banking, investment banking and other financial services to the Lessees and other relevant parties. In such relationships, *inter alios*, the Seller, the Managers, the Arranger, the Swap Counterparty, the Back-Up Swap Counterparty, the Liquidity Facility Provider, the RV Guarantor, the Directors, the Issuer Administrator, the Account Bank, the Subordinated Lender, the Back-Up Servicer, the Commingling Reserve Guarantor and the Paying Agent are not obliged to take into consideration the interests of the Noteholders. Accordingly, because of these relationships, potential conflicts of interest may arise out of the transaction.

The Servicer may hold and/or service claims against the Lessees other than the Lease Receivables. The interests or obligations of the Servicer with regard to such other claims may in certain aspects conflict with the interests of the Noteholders.

**Listing of the Notes**

Application has been made for the Notes to be listed on Euronext Amsterdam on the Closing Date. However, there is no assurance that the Notes will be admitted to listing on Euronext Amsterdam. If the Class A Notes will not be admitted to listing on Euronext Amsterdam, the Class A Notes will not be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem. Additionally, if the Notes will not be admitted to listing on Euronext Amsterdam this may negatively affect the marketability of the Notes.

**Subordination**

The obligations of the Issuer in respect of the Notes will rank in seniority and security and as to payment of interest and principal, behind the obligations of the Issuer in respect of certain items set out in the relevant Priority of Payments. In addition, payments of interest in respect of the Class A Notes will be made in priority to payments of interest on the Class B Notes and payments of principal on the Class A Notes will be made in priority to payments of principal on the Class B Notes. Moreover, following a Notes Acceleration Notice, payments of interest and principal on the Class A Notes will be made in priority of payments to the Class B Notes. In the event that on any Calculation Date the Issuer has insufficient Available Distribution Amounts to satisfy its obligations in respect of amounts of interest on the Class B Notes on the next Payment Date, the amount available (if any) shall be applied *pro rata* to the amount of interest due on such Payment Date to the holders of the Class B Notes. The amount by which the aggregate amount of interest paid on the Class B Notes on the relevant Payment Date falls short of the aggregate amount of interest payable on the Class B Notes on that Payment Date pursuant to Condition 4 (*Interest*) shall not be treated as due on that date for the purposes of Condition 4 (*Interest*) but shall accrue and be payable on a succeeding Payment Date on which the Available Distribution Amounts shall be sufficient to pay the interest due or accrued but

unpaid (including any interest accrued on such shortfall in accordance with the Conditions), all in accordance with Condition 15 (*Subordination of Interest by deferral*).

**Limited resources of the Issuer**

The Issuer's ability to meet its obligations under the Notes will depend primarily on receipt by the Issuer of Lease Collections, and more specifically any Lease Interest Collections and Lease Principal Collections included therein, from the Lessees and any Vehicle Realisation Proceeds following a Lease Termination Date in respect of the Purchased Vehicles (which includes any Option Exercise Price payable by the Call Option Buyer upon the exercise of the Repurchase Option). The Issuer's ability furthermore depends on the receipt of any amounts payable by the RV Guarantor, on funds being received in respect of the Issuer Accounts, including any interest credited thereon, on the ability to make drawings under the Liquidity Facility, on any amounts resulting from the hedging arrangements entered into under the Swap Agreement and on the entitlement to make drawings under the Subordinated Loan Facility. The Issuer will not have any other funds available to it to meet its obligations under the Notes or any other payments ranking in priority to, or *pari passu* with, the Notes.

Payment of principal and interest on the Notes will be secured indirectly by the security granted by the Issuer and the Seller to the Security Trustee pursuant to the Security Documents. If the security granted pursuant to the Security Documents is enforced and the proceeds of such enforcement, after payment of all other claims ranking in priority to amounts due under the Notes, are insufficient to repay in full all principal and to pay all interest and other amounts due in respect of the Notes, then, as the Issuer has no other assets, it may be unable to satisfy claims in respect of any such unpaid amounts. As enforcement of the Security by the Security Trustee pursuant to the terms of the Trust Deed, the Pledge Agreements and the Notes is the only remedy available to Noteholders for the purpose of recovering amounts owed in respect of the Notes, the Noteholders shall following the application of the foreclosure proceeds subject to and in accordance with the Accelerated Amortisation Priority of Payments have no further claim against the Issuer or the Security Trustee (or any other Transaction Party) in respect of any such unpaid amounts.

**Optional redemption by Issuer**

The Issuer will be entitled following a change in tax law or be required following the exercise of the Seller Clean-Up Call by the Seller, to redeem all (but not some only) of the Notes in each class at their Principal Amount Outstanding on certain Payment Dates, subject to Condition 6 (*Redemption*). In such event the Issuer is under no obligation to pay the Noteholders a premium or any other form of compensation for the early redemption.

**Return on an investment in Notes will be affected by charges incurred by investors**

An investor's total return on an investment in any Notes will be affected by the level of fees charged by the nominee service provider and/or clearing system used by the investor. Such a person or institution may charge fees for the opening and operation of an investment account, transfers of Notes, custody services and on payments of interest, principal and other amounts. Potential investors are therefore advised to investigate the basis on which any such fees will be charged on the relevant Notes.

**Legal investment considerations may restrict certain investments**

The investment activities of certain investors are subject to investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (i) the Notes are legal investments for it, (ii) the Notes can be used as collateral for various types of borrowing and (iii) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of the Notes under any applicable risk-based capital or similar rules.

**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 number 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 Arranger, the Managers or the Seller makes any representation to any prospective investor or purchaser of the Notes regarding the regulatory capital treatment of their investment on the Closing Date or at any time in the future.

In particular, investors which are EU regulated credit institutions should be aware of Article 122a of the Capital Requirements Directive and any implementing rules in relation to a relevant jurisdiction which applies in general to securitisations issued after 31 December 2010. Article 122a of the Capital Requirement Directive restricts an EU regulated credit institution from investing in securitisations unless the originator, sponsor or original lender in respect of the relevant securitisation has explicitly disclosed to the EU regulated credit institution that it will retain, on an ongoing basis, a net economic interest of no less than 5% in respect of certain specified credit risk tranches or asset exposures as contemplated by Article 122a of the Capital Requirement Directive. Where an EU parent credit institution or an EU financial holding company, or one of its subsidiaries, as an originator or a sponsor, securitises exposures from several credit institutions, investment firms or other financial institutions which are included in the scope of supervision on a consolidated basis, Article 122a of the Capital Requirement Directive permits that the retention requirement may be satisfied on the basis of the consolidated situation of the related EU parent credit institution or EU financial holding company, provided that the relevant credit institution, investment firm or financial institution which created the securitised exposures have committed themselves to adhere to the other requirements set out in Article 122a of the Capital Requirement Directive.

Article 122a of the Capital Requirements Directive also requires an EU regulated credit institution to be able to demonstrate that it has undertaken certain due diligence in respect of, amongst other things, the securitisation notes it has acquired and the underlying exposures and that procedures are established for such due diligence activities to be conducted on an ongoing basis. Failure to comply with one or more of the requirements set out in Article 122a of the Capital Requirement Directive will result in the imposition of a penal capital charge with respect to the investment made in the securitisations by the relevant investor.

Article 122a of the Capital Requirement Directive applies in respect of the Notes. Investors, which are EU regulated credit institutions, should therefore make themselves aware of the requirements of Article 122a of the Capital Requirement Directive 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. With respect to the commitment of the originator, sponsor or original lender to retain a material net economic interest in the securitisation as contemplated by Article 122a of the Capital Requirement Directive and with respect to the information to be made available by the Issuer or another relevant party (or, after the Closing Date, by the Seller or the Issuer Administrator on the Issuer's behalf) in relation to the due diligence requirements under Article 122a of the Capital Requirement Directive, please see the statements set out in the section entitled "*Important Information*" of this Prospectus. Relevant investors are required to independently assess and determine the sufficiency of the information described in this Prospectus, in any Investor Report and otherwise, for the purposes of complying with Article 122a of the Capital Requirement Directive and neither the Issuer, the Seller, the Issuer Administrator, the Arranger nor the Managers make any representation that the information described in this Prospectus, in any Investor Report and otherwise in relation to Article 122a is sufficient in all circumstances for such purposes.

There remains considerable uncertainty with respect to Article 122a of the Capital Requirement Directive 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 of the Capital Requirement Directive should seek guidance from their regulator. Similar requirements to those set out in Article 122a of the Capital Requirement Directive are expected to be implemented for other EU regulated investors (such as investment firms, insurance and reinsurance undertakings and certain hedge fund managers) in the future.

Article 122a of the Capital Requirements Directive 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.

## RISK FACTORS RELATING TO THE LEASED VEHICLES AND LEASE AGREEMENTS

### Historical and other information

The information in this Prospectus relating to the Portfolio is based on the present procedures of and the current and historical financial data available to Athlon. None of the Issuer, the Swap Counterparty, the Arranger, the Managers, the Back-Up Swap Counterparty, the Liquidity Facility Provider, the Security Trustee, the Account Bank, the Issuer Administrator, the Paying Agents, the Commingling Reserve Guarantor, or any Director has undertaken or will undertake any investigation or review of such procedures or data. There can be no assurances as to the future performance of the Portfolio. Any failure in the performance of the Portfolio would have an adverse effect on the Issuer's ability to make payments in respect of the Notes.

### Risk of late payment of monthly instalments

Whilst each Lease Agreement has due dates for scheduled payments thereunder, there is no assurance that the Lessees under those Lease Agreements will pay in time, or pay at all. Any such failure by the Lessees to make payments under the Lease Agreements would have an

adverse effect on the Issuer's ability to make payments under the Notes. The risk of late payment by Lessees is in part mitigated by the availability of the amounts standing to the credit of the Reserve Account and the ability of the Issuer to draw on the Liquidity Facility. Whilst the Issuer may apply amounts standing to the credit of the Reserve Account and drawings under the Liquidity Facility to make payments in respect of the Notes, no assurance can be given that the Issuer will have sufficient funds to make payments in full in respect of the Notes.

**Risk of early repayment**

Under the terms of certain of the Lease Agreements, the Lessees are entitled to terminate the Lease Agreements early, subject, where applicable, to payments of an early repayment fee or charge. The early repayment fee or charge may not be enforceable in circumstances where such fee or charge is construed as a penalty under Dutch law. In the event that, after the termination of the Revolving Period, the Lease Agreements underlying the Portfolio are prematurely terminated or otherwise settled early, the principal repayment of the Notes may be earlier than expected and, therefore, the yield on the Notes may be adversely affected by a higher or lower than anticipated rate of prepayment of the Lease Receivables. The rate of prepayment of the Lease Receivables cannot be predicted and is influenced by a wide variety of economic and other factors, including prevailing interest rates, the buoyancy of the auto finance market, the availability of alternative financing and local and regional economic conditions. Therefore, no assurance can be given as to the level of prepayment that the Lease Receivables will experience. See the section entitled "*Weighted Average Life of the Notes*".

**Changing characteristics of the Portfolio during the Revolving Period**

During the Revolving Period, if the Seller offers to the Issuer to enter into a Hire Purchase Contract with respect to any Additional Leased Vehicles, the Issuer shall (i) hire purchase Additional Leased Vehicles together with the associated Lease Receivables subject to and in accordance with the Master Hire Purchase Agreement and (ii) apply Available Distribution Amounts, subject to and in accordance with the Revolving Period Priority of Payments, towards the making of any Additional Issuer Advances subject to and in accordance with the Issuer Facility Agreement. During the Revolving Period, a Lease Agreement may become a Defaulted Lease Agreement or any Lease Receivables may be paid or prepaid by the relevant Lessees each of which may result in the Replenishment Amount to form part of the Available Distribution Amounts on the immediately succeeding Payment Date and which may, subject to the terms and conditions of the Master Hire Purchase Agreement and the Revolving Period Priority of Payments result in the hire purchase of more additional Leased Vehicles together with the associated Lease Receivables. The hire purchase of Additional Leased Vehicles together with the associated Lease Receivables during the Revolving Period may change the characteristics of the Portfolio after the Closing Date and the characteristics of the Portfolio could become different from the characteristics of the Initial Portfolio. These differences could result in faster or slower principal repayments or greater losses on the Notes.

**Value of Purchased Vehicles**

Whilst the Portfolio contains a variety of Purchased Vehicles, certain of the Purchased Vehicles (particularly those manufactured for certain industrial roles or processes) may have a high individual value. If a number of such Purchased Vehicles suffered damage or were otherwise impaired, any losses could have an impact on the Purchased Vehicles' value and the associated Vehicle Realisation Proceeds. It may also be difficult to find a purchaser for certain

of the Purchased Vehicle types, or to realise high Vehicle Realisation Proceeds, where they are specialist or industry-specific Purchased Vehicles. Any impact on the ability of the Issuer to realise such value could have an adverse effect on the Issuer's ability to make payments in respect of the Notes. Additionally, due to tax laws and other laws and regulations, incentives have been created for customers to order and use (more) environmentally friendly vehicles. However, these laws and regulations may not be sustainable or may be adjusted for other reasons (such as newer models being even more environmentally friendly), which can affect the incentives granted in respect of the Purchased Vehicles and/or the originally expected residual value thereof during the term of the Lease Agreement which could also affect the Issuer's ability to realise the initially expected residual value.

**Industry concentration of Lessees**

Although the Lessees are involved in a range of different industry sectors, there may be a higher concentration of Lessees in a particular industry sector, either as a result of the purchase of Leased Vehicles and the associated Lease Receivables by the Issuer after the Closing Date or otherwise. Deterioration in the economic conditions in such industry sector may adversely affect the ability of the Lessees to make payments under the Lease Agreements and, therefore, could increase the risk of losses on the Lease Agreements. Any such deterioration may reduce the market for any Purchased Vehicles especially where such a Purchased Vehicle is a specialist or industry-specific vehicle. A greater concentration of Lessees in particular industry sectors may, therefore, result in a greater risk that the Noteholders will ultimately not receive the full principal amount of the Notes and interest thereon as a result of such uncovered losses incurred in respect of the Lease Agreements than if such concentration had not been present.

**Rights in relation to the Purchased Vehicles**

Pursuant to the Master Hire Purchase Agreement the Issuer will purchase the Leased Vehicles from the Seller from time to time by means of a hire purchase agreement within the meaning of section 7A:1576h of the Dutch Civil Code to be entered into in respect of each Leased Vehicle with the Seller. Pursuant to each Hire Purchase Contract, delivery (*levering*) of the relevant Purchased Vehicle occurs by the Seller providing the control (*macht*) of such Purchased Vehicle to the Issuer on the associated Purchase Date. In the Master Hire Purchase Agreement, the Seller and the Issuer agree that, to the extent no prior notification has been given to a Lessee, a notification will be sent to the relevant Lessee within such time as agreed upon in the Master Hire Purchase Agreement, whereby the relevant Lessee will be informed that, among other things, the Lessee will have to adhere to any instruction of the Issuer in relation thereto and that the details as to which Leased Vehicles leased by the relevant Lessee which are the object of a Hire Purchase Contract, will be made available to the Lessee upon request.

Statutory protection is available under Dutch law to any person with a prior proprietary right (*oorspronkelijk rechthebbende of anterieur beperkt gerechtigde*) or privileged receivable (*geprivilegieerde schuldeiser*) in respect of the relevant Purchased Vehicle if at the time of notification to the relevant Lessee the Issuer knew or should have known of their entitlement. This could potentially lead to the Issuer receiving less Vehicle Realisation Proceeds than expected or the Issuer not having become the owner of the relevant Purchased Vehicle and consequently only having a claim for damages vis-à-vis the Seller.

Pursuant to the Master Hire Purchase Agreement, the Seller will give the Asset Warranties in relation to the Leased Assets. The Asset Warranties include the requirement that there is no

person or entity with a prior proprietary right (*oorspronkelijk rechthebbende*) or privileged receivable (*geprivilegeerde schuldeiser*) in respect of each Leased Asset, subject to any Adverse Claims under the BOVAG General Conditions and the FOCWA General Conditions.

**BOVAG & FOCWA General Conditions; possessory liens; third party encumbrances**

*Retention of title*

The purchase contracts pursuant to which the Seller purchases from the relevant car dealer the Vehicles that will become subject to a Lease Agreement usually are subject to the BOVAG General Conditions which contain a provision under which the car dealer retains title to the Vehicle until the purchaser has fully paid the purchase price thereof and/or has complied with other obligations vis-à-vis the car dealer. Such retention of title provisions are used in connection with the acquisition of Vehicles and the repair and maintenance of such Vehicles by the Seller. For as long as such provision is effective in relation to a Vehicle, the Seller acquires conditional title (*eigendom onder opschortende voorwaarde*) to such Vehicle only (subject to the condition precedent of full payment of the relevant amounts). Section 3:92(1) of the Dutch Civil Code creates an assumption with respect to the nature of a retention of title (*eigendomsvoorbehoud*).

The consequence of such retention of title is that, dependent on the exact wording of the relevant retention of title clause in the purchase agreement entered into between the Seller and the car dealer, the Seller will only become the legal owner of the Vehicle after payment of the purchase price in full. Once the Seller has paid the purchase price to the car dealer, it will in principle acquire legal title to the Vehicle.

It is understood that the Seller customarily pays the purchase price owed by it to a car dealer within five (5) business days after delivery of the Vehicle, which would typically represent the largest claim by a dealer on the Seller. However, a dealer may also perform other services for a Seller, such as maintenance and repair work, which if invoices in respect thereof remain unpaid could lead to the dealer retaining title to a Vehicle possessed by it. It is understood that such unpaid amounts generally would be very limited however and it would be uncommon for a dealer to retain title as a result of this.

*Negative disposal/pledge*

In addition, the BOVAG General Conditions provide that for as long as title to the relevant Vehicle is retained by the car dealer as abovementioned, the client (Athlon) may not pledge or grant any other right in respect of such Vehicle to any third party. Pursuant to the Master Hire Purchase Agreement, the Seller will warrant and represent that the entry by the Seller into and the execution of the relevant Transaction Documents and the performance by the Seller of its obligations under the relevant Transaction Documents do not and will not conflict with or constitute a breach or infringement of any of the terms of, or constitute a default by, the Seller under any agreement or other instrument to which the Seller is a party or which is binding on it, where such conflict, breach, infringement or default is reasonably likely to have a Material Adverse Effect on the Seller or the relevant Transaction Document.

*Possessory lien*

The BOVAG General Conditions (and the Dutch Civil Code) provide for a possessory lien (*retentierecht*) of the car dealer for all assets (i.e. leased vehicles) which the car dealer holds for

or on behalf of the client (Athlon). The possessory lien applies for as long as both the car dealer holds such assets and any amounts due by the client for assets or services rendered by the car dealer have not been paid.

*Pledge*

The BOVAG General Conditions provide for a pledge to the car dealer of any asset (i.e. leased Vehicles) which the client (Athlon) brings within the control of such car dealer, for example for the purpose of repair or maintenance. Any such right of pledge terminates as soon as the relevant Vehicle leaves the control of the car dealer. However, the BOVAG General Conditions permit the car dealer, while the relevant Vehicle is in its control, to convert its possessory right of pledge into a non-possessory right of pledge, by offering the BOVAG General Conditions together with the car dealer's agreement with Athlon in respect of the relevant Vehicle, for registration to the Dutch tax authorities (*Belastingdienst*). Such right of pledge covers all future claims the car dealer may acquire against the Seller. The car dealer is only entitled to enforce the right of pledge in the event the Seller does not make the payments due to the car dealer. As stated above the amounts owed by the Seller to a car dealer generally are limited to payments to be made in respect of repairs and maintenance services.

*FOCWA General Conditions; statutory possessory lien*

The FOCWA General Conditions contain provisions similar to those contained in the BOVAG General Conditions and listed above provided that the FOCWA General Conditions are only used in respect of repair of damage to the Vehicles and maintenance (and not sale and purchase) of Vehicles.

*Third party encumbrances*

It is possible that a car dealer or previous owner of a Vehicle has encumbered such Vehicle with a right in rem (*zakelijk recht*), such as a right of pledge in favour of a financier of the Vehicle, or has retained title thereto. Such encumbrance or retention of title would usually have been released prior to the relevant Vehicle being delivered (*geleverd*) to the Seller, but the possibility cannot be excluded that such encumbrance or retention of title still exists at the time of delivery to the Issuer. Even if such encumbrance or retention of title still existed, delivery to the Seller would in principle still be valid under Dutch law, assuming the Seller was acting in good faith.

In connection with the risk set out in the previous 6 (six) paragraphs, the Seller will, pursuant to the terms of the Master Hire Purchase Agreement, represent and warrant, among others, that subject to potential Adverse Claims under the BOVAG and FOCWA General Conditions, the Seller has full right and title to the relevant Purchased Vehicle, free and clear of any Adverse Claim. In addition, the Seller will, pursuant to the Asset Warranties, represent and warrant to the Issuer and the Security Trustee that (i) the purchase price (including VAT) of the relevant Purchased Vehicle has been paid in full to the relevant car dealer, (ii) the sale and purchase agreements pertaining to the relevant Purchased Vehicle and each prior Vehicle delivered by the same car dealer, do not extend to ongoing maintenance or other services, (iii) there is no default in the performance of any obligation under or pursuant to such sale and purchase agreements and (iv) subject to Adverse Claims under the BOVAG and FOCWA General Conditions, the Seller has full right and title to the relevant Leased Vehicle, free and clear of any Adverse Claim.

On the basis of the above, the category of Purchased Vehicles that are subject to retention of title at any point in time should be limited. The position in respect of that category is as follows. Pursuant to each Hire Purchase Contract, the Seller purports to transfer to the Issuer full title to the relevant Purchased Vehicle, but subject to the condition precedent of payment of the Final Purchase Instalment. However, if title to such Purchased Vehicle is retained by the relevant car dealer, the Seller cannot transfer full, but at the most conditional, title, in any case subject to the same condition precedent of payment of the Final Purchase Instalment. This risk is mitigated through the Asset Warranties as set out above.

**Residual Value Risk and Lease Incidental Debts**

The residual value risk for the Issuer is the risk that, after it has acquired legal title to a Purchased Vehicle, any Vehicle Realisation Proceeds of such Purchased Vehicle are insufficient to cover (i) in case of a Matured Lease, the Estimated Residual Value or (ii) in case of a Lease Agreement Early Termination, the Book Value of such Purchased Vehicle outstanding on the first day of the Collection Period within which the relevant Lease Early Termination Date falls. Pursuant to the terms of the Servicing Agreement, the Servicer will use commercially reasonable efforts to arrange for the sale of Purchased Vehicles in a manner which maximises the sale price thereof. However, there can be no assurance that the sale proceeds of any such Purchased Vehicles will be sufficient to cover the Estimated Residual Value or the Book Value, as the case may be. This risk is mitigated as follows: (A) pursuant to the terms of the Master Hire Purchase Agreement, either the Call Option Buyer exercises its Repurchase Option and repurchases the Purchased Vehicles together with the associated Lease Receivables which have or will become due and payable after the relevant Lease Termination Date at the Option Exercise Price which will be equal to (i) in case of a Matured Lease, the Estimated Residual Value or (ii) in case of a Lease Agreement Early Termination, the Book Value of such Purchased Vehicles outstanding on the first day of the Collection Period within which the relevant Lease Early Termination Date falls or (B) provided that the relevant Purchased Vehicle is not associated with a Defaulted Lease Agreement, the RV Guarantor will be required to compensate the Issuer for any RV Shortfall Amount. Any decision or inability to exercise the Repurchase Option or pay any RV Shortfall Amount could have an adverse effect on the ability of the Issuer to make payments in respect of the Notes.

In addition it is possible that the Issuer, after it has acquired legal title to a Purchased Vehicle, will owe a Lease Incidental Debt to the relevant Lessee in respect of such Purchased Vehicle. This risk has been mitigated as follows: if the Call Option Buyer exercises its Repurchase Option the corresponding transfer of the relevant Purchased Vehicle and associated Lease Receivables includes a transfer of any relevant Lease Incidental Debt by the Issuer to the Call Option Buyer. If the Call Option Buyer elects not to exercise its Repurchase Option, Athlon will pursuant to the terms of the Master Hire Purchase Agreement be obliged to pay to the Issuer any Lease Incidental Shortfall if and when such Lease Incidental Shortfall occurs.

Prior to the occurrence of a Seller Event of Default, the Issuer will pay any Lease Incidental Surplus in relation to the relevant Purchased Vehicle to Athlon on the immediately succeeding Payment Date subject to and in accordance with the relevant Priority of Payments. As from the occurrence of a Seller Event of Default, such Lease Incidental Surplus shall not be paid by the Issuer to the Seller but shall be reserved by the Issuer and credited to the Transaction Account.

**Potential adverse changes to the value and/or composition of the Portfolio**

No assurances can be given that the value associated with a Purchased Vehicle has not depreciated or will not depreciate at a rate greater than the rate at which it was expected to do so on the date of origination of the associated Lease Receivables. If this has happened or happens in the future, or if the used car market in the Netherlands should experience a downturn, or where there is a general deterioration of the economic conditions in the Netherlands, then any such scenario could have an adverse effect on the ability of Lessees to repay amounts under the relevant Lease Agreements and/or the likely amount to be recovered upon a sale of the Purchased Vehicles. This could have an adverse effect on the Issuer's ability to make payments on the Notes. The foregoing also applies in case of possible changes to Dutch (tax) law and or ancillary regulations. No assurance can be given as to the impact of any possible change to Dutch (tax) law or administrative practice in the Netherlands on the value associated with a Purchased Vehicle after the date of this Prospectus.

Whilst the Asset Warranties, including the Eligibility Criteria and the Replenishment Criteria, are intended to operate - and the Reserve Account and the Liquidity Facility have been sized as at the Initial Purchase Cut-Off Date to operate - so as to mitigate against such risks, no assurances can be given that circumstances in the future will not change such that the composition of the Portfolio at any time in the future may deteriorate in view of the circumstances then subsisting.

**Market for Leased Vehicles and associated Lease Receivables**

The ability of the Issuer to redeem all the Notes in full, including after the occurrence of an Issuer Event of Default, whilst any of the Portfolio remains outstanding, may depend on whether the Lease Receivables can be sold, otherwise realised or refinanced by the Issuer or the Security Trustee so as to obtain a sufficient amount available for the distribution to enable the Issuer to redeem the Notes. There is not yet an active and liquid secondary market for lease receivables in the Netherlands. No assurance can be given that the Issuer or the Security Trustee is able to sell, otherwise realise or refinance the Purchased Vehicles together with the associated Lease Receivables on appropriate terms should it be necessary for it to do so at the levels anticipated when setting the Book Value.

The Call Option Buyer is entitled to repurchase a Purchased Vehicle together with the associated Lease Receivables on the relevant Lease Termination Date, provided that if an Insolvency Event has occurred with respect to a Lessee the Call Option Buyer may only exercise its Repurchase Option with respect to all (but not some of the) Purchased Vehicles relating to such Lessee. If the Call Option Buyer elects not to repurchase the Purchased Vehicles together with the associated Lease Receivables in accordance with the Master Hire Purchase Agreement, the Purchased Vehicles will be sold by the Servicer in the open market on behalf of and for the account of the Issuer. There is no guarantee that there will be a market for the sale of such Purchased Vehicles, which are in a used condition, or that such market will not deteriorate in the future.

Noteholders should also be aware that there may be a very limited market for certain of the Purchased Vehicles (particularly those manufactured for certain specialised industrial roles or processes or certain public-utility vehicles) and there is no guarantee that there will be a market for the sale of such Purchased Vehicles, which are of a specialised nature and will be in a used condition, or that such market will not deteriorate in the future.

Further, any deterioration in the economic condition of the areas in which the final users of the Purchased Vehicles are located, or any deterioration in the economic conditions of other areas, may have an adverse effect on the ability to sell the Purchased Vehicles, which could in turn increase the risk of receiving a sale price in respect of the Purchased Vehicles at the Lease Maturity Date which is below the expected sale price.

A concentration of customers in such areas may, therefore, result in a greater risk that the Noteholders will ultimately not receive the full principal amount of the Notes and interest thereon as a result of such uncovered losses incurred in respect of the expected sale proceeds than if such concentration has not been present.

Until the occurrence of an Insolvency Event relating to Athlon, this risk is mitigated by the fact that the Call Option Buyer, in consideration of the exercise of the Repurchase Option and the repurchase of the Purchased Vehicles will pay an Option Exercise Price which will at least be equal to (i) in case of a Matured Lease, the Estimated Residual Value and (ii) in case of a Lease Agreement Early Termination, the Book Value outstanding on the first day of the Collection Period within which the relevant Lease Early Termination Date falls. If the Repurchase Option is not exercised and provided that the relevant Purchased Vehicle is not associated with a Defaulted Lease Agreement, the RV Guarantor will ensure that the Issuer will receive such amount as will be required to compensate any RV Shortfall Amount incurred upon the sale of the relevant Purchased Vehicle to third parties.

Noteholders should be aware that there has been a downturn in the second-hand car market in the Netherlands which has started to improve to a certain extent. To the extent that such improvement will only last temporarily or new deteriorations occur, this could have an adverse effect on the amount received by the Issuer in respect of the residual value of the Purchased Vehicles.

**The Revolving Period may end if Athlon is unable to originate additional Lease Receivables**

During the Revolving Period, no principal will be paid to the Noteholders. Instead, on each Payment Date during the Revolving Period, the Available Distribution Amounts may be used to advance any Additional Issuer Advance if and to the extent the Issuer purchases Additional Leased Vehicles. Any amount forming part of the Available Distribution Amounts not applied towards the purchase of Additional Leased Vehicles will during the Revolving Period be recorded to the credit of the Replenishment Ledger to form part of the Available Distribution Amounts on any succeeding Purchase Date during the Revolving Period. However, if the amount deposited and remaining in the Replenishment Ledger after the application of the relevant Priority of Payments on two consecutive Payment Dates exceeds 10% of the Aggregate Portfolio Balance of the Portfolio on the Initial Purchase Cut-Off Date, then a Revolving Period Termination Event will occur. If a Revolving Period Termination Event occurs, the Revolving Period will terminate resulting in principal being repaid on the Notes from the following Payment Date subject to and in accordance with the Normal Amortisation Priority of Payments or Accelerated Amortisation Priority of Payments, as the case may be.

Athlon does not, as of the date of this Prospectus, expect any shortage in availability of Leased Vehicles that can be sold to the Issuer during the Revolving Period. However, Athlon is not obliged to sell any Leased Vehicles during the Revolving Period. If Athlon is unable to originate additional lease agreements or if it does not sell any additional Leased Vehicles to the Issuer,

then the Revolving Period will terminate earlier than expected and, in such circumstances, the Noteholders may receive payments of principal on the Notes earlier than expected.

**Credit and Collection Procedures**

Athlon, in its capacity as Servicer, will carry out the administration, collection and enforcement of the Portfolio in accordance with the Servicing Agreement including its Credit and Collection Procedures (see the section entitled "*Description of Certain Transaction Documents*"). The Noteholders are relying on the business judgement and practices of Athlon as they exist from time to time, in its capacity as Servicer, including enforcing claims against Lessees. Such procedures may change over time and no assurance can be given that such changes will not have an adverse effect on the Issuer's ability to make payments on the Notes.

Further, the Servicer covenants in the Servicing Agreement not to amend, vary or supplement in any material way any terms of the Lease Agreements other than in accordance with the Credit and Collection Procedures (but subject to the terms of the Servicing Agreement) or in cases where it would be acceptable to a reasonably prudent lessor of Vehicles in the Netherlands or where it would not have a Material Adverse Effect on the Issuer. There can, however, be no assurance that market practice in respect of lease agreements and/or the demands of prospective Lessees over the life of the Notes will not subject the Issuer to more onerous or less favourable covenants on its part or that lease obligations under such Lease Agreements will not significantly diminish which, in any such event, may have a Material Adverse Effect on the Issuer.

**Risk of change of Servicer**

The Back-Up Servicer will have a stand-by role until the occurrence of a Servicer Termination Event in respect of Athlon as Servicer. In the event Athlon is replaced as Servicer following a Servicer Termination Event, there may be losses or delays in processing payments or losses on the Portfolio due to a disruption in servicing during a transfer to the Back-Up Servicer. Any such delay or losses during such transfer period could have an adverse effect on the ability of the Issuer to make payments in respect of the Notes.

There is no guarantee that the Back-Up Servicer can provide servicing at the same level as Athlon. The payment of fees to the Back-Up Servicer (acting either as Back-Up Servicer or Servicer) will rank in priority to amounts paid to Noteholders in accordance with the relevant Priority of Payments and any increase in the level of fees paid to the Back-Up Servicer (acting either as Back-Up Servicer or Servicer) would reduce the amounts available to the Issuer to make payments in respect of the Notes.

**Risk of late payment by Servicer**

The Servicer has undertaken to transfer or procure the transfer of the Lease Collections and the Vehicle Realisation Proceeds realised by it on each Payment Date or, following a Commingling Reserve Trigger Event, on each Commingling Transfer Date subject to and in accordance with the Servicing Agreement (see the section entitled "*Description of Certain Transaction Documents*").

If the Servicer does not promptly forward all amounts which it has collected from the relevant Lessees or arising out of or in connection with the realisation of the Purchased Vehicles to the

Transaction Account in accordance with the Transaction Documents, insufficient amounts may be available to the Issuer to make payments to Noteholders on any Payment Date.

Furthermore, no assurance can be given that, upon an Insolvency Event relating to the Servicer, no commingling risk will arise, as the proceeds arising out of or in connection with the Lease Receivables and the Vehicle Realisation Proceeds will first be paid by, respectively, the Lessees and the third party purchasers to the Servicer. This risk is, however, mitigated by the fact that the Servicer will be replaced on the occurrence of a Servicer Termination Event (which includes the Insolvency of the Servicer). Therefore, the commingling risk will be limited to the amounts standing to the credit of the Servicer's bank accounts at the time insolvency proceedings are opened relating to Lease Collections on the Lease Agreements and the Vehicle Realisation Proceeds (unless payments continue to be paid into such bank accounts).

In addition, the Issuer will establish the Commingling Reserve Ledger. Upon the occurrence of a Commingling Reserve Trigger Event, the Subordinated Lender will, in accordance with the Subordinated Loan Facility make payments to the Issuer allowing the Issuer to credit an amount equal to the Required Commingling Reserve Amount to the Commingling Reserve Ledger. Additionally, upon the occurrence of a Commingling Reserve Trigger Event any Lease Collections and Vehicle Realisation Proceeds collected by the Servicer, the Seller and/or the Call Option Buyer as the case may be, will be transferred to the Transaction Account on each Commingling Transfer Date.

**Role of Back-Up Servicer**

Pursuant to the Servicing Agreement a suitable Back-Up Servicer has been appointed by the Issuer.

Following a Servicer Termination Event, the Back-Up Servicer (acting as Servicer) will perform, or procure the performance of, the Services in respect of the Purchased Vehicles in accordance with the terms set out in the Master Hire Purchase Agreement and the Servicing Agreement.

There can be no assurance that in case of a Servicer Termination Event in respect of DLL International (after it has become the Servicer) a new back-up servicer or substitute servicer can be appointed timely or at all. No assurance can be given that a new back-up servicer or substitute servicer does not charge fees in excess of the fees to be paid to DLL International in its capacity as Back-Up Servicer or that a back-up servicer or substitute servicer can be found which is willing to undertake the Services. The payment of fees to any back-up servicer or substitute servicer (acting either as back-up servicer, substitute servicer or as Servicer) will rank in priority to amounts to be paid to the Noteholders in accordance with the relevant Priority of Payments and therefore any increase in the level of fees paid to the back-up servicer or substitute servicer acting either as back-up servicer or substitute servicer or as Servicer) would reduce the amounts available to the Issuer to make payments in respect of the Notes.

Further, a delay in performing or procuring the performance of the Services by the Back-Up Servicer (acting as Servicer) could give rise to the right for Lessees to exercise rights of set-off or termination under the Lease Agreement which would reduce the Lease Receivables owed to the Issuer and reduce the amounts available to make payments in respect of the Notes.

**Reliance on realisation; sale in the open market; repurchase by the Servicer**

To the extent the Servicer has the duty to realise the Purchased Vehicles in the open market,

the Servicer will carry out such realisation of the Purchased Vehicles in accordance with the Servicing Agreement. Accordingly, the Noteholders are relying on the business judgement, the practices and the capabilities of the Servicer when realising the Purchased Vehicles (see the section entitled "*Description of Certain Transaction Documents*").

Although the different distribution channels for used vehicles offer flexibility, and therefore increase the customer base of the Servicer for such used vehicles, there is no guarantee that each of such distribution channels in itself results in the best-achievable price for such used vehicles. Partly, used vehicles will be sold by trade auctions that are limited to professional resellers only. Sales to professional sellers will generally result in a lower resale price (i.e. wholesale prices) than sales to a non-professional individual (i.e. retail prices).

Monies paid by the Servicer to the Seller will be paid into any Collection Account of the Seller and only transferred to the Issuer on each Payment Date or, following and whilst a Commingling Reserve Trigger Event is occurring, on each Commingling Transfer Date.

For more information on commingling, see further the section entitled "*Commingling risk*" below.

**Performance of realisation services by the Servicer or Back-Up Servicer**

The ability of the Issuer to meet its obligations under the Notes will depend on the performance of the duties of the Servicer and the Back-Up Servicer (acting as Servicer). No assurance can be given that the Servicer and, if applicable, the Back-Up Servicer (acting as Servicer) will be successful in selling the Purchased Vehicles in accordance with the Servicing Agreement.

**Commingling risk**

Athlon, in its capacity as Seller and Servicer, is entitled to commingle Lease Collections and any Vehicle Realisation Proceeds with its own funds during each Collection Period and is required to pay the Lease Collections and any Vehicle Realisation Proceeds accumulated to the Issuer on the Payment Date at the end of each such monthly period. Commingled funds may be used or invested by Athlon at its own risk and for its own benefit during each monthly period until each Payment Date. If Athlon were unable to remit those funds or were to become Insolvent, losses or delays in distributions to the Issuer, or following an Issuer Event of Default, the Security Trustee and ultimately the investors may occur, which would reduce the receipt by the Issuer of the Lease Receivables owed to it and reduce the amounts available to make payments in respect of the Notes. To mitigate any risks associated with this arrangement, following a Commingling Reserve Trigger Event, Athlon (in its capacity as the Subordinated Lender) will on each Commingling Transfer Date, in accordance with the Subordinated Loan Facility be required to make payments to the Issuer allowing the Issuer to credit an amount equal to the Required Commingling Reserve Amount to the Commingling Reserve Ledger. Following the occurrence of a Commingling Reserve Trigger Event (and, for as long as a Commingling Reserve Trigger Event is continuing, on each Calculation Date thereafter), the Servicer must elect (and notify the Issuer Administrator in writing of the same) the basis on which the Required Commingling Reserve Amount will be calculated. This election will determine the level as to which Athlon will be required to fund the Commingling Reserve Advance and the frequency of cash sweeps of certain Lease Collections and Vehicle Realisation Proceeds from the Servicer to the Issuer (as to which see further the section entitled "*Description of Certain Transaction Documents*"). In case Athlon is not able to fund the Commingling Reserve Advance (e.g. because it has become Insolvent or otherwise) the Issuer will be entitled to invoke the

Commingling Reserve Guarantee in which case the Commingling Reserve Guarantor will be required to promptly pay an amount to the Issuer equal to the Required Commingling Reserve Amount. However, receipt of such amount by the Issuer under the Commingling Reserve Guarantee is subject to the ability of the Commingling Reserve Guarantor to actually make such payment. In addition, there can be no assurance that the Required Commingling Reserve Amount will be sufficient to safeguard against such risks. See the section entitled "*Description of Certain Transaction Documents*".

## LEGAL CONSIDERATIONS

### Hire Purchase of the Leased Vehicles

Pursuant to the Master Hire Purchase Agreement the Issuer will purchase Leased Vehicles from the Seller by means of a hire purchase agreement within the meaning of section 7A:1576h of the Dutch Civil Code to be entered into in respect of each relevant Leased Vehicle with the Seller. Under a hire purchase contract the parties agree that the purchase price for the relevant asset is paid in regular instalments and that legal ownership to the asset does not transfer at the time of delivery of the asset to the hire purchaser, but only upon fulfilment of the condition precedent that the purchase price shall have been paid in full (i.e. upon payment of the final instalment). Upon payment in full, the Issuer will automatically by operation of law become the legal owner of such Purchased Vehicle, even when in the meantime the Seller has been declared Insolvent.

Most of the provisions in the Dutch Civil Code on hire purchase agreements are mandatory. One of these mandatory rules is the requirement to state in the hire purchase agreement (i) the relevant purchase price, (ii) a regular payment scheme of instalments, and (iii) conditions regarding the retention and transfer of legal title. The Master Hire Purchase Agreement complies with the above requirements. Pursuant to section 7A:1576h and section 7A:1576l of the Dutch Civil Code delivery (*aflevering*) of assets which are being hire purchased requires that the seller provides control (*macht*) over the relevant assets to the hire purchaser. Under Dutch law different views have been expressed as to what would be required as a minimum to provide control over a leased vehicle to a hire purchaser. However, the Issuer has been advised that upon due completion and execution of any Combined Transfer Deed in relation to a Leased Vehicle and, to the extent required, notification as set out below, such Combined Transfer Deed results in a valid hire purchase (*huurkoop*) of such Leased Vehicles as a matter of Dutch law in accordance with its terms. Pursuant to the Master Hire Purchase Agreement such control (*macht*) will be provided by means of a statement to that effect by and between the Seller and the Issuer. In addition notification will be given to the relevant Lessees whereby each Lessee will be informed, among other things, that the Lessee will have to adhere to any instructions which will as from the date of the relevant notification be sent to the Lessee by Athlon, also acting on behalf of the Issuer. The details as to which Leased Vehicles leased by the relevant Lessee are subject to the hire purchase will be made available to the Lessee upon request.

### Location of the Vehicles

Under Dutch rules of private international law, the "*lex rei sitae*" (i.e. the law of the jurisdiction where a movable asset (*roerende zaak*) is physically located at the relevant moment in time) governs the transfer of title to, and the creation of a security right in respect of such asset. This means that in the event a Purchased Vehicle is physically located outside the Netherlands upon

the transfer of title to the Issuer, it is uncertain whether or not legal title to such Purchased Vehicle will validly pass on to the Issuer if such transfer is effected in accordance with Dutch law.

In the event that according to the law of the jurisdiction in which the Purchased Vehicle is located upon the transfer of title to the Issuer additional requirements need to be fulfilled in order to have a valid transfer of legal title to the Purchased Vehicle, the Issuer will not become the legal owner of such Purchased Vehicle if such additional requirements have not been fulfilled. The same rules apply to the creation of the right of pledge on the Purchased Vehicles in favour of the Security Trustee. In the event that the Purchased Vehicle at the time of the creation of the right of pledge is located outside the Netherlands, such pledge will occur upon the relocation of the relevant Purchased Vehicle to the Netherlands. Similarly, each Combined Transfer Deed includes a provision which provides that if at the time the control or full title of any Purchased Vehicle is intended to be transferred to the Issuer pursuant to the Combined Transfer Deed the relevant Purchased Vehicle is located outside the Netherlands, the transfer of control or full title to such Purchased Vehicle shall transfer to the Issuer immediately upon the relocation of the relevant Purchased Vehicle to the Netherlands.

**Transfer of the Leased Vehicles and associated Lease Agreements**

As a result of the transfer of legal ownership of a Purchased Vehicle upon payment in full of the Purchase Price for such Purchased Vehicle under the relevant Hire Purchase Contract all rights and obligations of the Seller under the associated Lease Agreements which will become due and payable after such transfer will automatically and at the same time pass to the Issuer. No further action by either the Seller or the Issuer is required in this respect. The automatic transfer of the rights and obligations under the associated Lease Agreements is a result of the fact that section 7:226 of the Dutch Civil Code applies, since under Dutch law operational lease agreements qualify as rental agreements (*huurovereenkomsten*) within the meaning of section 7:201 of the Dutch Civil Code. Each Hire Purchase Contract between the Seller, the Issuer and the Security Trustee allows for the immediate payment by or on behalf of the Issuer of all remaining Purchase Instalments payable thereunder upon the occurrence of certain events, including, without limitation, the insolvency of the Seller. Upon such pre-payment in full of all remaining Purchase Instalments, the Issuer becomes the legal owner of the relevant Purchased Vehicle, even when in the meantime the Seller has been granted a suspension of payments (*surseance van betaling*) or has been declared bankrupt (*failliet verklaard*).

Under Dutch law, the transferee of leased property will in fact replace the transferor as a party to the relevant lease contract and will therefore be bound by all terms and conditions of such contract, provided however that pursuant to section 7:226(3) of the Dutch Civil Code, the transferee will only be bound to the terms and conditions of the relevant contract to the extent such terms and conditions directly relate to the use of the leased property against a consideration payable by the lessee. If and to the extent that for any Purchased Vehicle, any right or obligation under the associated Lease does not qualify as being "directly connected to the granting of quiet enjoyment against payment of lease instalments" (*onmiddellijk verband houdt met het doen hebben van het gebruik van de zaak tegen een door de huurder te betalen tegenprestatie*), as referred to in section 7:226(3) of the Dutch Civil Code, and therefore will not transfer to the Issuer by operation of law upon the transfer to the Issuer of full title to the relevant Purchased Vehicle, then the Issuer has agreed in the Master Hire Purchase Agreement with Athlon and the Security Trustee to assume and bear the risks of any such obligations. If the

Lessee would not accept the assumption of the obligations it would result in the Insolvent Seller remaining liable vis-à-vis the Lessee for the performance of the relevant obligations. Under Dutch law, a default by Athlon under the remaining obligations would in principle not entitle the Lessee to suspend its performance under, or to dissolve, the relevant Lease Agreement, as (i) it is a logical consequence of the above that the remaining obligations which have not transferred by operation of law to the Issuer do not directly concern the Lease Agreement, (ii) the Issuer will have offered the Lessee to enter into an agreement on the same terms as apply to the remaining obligations and (iii) the Issuer will be performing any and all other obligations which are directly connected to the granting of quiet enjoyment against payment of lease instalments under the Lease Agreement, with the assistance of the Servicer.

**Assignment of Lease Receivables**

Pursuant to section 7:226 of the Dutch Civil Code the Issuer will only be entitled to the Lease Receivables which become due and payable under the Lease Agreements after it has become the legal owner of the Purchased Vehicles. Prior to the Issuer becoming the legal owner of the Purchased Vehicles, the Issuer will be entitled to such receivables either (i) as a result of the assignment thereof by the Seller to the Issuer pursuant to the Master Hire Purchase Agreement, or (ii) pursuant to section 7A:1576n of the Dutch Civil Code. The latter provision states that the purchaser under a hire purchase agreement is entitled to all revenues (*vruchten*) generated by the assets subject to the hire purchase agreement, unless agreed otherwise therein. The Issuer has been advised that there are strong arguments for the view that (i) the Lease Receivables due under the associated Lease Agreements qualify as revenues within the meaning of section 7A:1576n of the Dutch Civil Code and (ii) on the basis of section 7A:1576n of the Dutch Civil Code and the terms of the Master Hire Purchase Agreement, the Issuer will be entitled to such Lease Receivables. This would mean that the Issuer, as the purchaser under the Hire Purchase Contracts, will be entitled to receive the Lease Receivables due and payable under the associated Lease Agreements as long as the Hire Purchase Contracts relating to the relevant Purchased Vehicles have not been terminated.

To the extent the Lease Receivables would not qualify as revenues (*vruchten*) within the meaning of section 7A:1576n of the Dutch Civil Code and/or the Issuer would otherwise not be entitled to the Lease Receivables on the basis of this provision, the Issuer will be entitled to these Lease Receivables as a result of the assignment of any and all Lease Receivables by the Seller to the Issuer. Such assignment will be initiated by execution of a deed of assignment within the meaning of section 3:94 of the Dutch Civil Code entered into between the Seller and the Issuer. A notification will be sent to the relevant Lessee and each deed of assignment shall be registered with the Dutch tax authorities (*Belastingdienst*). As a result of such registration the Issuer will become the legal owner of such Lease Receivables. The Issuer has agreed with Athlon (in its capacity as Servicer) that Athlon will collect the relevant Lease Receivables on behalf of the Issuer in accordance with the Servicing Agreement.

As a matter of Dutch law, the distinction between 'existing' receivables and 'future' receivables is relevant in relation to an assignment or pledge of receivables. If receivables are to be regarded as future receivables, an assignment and/or pledge thereof will not be effective to the extent the receivable comes into existence after or on the date on which the assignor becomes Insolvent. If, however, receivables are to be considered as existing receivables, the assignment and pledge thereof are not affected by the bankruptcy or suspension of payments of the assignor/pledgor. According to a judgment of the Dutch Supreme Court (*Hoge Raad*) rental

instalments that are not yet due and payable are to be considered as future receivables. Given the fact that operational lease agreements qualify as rental agreements under Dutch law, amounts payable under the Lease Agreements constitute future receivables to the extent that such amounts become due and payable on a date subsequent to the date of the assignment or pledge thereof. Consequently, an assignment on any Purchase Date of receivables under the Lease Agreements that are not yet due and payable on such date would not be effective to the extent such receivables become due and payable on or after the date on which the Seller has been declared Insolvent.

This risk, however, is addressed by the fact that the Issuer will enter into a Hire Purchase Contract with respect to each Purchased Vehicle pursuant to which it will become the legal owner of a Purchased Vehicle upon payment in full of the Purchase Price, irrespective of whether in the meantime an Insolvency Event has occurred in respect of the Seller. If an Insolvency Event in respect of the Seller occurs an accelerated payment of the Final Purchase Instalment is envisaged to take place. This accelerated payment will be effected by means of a set-off (*verrekening*) of the relevant Purchase Instalments by the Issuer against the accelerated (re)payment obligation of the Seller to the Issuer pursuant to the Issuer Facility Agreement (see in respect of this accelerated payment obligation, the section entitled "*Description of Certain Transaction Documents*" below). Upon payment of the Final Purchase Instalment the relevant Purchased Vehicle transfer to the Issuer by operation of law, regardless whether the Seller has become Insolvent. Additionally the Lease Agreement entered into with respect to a Purchased Vehicle will transfer to the Issuer by operation of law pursuant to section 7:226 of the Dutch Civil Code (see under paragraph "*Transfer of Leased Vehicles and associated Lease Agreements*" above).

**Remaining Lease rights and obligations**

As of the relevant Purchase Cut-Off Date, the risk and benefit relating to a Purchased Vehicle will be for the account of the Issuer. The obligations of the Seller in respect of the Purchased Vehicle will remain with the Seller until such time as the Issuer acquires full title to the relevant Purchased Vehicle. The same applies to any rights of the Seller under the Lease Agreements associated with the Purchased Vehicles that are not capable of being assigned and do not qualify as proceeds. The Servicer agrees to perform such obligations and exercise such rights in the same manner as it would have been required to do on behalf of the Issuer under the Servicing Agreement if such rights and obligations had transferred to the Issuer.

**Termination of Lease Agreements**

*Insolvency Event relating to the lessor*

A possible Insolvency Event in relation to the Seller as lessor under a Lease Agreement in itself would not be a ground for a lessee to dissolve such agreement (without being obliged to pay any damages), unless the parties have agreed otherwise. Pursuant to the Eligibility Criteria a Lease Agreement may not permit the Lessee to terminate such Lease Agreement if an Insolvency Event occurs in respect of the Originator, unless the Lessee is required upon such termination to pay a Lease Agreement Early Termination Amount, if any, in respect of such Lease Agreement. However, even if the terms and conditions applicable to the relevant Lease Agreement do not explicitly provide such right to the Lessee, the Lessee is nevertheless entitled to terminate the contract in the event of non-performance by the lessor of its obligations

thereunder if, after having sent a notice of default to the lessor, the default is not remedied within the period mentioned in such notice and the non-performance as such justifies a termination of the Lease Agreement. The Lessee will not be entitled to terminate the Lease Agreement in the event the non-performance is of minor importance. If, however, termination would be permitted such termination would reduce the Lease Receivables owed to the Issuer and reduce the amounts available to make payments in respect of the Notes. In such case, as the Final Purchase Instalment will be paid, the Issuer in its capacity as the legal owner of the Purchased Vehicle will have the benefit of the Vehicle Realisation Proceeds in respect of the relevant Purchased Vehicle.

*Insolvency Event relating to the Lessee*

If a Lessee is subjected to Insolvency Proceedings, there is a risk that the Insolvency Official pursuant to the Dutch Bankruptcy Code (*Faillissementswet*) terminates any lease agreement (*huurovereenkomst*) to which such Lessee is a party, taking into account a notice period of up to three months. Each Lease Agreement provides that if the relevant Lessee is subjected to Insolvency Proceedings, or if certain other events relating to such Lessee occur (for example a default (*verzuim*) in the payment of Lease Receivables), the lessor may terminate the Lease Agreement and the Lessee is obliged to fully indemnify the lessor. However, if the termination occurs by the Insolvency Official on the basis of the Dutch Bankruptcy Code (*Faillissementswet*), in principle a three (3) month notice period would apply, and not the contractual provisions pertaining to termination. There is therefore a risk that termination by an Insolvency Official of a Lessee on the basis of the Dutch Bankruptcy Code (*Faillissementswet*) precedes termination by the lessor on the basis of the relevant Lease Agreement.

In the Servicing Agreement, the Servicer undertakes to provide certain management, collection and recovery services in relation to the associated Lease Receivables, including in relation to any failure by a Lessee to comply with its obligations under or in connection with a Lease Agreement, to use all reasonable endeavours to collect all associated Lease Receivables and take any and all steps as it deems reasonably necessary or appropriate to preserve and enforce the rights of Athlon under the applicable Lease Agreement, which may include taking steps to initiate the termination of the Lease Agreement and repossessing the relevant Purchased Vehicle, in accordance with the Credit and Collection Procedures or, to the extent that the Credit and Collection Procedures are not applicable having regard to the nature of the default in question or the requirements of the relevant Lease Agreement, take such action as is beneficial to the interests of the Issuer, provided that the Servicer shall only become obliged to comply with the Credit and Collection Procedures (to the extent applicable) or to take action as aforesaid after it has become aware of the default, provided that in exercising such discretion the interest of the Issuer is not materially prejudiced.

In case a contractual termination by the lessor (as opposed to a termination by the Insolvency Official on the basis of the Dutch Bankruptcy Code (*Faillissementswet*)) occurs and the Lessee is requested to fully indemnify the lessor pursuant to the relevant Lease Agreement, the Lessee in principle has the defences available to it that are generally available to debtors under Dutch law. If the indemnification qualifies as a penalty (*boete*), these defences include the right to request the court to mitigate such penalty if fairness so clearly dictates. However, even if such circumstances apply, the lessor would still be entitled to any indemnification to which it is

entitled by statute and the owner of the relevant Purchased Vehicle would still have the benefit of such ownership.

**Right to retain property**

The right to retain property (*retentierecht*) is a statutory remedy that is available to certain types of creditors allowing such creditors to refuse to surrender possession of goods as long as the debtor has failed to pay the debt he owes to such creditor. An Insolvency Event relating to the debtor does not affect the right of retention.

If, for example, a Leased Vehicle is brought to a dealer for repair the dealer is entitled to hold the Vehicle until the dealer is paid for the services rendered by such dealer. Whether the Servicer acting on behalf of the Issuer is obliged to pay the dealer or the Lessee depends on the type of Lease Agreement entered into with the Lessee. The BOVAG General Conditions that often apply in respect of repair activities performed by dealers contain a clause dealing with the right to retain property. Furthermore, as another example, it is assumed by a certain Dutch legal commentator (based on a judgment of the District Court in Amsterdam) that pursuant to section 3:291(2) of the Dutch Civil Code, the user of a Vehicle subject to an operational lease concluded between its employer and a third party (i.e. the lease company) will have a right to retain such vehicle in the event that the employer fails to comply with its obligations under the relevant employment agreement. However, the Issuer has been advised that strong arguments are available which invalidate this view. Furthermore, apart from the fact that there is no conclusive case law explicitly supporting the view of this commentator, there has been another judgment (President of the Court of Zwolle) where it was decided that an employee who did invoke a right of retention against the relevant lease company in respect of the leased car under his control, because the relevant employer failed to comply with its obligations under the employment contract, was not entitled to do so.

**Right to suspend performance and/or dissolve Lease Agreements**

According to Dutch law, if one of the parties to a contract does not perform its obligations, then the other party has the right to suspend the performance (*opschortingsrecht*) of its obligations that are related to the obligations that have not been performed. In case of partial or improper performance the suspension is permitted only to the extent that the shortcoming justifies it. These defences would generally be available to a Lessee if the Seller's or the Issuer's, as the case may be, obligations under the relevant Lease Agreement are not performed by or on behalf of the Seller or the Issuer, as the case may be. In addition, if the non-performance results in a default (*verzuim*), for example because the non-performance was not timely remedied by the counterparty following receipt of a default notice (*ingebrekestelling*), then the first party may proceed to dissolve (*ontbinden*) the agreement (e.g. lease agreement), in whole or in part. In the Servicing Agreement, the Servicer undertakes to provide the relevant Services including the performance of all obligations of the owner of the Purchased Vehicles and the lessor under the associated Lease Agreements.

**Set-off**

Under Dutch law (section 6:127 of the Dutch Civil Code), a debtor has a right of set-off (*verrekenen*) if (a) he has a claim which corresponds to his debt to the same counterparty and if

(b) he is entitled to pay his debt as well as to enforce payment of his claims. The parties to a contract may deviate from the Dutch Civil Code rules concerning set-off. In the event that the counterparty of the debtor has been declared bankrupt (*failliet verklaard*) or granted suspension of payments (*surseance van betaling verleend*), a debtor has such right of set-off if both the debt and the claim came into existence prior to the bankruptcy or similar proceedings, or arose from acts effected with the bankrupt party prior to such bankruptcy or similar proceedings. According to case law neither the debt nor the claim needs to be due and payable for the set-off to be effective (sections 53 and 234 of the Dutch Bankruptcy Code (*Faillissementswet*)).

*Set-off by Lessees*

Notwithstanding the transfer of Lease Receivables to the Issuer, the Lessees may be entitled to set off the relevant Lease Receivable against a claim they may have vis-à-vis Athlon (if any). In the absence of contractual provisions expanding statutory set-off possibilities, mutuality of claims is one of the requirements for set-off to be allowed: the parties, mutually, have to be each other's creditor and debtor.

Following a transfer of a Lease Receivable by the Seller to the Issuer and notification thereof to the relevant Lessee, the Seller is no longer the creditor of the relevant Lease Receivable. However, for as long as the transfer has not been notified to the relevant Lessee, the Lessee remains entitled to set off the Lease Receivable against moneys owed to him by the Seller as if no transfer had taken place. The Lessees will be notified that upon request they will be provided with the details of the Lease Receivables that have been transferred to the Issuer. However, the Issuer has been advised that this may not constitute a notification for the purpose of negating set-off. As such, until further notification to a Lessee of the transfer of the relevant Lease Receivable, the relevant Lessee may remain entitled to set off as if no transfer of the Lease Receivable had occurred. After notification or (deemed) knowledge of the transfer, the relevant Lessee can still invoke set-off pursuant to section 6:130 of the Dutch Civil Code. On the basis of such section a Lessee can invoke set-off against the Issuer if the Lessee's claim (if any) vis-à-vis the Seller stems from the same legal relationship as the Lease Receivable or became due and payable before the notification of the silent assignment or the (deemed) knowledge referred to above. In addition, on the basis of an analogous interpretation of section 6:130 of the Dutch Civil Code, a Lessee will be entitled to invoke set-off against the Issuer if prior to the notification or (deemed) knowledge of the transfer, the Lessee was either entitled to invoke set-off against the Seller (e.g. on the basis of section 53 of the Dutch Bankruptcy Code) or had a justified expectation that it would be entitled to such set-off against Athlon.

Not all Lease Agreements exclude or limit the statutory right of set-off of the relevant Lessee. In addition, under Dutch law a waiver of set-off may not be enforceable in all circumstances. The Master Hire Purchase Agreement provides that if a Lessee sets off any amount owed by it to the Seller against any Lease Receivable, the Seller will pay to the Issuer an amount equal to the amount so set-off. Receipt of such amount by the Issuer from the Seller is subject to the ability of the Seller to actually make such payment.

**Risk relating to Security**

*General*

Under or pursuant to the Security Documents, various Dutch law rights of pledge will be granted by the Issuer to the Security Trustee. A Dutch right of pledge can serve as security for monetary claims (*geldvorderingen*) only and can only be enforced upon default (*verzuim*) in the obligations secured thereby. Foreclosure on pledged property is to be carried out in accordance with the applicable provisions and limitations of the Dutch Civil Code and the Dutch Code of Civil Procedure (*Wetboek van Burgerlijke Rechtsvordering*).

The Issuer is a special purpose entity. It has been set up as a bankruptcy-remote entity, mainly in two ways. First of all, non-petition wording has been included in the relevant Transaction Documents. Notwithstanding such wording, it is possible that a Dutch court would deal with a petition for bankruptcy (*faillissement*), even if such petition was presented in breach of a non-petition covenant. However, secondly, recourse by the Noteholders and the Transaction Parties to the Issuer has been limited to the Secured Assets. It is therefore unlikely that the Issuer becomes Insolvent. Should the Issuer nevertheless become Insolvent, the Security Trustee as pledgee can exercise the rights afforded by Dutch law to pledgees as if there were no Insolvency Proceedings. However, the Issuer's Insolvency would affect the position of the Security Trustee as pledgee in some respects under Dutch law.

*Limitations on security over future receivables*

Under the relevant Security Documents, the Issuer will pledge all of its present and future receivables. This will include a pledge over all lease receivables. Under Dutch law an undisclosed right of pledge can be established over future rights, provided that such rights directly result from an existing relationship (*rechtstreeks zullen worden verkregen uit een bestaande rechtsverhouding*). However, the right of pledge over a future right will only be perfected at the time such right comes into existence provided that, at that time, the pledgor is authorised to dispose over or encumber such right (*beschikkingsbevoegd*). Therefore, if a future right directly resulting from an existing relationship comes into existence after the Issuer has been declared Insolvent, such right will not be subject to the security right created by the relevant Security Document and will therefore, in those circumstances, become part of the bankrupt estate of the Issuer, free from encumbrances (*onbezwaard*).

*Pledge of Lease Instalments*

The Issuer has created an undisclosed (*stil*) right of pledge in favour of the Security Trustee over any and all Lease Receivables resulting from the Lease Agreements, including, but not limited to, the Lease Interest Components, Lease Principal Components and Lease Servicing Components due under such Lease Agreements by the Lessees. As long as no notification of this pledge is given to the Lessees, the Security Trustee shall not be entitled (i) to collect such Lease Instalments or (ii) to any Lease Instalments paid to the Issuer prior to notification. The Lease Receivables Pledge Agreement contains the events upon the occurrence of which notification will be made to the Lessees.

Lease receivables are deemed to be future receivables which only come into existence after the lessor has complied with its obligations under the lease agreement. Reference is made to "*Limitations on security over future receivables"* above. In respect of the Lease Receivables

Pledge Agreement this means that any Lease Receivables that will only come into existence or will only be acquired by the Issuer after it is declared bankrupt or is granted a suspension of payments will not be subject to the right of pledge created thereon and these lease receivables will fall into the bankrupt estate of the Issuer. The Security Trustee will therefore not have any security right or any right of preference in respect of the proceeds of these Lease Receivables.

*Pledge of Issuer Accounts and pledge of Issuer Rights*

The Issuer will create a disclosed right of pledge over the credit balances of the Issuer Accounts. Amounts that are paid into the Issuer Accounts after bankruptcy and suspension of payments of the Issuer will no longer be subject to a right of pledge and will become part of the estate of the Issuer. However, to the extent that such amounts are to be paid under receivables (for example Issuer Rights) that have been validly pledged to the Security Trustee prior to the Issuer's Insolvency, the Security Trustee could prevent that such pledged receivables are further discharged through payments to the relevant account. For this purpose it will need to notify the relevant debtor that the Issuer is no longer authorised to collect the relevant pledged receivables and that such debtor should pay to the Security Trustee as pledgee directly. Insofar as pledged Issuer Rights are concerned, the Security Trustee may pursuant to the Issuer Rights Pledge Agreement send such notification upon the occurrence of an Issuer Event Default which is continuing. In this respect, upon certain events including but not limited to bankruptcy or suspension of payments of the Issuer, the Security Trustee is entitled to instruct the Account Bank to only carry out those payment orders and other instructions regarding the relevant accounts that are given by the Security Trustee without any prior notice to or consent of the Issuer being required. Furthermore, after delivery of a Notes Acceleration Notice, the Lessees will be notified of the right of pledge over the Lease Receivables and shall be instructed to pay the Lease Instalments and other amounts due and payable by them under the Lease Agreements into a segregated security account in the name of the Security Trustee.

*Risk relating to non-possessory pledge of Leased Vehicles*

Pursuant to the Seller Vehicles Pledge Agreement and the Issuer Vehicles Pledge Agreement, the Seller and the Issuer, respectively, will create and/or will create in advance (*bij voorbaat*) a non-possessory (*bezitloos*) right of pledge on the Purchased Vehicles in favour of the Security Trustee. This means that the pledge has not been disclosed to the Lessees. Pursuant to Dutch law a non-possessory right of pledge will rank junior to any new possessory pledge (*vuistpand*) of a third party acting in good faith. It should be noted that each of the Seller and the Issuer will covenant that it shall not dispose of or encumber the Purchased Vehicles other than in accordance with the Transaction Documents. Upon a sale of the Purchased Vehicles for consideration to a third party who is acting in good faith, and such Leased Vehicles having been transferred by the Seller or the Issuer to the third party, the Security Trustee's non-possessory right of pledge will terminate.

The right of pledge on the Purchased Vehicles granted by the Seller to the Security Trustee under the Seller Vehicles Pledge Agreement will secure the payment obligations of the Issuer under the Parallel Debt. Under Dutch law there is uncertainty as to whether the granting of security on assets by a company in order to secure the obligations of a third party that is not a direct or an indirect subsidiary of such company, is or can be regarded to be in furtherance of the objects of that company, and consequently, whether such security may be voidable or unenforceable on the basis of section 2:7 of the Dutch Civil Code. Said provision gives a

company the right to invoke the nullity of a legal act performed by it if (i) as a result of such legal act, the company's objects were exceeded, and (ii) the other party was aware or, without personal investigation, should have been aware thereof. In determining whether the granting of such security is in furtherance of the objects of the company, it is important to take into account (a) the wording of the objects clause in the articles of association of the company; and (b) whether it is in the interest of the company, i.e. whether the company derives any commercial benefit from the overall transaction in respect of which such security was granted. With regard to (a) it is noted that the objects clause in the articles of association of the Seller expressly includes the granting of security for obligations of other parties (including, but not limited, to third parties which are not a direct or indirect subsidiary of the Seller). With regard to (b) it is noted that the Seller derives benefit from the transaction in respect of which the said right of pledge will be vested, since the transactions envisaged by the Transaction Documents enables the Issuer to enter into the Master Hire Purchase Agreement under which the Seller will receive the Purchase Price for the Purchased Vehicles.

As to the risk that the right of pledge on a Vehicle is not validly created due to the fact that the Vehicle at the time of creation of the right of pledge was located outside the Netherlands, see above under "*Location of the Vehicles*". See further the sections headed "*BOVAG and FOCWA General Conditions; possessory liens and third party encumbrances*" which applies *mutatis mutandis*.

*Limitations in respect to rights ranking senior to the security rights*

Possessory liens (*retentierechten*) over the Purchased Vehicles such as those envisaged by the BOVAG and FOCWA General Conditions will as a matter of Dutch law in principle rank senior to the right of pledge of the Security Trustee.

*Limitations in respect of foreclosure*

Under Dutch law, a holder of a Dutch security right can exercise the rights afforded by law to it as if there was no bankruptcy (*faillissement*) or suspension of payments (*surseance van betaling)* of the security provider. However, a bankruptcy or suspension of payments of a Dutch security provider would limit the rights of the security holder in some respects, the most important limitations of which are the following:

(a) in respect of rights of pledge over rights and receivables, payments received by the Security Trustee prior to notification of the account debtor of these rights and receivables of such rights of pledge or prior to termination of the authorisation given by the security holder to the Security Trustee provider to collect payment of these rights and receivables after bankruptcy or suspension of payments of the security provider will be part of the bankrupt estate of the security provider, albeit that the Security Trustee will be entitled to such amounts by preference after deduction of general bankruptcy costs (*algemene faillissementskosten*);

(b) a mandatory "cool-off" period (*afkoelingsperiode*) of up to a maximum period of four (4) months in respect of either a bankruptcy or a suspension of payments (i.e. if a bankruptcy immediately follows a suspension of payments, the maximum period will be eight (8) months), which would delay the exercise of the security rights, although the stay of execution does not prevent the Security Trustee from giving notice to the debtors of any pledged receivables and collecting the proceeds thereof. However, where applicable, it

will prevent the Security Trustee from (i) taking recourse against any amounts so collected and (ii) selling pledged assets to third parties, during such stay of execution;

(c) the Security Trustee may be obliged to foreclose its security rights within a reasonable period as determined by the judge-commissioner (*rechter-commissaris*) appointed by the court in case of bankruptcy of that company. However, if the Security Trustee fails to take any such foreclosure action within a reasonable period of time, the bankruptcy trustee may sell the assets himself in the manner provided for in the Dutch Bankruptcy Code (*Faillissementswet*). In this case, the Security Trustee will still be entitled to any proceeds of such foreclosure by preference but only after deduction of general bankruptcy costs; and

(d) excess proceeds of enforcement must be returned to the Issuer in its Insolvency; they may not be set-off against an unsecured claim (if any) of the Security Trustee on the Issuer. Such set-off is in principle allowed prior to the Insolvency Proceedings.

*Parallel Debt*

It is intended that the Issuer and the Seller grant rights of pledge to the Security Trustee for the benefit of the Secured Creditors. However, under Dutch law there is no concept of trust and it is generally assumed that under Dutch law a right of pledge cannot be validly created in favour of a person who is not the creditor of the claim that the right of pledge purports to secure. Under Dutch law, a 'parallel debt' structure can be used to give a trustee its own, separate, independent claim on identical terms as the relevant creditors. The Parallel Debt is included in the Trust Deed, to address this issue. It is noted that there is no statutory law or case law available on the validity and enforceability of a parallel debt such as the Parallel Debt or the security provided for such debts. However, the Issuer has been advised that there are no reasons why a parallel debt such as the Parallel Debt will not create a claim of the pledgee (the Security Trustee) thereunder which can be validly secured by a right of pledge such as the rights of pledge created pursuant to the Pledge Agreements.

In this respect the Trust Deed will create the Parallel Debt, so that the Security can be granted to the Security Trustee in its own capacity as creditor of the Parallel Debt. The Issuer will enter into the Trust Deed with the Security Trustee, under which the Issuer will undertake to pay to the Security Trustee, under the same terms and conditions, an amount equal to the Parallel Debt (i.e. the aggregate of all its obligations to the Secured Creditors from time to time due in accordance with the terms and conditions of the relevant Transaction Documents, including the Notes). The Parallel Debt represents an independent claim of the Security Trustee to receive payment thereof from the Issuer, provided that the aggregate amount that may become due under the Parallel Debt will never exceed the aggregate amount that may become due under all of the Issuer's obligations to the Secured Creditors, including without limitation, the Noteholders, pursuant to the Transaction Documents and every payment in respect of such Transaction Documents for the account of or made to the Secured Creditors directly, shall operate in satisfaction *pro tanto* of the Parallel Debt. The Parallel Debt is secured by the Pledge Agreements. Upon the occurrence of an event of default under the Notes, the Security Trustee may give notice to the Issuer and the Seller (in respect of the Seller Vehicles Pledge Agreement) that the amounts outstanding under the Notes (and the corresponding amounts under the Parallel Debt) are immediately due and payable and that it will enforce the Pledge

Agreements. The Security Trustee will agree to apply the amounts recovered upon enforcement of the Pledge Agreements in accordance with the provisions of the Trust Deed. The amount payable to the Noteholders and other Secured Creditors under the Trust Deed will be limited to the amounts available for such purpose to the Security Trustee. Payments under the Trust Deed will be made in accordance with the Accelerated Amortisation Priority of Payments.

Any payments in respect of the Parallel Debt and any proceeds of the Security (in each case to the extent received by the Security Trustee) are in the case of an Insolvency of the Security Trustee not separated from the Security Trustee's other assets, so the Secured Creditors accept a credit risk on the Security Trustee. However, the Security Trustee is a special purpose entity is and is therefore unlikely to become Insolvent.

**Residual Value Shortfalls**

It is envisaged that upon payment to the Seller of all Purchase Instalments under a Hire Purchase Contract, the Issuer acquires full title to the relevant Purchased Vehicle. It is possible that thereafter, any Vehicle Realisation Proceeds of such Purchased Vehicle are insufficient to cover (i) in case of a Matured Lease, the Estimated Residual Value or (ii) in case of a Lease Agreement Early Termination, the Book Value of such Purchased Vehicle outstanding on the first day of the Collection Period within which the relevant Lease Early Termination Date falls. This risk is mitigated as follows.

Firstly, the Master Hire Purchase Agreement provides that if a Lease Termination Date occurs, the Call Option Buyer has the option to exercise the Repurchase Option on the first following Payment Date, against the payment of the Option Exercise Price which will be equal to (i) in case of a Matured Lease, the Estimated Residual Value and (ii) in case of a Lease Agreement Early Termination, the Book Value outstanding on the first day of the Collection Period within which the relevant Lease Early Termination Date falls. The corresponding retransfer of the relevant Purchased Vehicle includes the granting of control over the repurchased Purchased Vehicles to the Call Option Buyer, the re-assignment of any associated Lease Receivables and the transfer by the Issuer to the Call Option Buyer of any relevant Lease Incidental Debt. If an Insolvency Event has occurred with respect to a Lessee the Call Option Buyer may only exercise its Repurchase Option with respect to all (but not some of the) Purchased Vehicles relating to such Lessee.

Secondly, if the Call Option Buyer does not exercise its Repurchase Option (e.g. because it has become Insolvent or otherwise) and provided that the relevant Purchased Vehicle is not associated with a Defaulted Lease Agreement, and the Issuer (or the Issuer Administrator on its behalf) determines that the Vehicle Realisation Proceeds realised in respect of the relevant Purchased Vehicle are less than the Estimated Residual Value or, in case of a Lease Agreement Early Termination, the Book Value of such Purchased Vehicle, the RV Guarantor will pay to the Issuer an amount equal to the RV Shortfall Amount on the first Payment Date following such Collection Period. Receipt of such amount by the Issuer from the RV Guarantor is subject to the ability of the RV Guarantor to actually make such payment. In addition, pursuant to the Master Hire Purchase Agreement, the Seller shall in such event be obliged to pay to the Issuer any Lease Incidental Shortfall if and when such Lease Incidental Shortfall occurs in respect of the relevant Purchased Vehicle. Receipt of such amount by the Issuer from the Seller is subject to the ability of the Seller to actually make such payment.

**Insurance**

In relation to each Purchased Vehicle, at least two types of insurance are relevant: car body and third party liability insurance.

Certain Purchased Vehicles are not subject to car body insurance, in which cases the Seller takes the risk of car body damage in its own books. As between the Lessee and the lessor, unless a specific car body insurance has been agreed, the risk of car body insurance in principle lies with the lessor/owner of the Vehicle. The Lease Servicing Component generally includes a component for car body insurance or for the Seller bearing the risk of car body damages.

The Issuer's risk of damage to a Purchased Vehicle is mitigated as mentioned in the previous risk factor entitled "Residual Value Shortfalls". The Call Option Buyer either repurchases the relevant Purchased Vehicle against the payment of the Option Exercise Price or the RV Guarantor is obliged to pay any RV Shortfall Amount, unless the relevant Purchased Vehicle is associated with a Defaulted Lease Agreement. In addition, in the Servicing Agreement the Servicer undertakes to render the Services, which include (i) performing all obligations of the owner of the Purchased Vehicles and the lessor under the associated Lease Agreements and (ii) arranging for appropriate insurance for the Purchased Vehicle in consultation with the Issuer if the Call Option Buyer does not exercise the Repurchase Option.

In relation to the third party liability insurance the applicable insurance policy in many cases provides that in the case of a change of ownership of the relevant Vehicle (or termination of a lease contract), the insurance policy will terminate. Pursuant to the Master Hire Purchase Agreement, full title to the relevant Purchased Vehicle is envisaged to pass to the Issuer upon payment of all relevant Purchase Instalments. The risk that third party insurance terminates at that stage is mitigated as mentioned above: in the Servicing Agreement the Servicer undertakes to render the Services, including arranging for appropriate insurance for the associated Purchased Vehicle in consultation with the Issuer if the Call Option Buyer does not exercise the Repurchase Option. Furthermore, the Seller in its capacity as Servicer has undertaken to, upon the occurrence of the earlier of (i) a Commingling Reserve Trigger Event and (ii) Rabobank ceasing to own (directly or indirectly) the majority of the shares in DLL International and (iii) DLL International ceasing to own (directly or indirectly) the majority of the shares in the Seller, use its best efforts to enter into an arrangement with the relevant insurance companies in order to ensure that the policies relating to the third party liability insurance taken out by the Seller with such insurance company will continue to be in force for the account and benefit of the Issuer upon a transfer of legal ownership of a Purchased Vehicle to the Issuer, unless the Seller has found with the relevant insurance companies another solution ensuring the same and which is suitable in order to maintain the then current ratings assigned to the Class A Notes.

**Transfer of Undertaking**

The transfer of the Purchased Vehicles together with the associated Lease Receivables pursuant to the Master Hire Purchase Agreement could constitute a transfer of undertaking within the meaning of both European law (Council Directive 77/187/EC, as amended by Council Directives 98/50/EC and 2001/23/EC) and Dutch law (sections 7:662 to 7:666 of the Dutch Civil Code), but only if the transfer of the relevant Purchased Vehicles together with the associated Lease Receivables qualifies as a transfer of (part of) an ‘economic entity' (*onderneming*) which retains its identity after the transfer. In this context an ‘economic entity’ is an organised grouping of resources aimed at pursuing an economic activity, regardless of whether that activity is

central or ancillary. In determining whether the identity of the economic entity is retained after a transfer, all facts and circumstances in relation to the transfer must be assessed.

The Purchased Vehicles together with the associated Lease Receivables and the Servicing Agreement form a substantial part of the Seller's business and as such may qualify as an economic entity. If that economic entity retains its identity after the transaction pursuant to the Master Hire Purchase Agreement, the employees of the Seller could successfully claim that their employment terms have transferred to the Issuer by operation of law. In such case, the Issuer would be obliged to honour all existing rights and obligations arising from the employment agreements between the Seller and its employees at the time of the transfer.

However, the obligations pursuant to the associated Lease Agreements will not pass to the Issuer until payment of the Final Purchase Instalment and based on the Servicing Agreement will continue to be performed by Athlon and upon the appointment of Athlon as Servicer being terminated, will be performed by the Back-Up Servicer or any other substitute servicer. On that basis it can be argued - given relevant case law - that such economic entity will not retain its identity in light of the transaction at hand. This substantially reduces the risk of employees of the Seller successfully claiming that their employment terms have transferred from the Seller to the Issuer by operation of law.

**Limited description of the Purchased Vehicles; no independent investigation**

Individual Noteholders will not receive detailed statistics or information in relation to the Purchased Vehicles, because it is expected that the constitution of the Purchased Vehicles may constantly change due to, for instance, the Issuer hire purchasing additional Leased Vehicles from the Seller or the Seller or the Call Option Buyer repurchasing Purchased Vehicles from the Issuer. However, each Purchased Vehicle will be required to meet the Eligibility Criteria and the Asset Warranties (as amended from time to time).

The ability of the Issuer to meet its obligations under the Notes will depend on, among other things, the quality and the value of the Purchased Vehicles and the performance by each Lessee and Transaction Party. Neither the Issuer nor the Security Trustee has undertaken or will undertake any investigations, searches or other actions to verify the details of the Purchased Vehicles or to establish the creditworthiness of any Lessee or any Transaction Party, and no assurance can be given that such details and creditworthiness will not deteriorate in the future.

Each of the Issuer and the Security Trustee will rely solely on the accuracy of the Seller Warranties. The Master Hire Purchase Agreement provides that if a Seller Warranty is breached and such breach is not capable of remedy, or is not remedied to the satisfaction of the Issuer within twenty (20) Business Days, then (i) if the breach relates to an Asset Warranty the Seller shall terminate (*opzeggen*) the Hire Purchase Contract relating to the relevant Purchased Vehicle, as a result of which the obligation of the Issuer to pay the remaining Purchase Price shall cease and the Seller has to repay to the Issuer the associated Issuer Advance in accordance with the Issuer Facility Agreement; or (ii) if the breach relates to any warranty other than an Asset Warranty or Corporate Warranty, Athlon shall indemnify the Issuer.

If the Seller performs its obligations as abovementioned, neither the Issuer nor the Security Trustee shall have any other remedy or cause of action in relation to the breach of the relevant

Corporate Warranty. If Athlon does not perform such obligations, this may result in a Seller Event of Default.

**TAX CONSIDERATIONS**

**EU Council Directive on taxation of savings income**

Under Directive 2003/48/EC on the taxation of savings income in the form of interest payments Member States are required to provide to the tax authorities of another Member State details of payments of interest (or similar income) paid by a person within its jurisdiction to, or collected by such a person for, an individual resident in that other Member State. However, currently Luxembourg and Austria are instead required (unless they elect otherwise) to operate a withholding system in relation to such payments (the ending of such withholding system being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries), deducting tax at rates rising over time to 35%.

A number of non-EU countries (including Switzerland, which has adopted a withholding system) and certain dependent or associated territories of certain Member States, have agreed to adopt similar measures (either provision of information or transitional withholding) in relation to payments made by a person within its jurisdiction to, or collected by such a person for, an individual resident in a Member State. In addition, the Member States have entered into reciprocal provision of information or transitional withholding arrangements with certain of those dependent or associated territories in relation to payments made by a person in such Member State to, or collected by such a person for, an individual resident in the relevant territory.

**No Gross-up for Taxes**

The Conditions provide that any payments of, or in respect of, principal of and interest on the Notes will be made without withholding of, or deduction for, or on account of any present or future taxes, duties, assessments or charges of whatsoever nature imposed or levied by or on behalf of the Netherlands, any authority therein or thereof having power to tax. If, however, the withholding or deduction of such taxes, duties, assessments or charges are required by law, the Issuer or any of the Paying Agent (as applicable) will make the required withholding or deduction of such taxes, duties, assessments or charges for the account of the Noteholders, as the case may be, and shall not be obliged to pay any additional amounts to such Noteholders. Pursuant to Condition 6.4 (*Optional Redemption in whole for taxation*) the Notes will, at the option of the Issuer, be subject to early redemption in whole (but not in part) at their Principal Amount Outstanding together with accrued but unpaid interest if any*, inter alia*, if the Issuer or the Paying Agent would become obligated to make any withholding or deduction from payments in respect of any of the Notes.

**Tax consequences**

Potential investors should consider the tax consequences of investing in the Notes and consult their tax adviser about their own tax situation.

**OTHER CONSIDERATIONS**

**Change of law**

The structure of the issue of the Notes and the ratings which are to be assigned to the Class A

Notes are based on Dutch law in effect as at the date of this Prospectus. No assurance can be given as to the impact of any possible change to Dutch law or administrative practice in the Netherlands after the date of this Prospectus.

**Confidentiality**

Certain Lease Agreements contain confidentiality provisions. No detailed statistics or information in relation to the Purchased Vehicles will be disclosed to individual Noteholders. Absent transfer restrictions in the Lease Agreements, a reasonable interpretation of confidentiality provisions generally suggests that information regarding the relevant Lease may be disclosed (i) by Athlon to the Issuer, as hire purchaser of the relevant Purchased Vehicle and (ii) by the Issuer to the Servicer, so as to procure proper performance of the lessor's obligations under the relevant Lease Agreements. Each of the Issuer and the Servicer are subject to the confidentiality provisions set out in the Transaction Documents.

Finally, although this is more induced by possible implications of data protection rules, each Combined Transfer Deed will have attached thereto an anonymised list of the Purchased Vehicles. At the same time a personalised list, completed per Purchased Vehicle with (a) the name and address of the associated drivers and (b) the Purchased Vehicle registration numbers (*kentekenbewijzen*), will be recorded in such manner, by way of "flagging" or otherwise, in the Seller's systems and Records, that any information relating to the Purchased Vehicles and associated Lease Receivables transferred and assigned to the Issuer will be separately identifiable and distinguishable, from any other information recorded by Athlon (in whatever capacity) so that the relevant information relating to the Purchased Vehicles and associated Lease Receivables and maintained in the Records can be accessed by the Issuer, or following an Notes Acceleration Notice, the Security Trustee, at all reasonable times. Any such information will be provided to the Issuer in anonymised form only. Pursuant to the Servicing Agreement, immediately following a Purchase Date a list containing, in respect of the Purchased Vehicles, any and all Lessee and Lease Agreement related personal data will be deposited by the Servicer with a civil-law notary and will become available to the Issuer following the occurrence of a Seller Event of Default which is continuing.

**Changes to the Basel II Capital Accord**

Amendments may be made to the current Basel II Capital Accord ("**Basel II**") promulgated by the Basel Committee on Banking Supervision as set forth in the EU Capital Adequacy Directive, 2006/49/EG and the EU Payment Services Directive, 2006/48/EG (together referred to as the Capital Requirements Directive) or in the international, European or Dutch regulations, rules and instructions applicable to credit and financial institutions in Europe. In the Netherlands the above directives have been implemented in the Act on the Financial Supervision. In light of the financial crisis, the European Parliament adopted in 2009 three directives amending the above mentioned directives. Implementation in the legislation of the relevant EU Member States of these amendments had to occur at the latest on 31 October 2010, and has occurred in the Netherlands. Each Member State is obliged to apply these measures as from 31 December 2010. Recently, the Group of Governors and Heads of Supervision, the oversight body of the Basel Committee on Banking Supervision, announced a substantial strengthening of existing capital requirements and fully endorsed the agreements it reached on 26 July 2010, where new rules were proposed amending the existing Basel II on bank capital requirements ("**Basel III**"). Implementation of these new rules was contemplated to occur by the end of 2011. Basel II, as

published, and, following its implementation (whether via the Capital Requirements Directive or otherwise), Basel III will even to a greater extent affect the risk-weighting of the Notes in respect of certain investors if those investors are regulated in a manner which will be affected by these amendments. Consequently, prospective investors should consult their own advisers as to the consequences of and the effect on them of the application of Basel II and Basel III, as implemented by their own regulator, to their holding of any Notes. It cannot be excluded that further amendments will be proposed and will have to be implemented in the legislation of the relevant EU Member States, which may have a further impact on, among other things, the risk-weighting of the Notes.

**Responsibility of prospective investors**

The purchase of Notes is only suitable for investors that have adequate knowledge and experience in such structured investments and have the necessary background and resources to evaluate all risks related with the investment, that are able to bear the risk of loss of their investment (up to a total loss of the investment) without the necessity to liquidate the investment in the meantime and that are able to assess the tax aspects of such investment independently. Furthermore, each potential investor should on the basis of its own and independent investigation and help of its professional advisers (the consultation of which the investor may deem necessary) be able to assess if the investment in the Notes is in compliance with its financial requirements, targets and situation (or if it is acquiring the Notes in a fiduciary capacity, the beneficiary's), is in compliance with its principles for investments, guidelines or restrictions (regardless of whether it acquires the Notes for itself or as a security trustee) and is an appropriate investment for the purchaser (or for any beneficiary if acting as a trustee), notwithstanding the risks of such investment.

**Forecasts and Estimates**

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

## KEY PARTIES AND SUMMARY DESCRIPTION PRINCIPAL FEATURES

*The overview of the key parties and the description of certain principal features below must be read in conjunction with the other information set out in this Prospectus and does not purport to be complete and is taken from, and is qualified in all respects by, the remainder of this Prospectus and, in relation to the terms and conditions of any particular Transaction Document, the applicable Transaction Document.*

*Capitalised terms used, but not defined, in this section can be found elsewhere in this Prospectus via the Index of Defined Terms unless otherwise stated.*

### THE PARTIES

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| **Issuer/Purchaser:** | HIGHWAY 2012-I B.V., a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) incorporated under Dutch law, having its official seat (*statutaire zetel*) in Amsterdam, the Netherlands and its registered address at Frederik Roeskestraat 123, 1076 EE Amsterdam, the Netherlands and registered in the Trade Register under 53863003 (the "**Issuer**" or "**Purchaser**"). The entire issued share capital of the Issuer is held by the Shareholder. |
| **Seller:** | Athlon Car Lease Nederland B.V. ("**Athlon**"), a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*), incorporated under Dutch law, having its official seat (*statutaire zetel*) in Hoofddorp, the Netherlands and its registered address at Vestdijk 51, 5611 CA Eindhoven, the Netherlands and registered in the Trade Register under number 33136871. |
| **Originator:** | Athlon, including any of its legal predecessors, acting in its capacity as originator of a Lease Agreement (the "**Originator**"). |
| **Servicer:** | Athlon acting as servicer (the "**Servicer**", which term includes the Back-Up Servicer in case it has taken over the services of Athlon upon the occurrence of a Servicer Termination Event).<br><br>The Servicer will, pursuant to the terms of the servicing agreement to be entered into on or about the Signing Date between the Issuer, the Servicer, the Back-Up Servicer and the Security Trustee (the "**Servicing Agreement**") service and administer the Lease Agreements, report on the performance of the Portfolio and perform the Services.<br><br>The Servicer will in consideration of its duties receive a fee in |

an amount equal to the Lease Servicing Components, the Lease Management Fee Components and the Lease Incidental Collections, to the extent received by the Issuer (the "**Servicer Fee**") to be paid by the Issuer subject to and in accordance with the applicable Priority of Payments.

**Back-Up Servicer:** De Lage Landen International B.V. ("**DLL International**"), a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) incorporated under Dutch law, having its official seat (*statutaire zetel*) in Amsterdam, the Netherlands and its registered address at Vestdijk 51, 5611 CA, Eindhoven, the Netherlands and registered in the Trade Register under number 17056223 (the "**Back-Up Servicer**") appointed by the Issuer pursuant to the Servicing Agreement.

Following a Servicer Termination Event, the Back-Up Servicer (acting as Servicer) will take over the services from Athlon as Servicer under the Servicing Agreement subject to and in accordance with the Servicing Agreement.

Once the Back-Up Servicer (acting as Servicer) has taken over the services from the Servicer it will in consideration of its duties receive a fee (the "**Back-Up Servicer Fee**") to be paid by the Issuer on each Payment Date subject to and in accordance with the applicable Priority of Payments.

Prior to a Servicer Termination Event, the Back-Up Servicer will receive a stand-by fee (the "**Back-Up Servicer Stand-By Fee**") in such an amount to be agreed between the Issuer and the Back-Up Servicer and to be paid by the Issuer on each Payment Date subject to and in accordance with the applicable Priority of Payments.

**Call Option Provider:** HIGHWAY 2012-I B.V. (in such capacity the "**Call Option Provider**").

Pursuant to the Master Hire Purchase Agreement, the Call Option Provider writes an option (the "**Repurchase Option**") to the Call Option Buyer which Repurchase Option can be exercised at an option exercise price (the "**Option Exercise Price**") which will be equal to (A) in case of a Matured Lease, the Estimated Residual Value and (B) in case of a Lease Agreement Early Termination, the Book Value outstanding on the first day of the Collection Period within which the relevant Lease Early Termination Date falls. If an Insolvency Event has occurred with respect to a Lessee the Call Option Buyer may only exercise its Repurchase Option with respect to all (but not

some of the) Purchased Vehicles relating to such Lessee.

**Call Option Buyer:** Athlon (the "**Call Option Buyer**").

Pursuant to the Repurchase Option, the Call Option Buyer has, upon the occurrence of a Lease Termination Date, the right but not the obligation to repurchase the relevant Purchased Vehicle subject to certain payment conditions, provided that if an Insolvency Event has occurred with respect to a Lessee the Call Option Buyer may only exercise its Repurchase Option with respect to all (but not some of the) Purchased Vehicles relating to such Lessee. A Repurchase Option, if exercised, will be exercised on the Payment Date immediately succeeding the Collection Period in which the relevant Lease Termination Date occurred.

If the Call Option Buyer exercises a Repurchase Option, the relevant Purchased Vehicle will be retransferred to the Call Option Buyer together with the associated Lease Receivables which have or will become due and payable after the relevant Lease Termination Date and any Lease Incidental Debt relating to the relevant Purchased Vehicle. Any right of pledge on the relevant Purchased Vehicle and associated Lease Receivables will be released subject to the relevant Option Exercise Price having been discharged in full.

**RV Guarantor:** Athlon (the "**RV Guarantor**").

The RV Guarantor will, pursuant to the terms of the residual value guarantee agreement to be entered into on or about the Signing Date between the Issuer, the RV Guarantor and the Security Trustee (the "**RV Guarantee Agreement**"), unless the relevant Purchased Vehicle is associated with a Defaulted Lease Agreement, make a payment equal to the RV Shortfall Amount to the Issuer if a Lease Termination Date occurs, the Call Option Buyer does not exercise the relevant Repurchase Option and the Vehicle Realisation Proceeds realised in respect of the relevant Purchased Vehicle are less than (a) in case of a Matured Lease, the Estimated Residual Value or (b) in case of a Lease Agreement Early Termination, the Book Value outstanding on the first day of the Collection Period within which the relevant Lease Early Termination Date falls.

**Liquidity Facility Provider:** Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A., trading as Rabobank International ("**Rabobank International**"), Utrecht Branch, a cooperative with limited liability (*coöperatie met beperkte aansprakelijkheid*)

incorporated and existing under Dutch law, having its official seat (*statutaire zetel*) in Amsterdam, the Netherlands and registered with the trade register of the chamber of commerce under number 30046259 (the "**Liquidity Facility Provider**").

On or about the Signing Date, the Issuer, the Security Trustee and the Liquidity Facility Provider will enter into a liquidity facility agreement (the "**Liquidity Facility Agreement**") pursuant to which the Issuer will be entitled to make drawings in order to meet certain shortfalls in the Available Distribution Amounts.

**Swap Counterparty:** Athlon (the "**Swap Counterparty**").

On or about the Signing Date, the Issuer, the Security Trustee and the Swap Counterparty will enter into a Swap Agreement, consisting of an ISDA master agreement, a schedule, a credit support annex and a confirmation (the "**Swap Agreement**") pursuant to which the Issuer will hedge the risks of a mismatch between the floating rate of interest payable by the Issuer in respect of the Notes and the fixed rate income being the Lease Interest Components included in the Lease Instalments to be received by the Issuer in respect of the Portfolio.

The Swap Agreement is expressed to be governed by English law.

**Back-Up Swap Counterparty:** Rabobank International, London Branch (the "**Back-Up Swap Counterparty**").

If - *inter alia* - the Swap Counterparty fails to make, when due, any payment to the Issuer under the Swap Agreement or if the Swap Counterparty is declared bankrupt (*failliet*), the Swap Agreement will be novated to the Back-Up Swap Counterparty.

**Subordinated Lender:** Athlon (the "**Subordinated Lender**").

The Subordinated Lender will, pursuant to the terms of the subordinated loan facility to be entered into on or about the Signing Date with the Issuer and the Security Trustee (the "**Subordinated Loan Facility**") provide Subordinated Loan Advances to the Issuer consisting of (i) the Initial Subordinated Loan Advance, (ii) the Commingling Reserve Advance and (iii) the Maintenance Reserve Advance, each as required in accordance with the Subordinated Loan Facility.

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| **Commingling Reserve Guarantor:** | Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A. (Rabobank Nederland) ("**Rabobank**"), a cooperative with limited liability (*coöperatie met beperkte aansprakelijkheid*) incorporated and existing under Dutch law, having its official seat (*statutaire zetel*) in Amsterdam, the Netherlands and its registered address at Croeselaan 18, 3521 CB Utrecht, the Netherlands and registered with the trade register of the chamber of commerce under number 30046259 (the "**Commingling Reserve Guarantor**").<br><br>Pursuant to the terms of a commingling reserve guarantee agreement to be entered into on or about the Signing Date between the Issuer, the Security Trustee and the Commingling Reserve Guarantor (the "**Commingling Reserve Guarantee**"), the Commingling Reserve Guarantor will guarantee the obligation of the Subordinated Lender to make the Commingling Reserve Advance available to the Issuer. |
| **Issuer Facility Provider:** | HIGHWAY 2012-I B.V. in its capacity as lender (the "**Issuer Facility Provider**").<br><br>The Issuer Facility Provider will, pursuant to the terms of the issuer facility agreement to be entered into on or about the Signing Date between the Issuer Facility Provider, Athlon and the Security Trustee (the "**Issuer Facility Agreement**"), on the Closing Date make available to Athlon an Initial Issuer Advance in respect of each Purchased Vehicle together with the associated Lease Receivables forming part of the Initial Portfolio, each for an amount equal to the Book Value of such Purchased Vehicle as calculated as at the Initial Purchase Cut-Off Date. After the Closing Date, any Additional Issuer Advance may be made on an Additional Purchase Date in accordance with the Issuer Facility Agreement. |
| **Security Trustee:** | Stichting Security Trustee HIGHWAY 2012-I, a foundation (*stichting*) established under Dutch law, having its official seat (*statutaire zetel*) in Amsterdam, the Netherlands and its registered office at Claude Debussylaan 24, 1082 MD Amsterdam, the Netherlands and registered in the Trade Register under number 53680782 (the "**Security Trustee**"). |
| **Shareholder:** | Stichting Holding HIGHWAY 2012-I, a foundation (*stichting*) established under Dutch law, having its official seat (*statutaire zetel*) in Amsterdam, the Netherlands and its registered office at Frederik Roeskestraat 123, 1076 EE, Amsterdam, the Netherlands and registered in the Trade Register under number 53614399 (the "**Shareholder**"). |

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| **Account Bank:** | Rabobank International, Utrecht Branch (the "**Account Bank**"). |
| **Issuer Administrator:** | ATC Financial Services B.V, incorporated under Dutch law as a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*), having its official seat (*statutaire zetel*) in Amsterdam, the Netherlands and its registered office at Frederik Roeskestraat 123, 1076 EE, Amsterdam, the Netherlands, and registered with the Trade Register under number 33210270 (the "**Issuer Administrator**").<br><br>The shares in the Issuer Administrator are held by ATC Group B.V., which entity is also the sole shareholder of the Issuer Director and the Shareholder Director. |
| **Issuer Director:** | ATC Management B.V. (the "**ATC Management** "), a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) incorporated and existing under Dutch law, having its official seat (*statutaire zetel*) in Amsterdam, the Netherlands and its registered address at Frederik Roeskestraat 123, 1076 EE Amsterdam, the Netherlands and registered in the Trade Register under number 33226415 (the "**Issuer Director**"). |
| **Shareholder Director:** | ATC Management (the "**Shareholder Director**"). |
| **Security Trustee Director:** | ANT Securitisation Services B.V., a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) incorporated and existing under Dutch law, having its official seat (*statutaire zetel*) in Amsterdam, the Netherlands and its registered address at Claude Debussylaan 24, 1082 MD Amsterdam, the Netherlands and registered in the Trade Register under number 33075510 (the "**Security Trustee Director**" and together with the Issuer Director and the Shareholder Director, the "**Directors**" and each a "**Director**"). |
| **Listing Agent:** | Rabobank International, Utrecht Branch (the "**Listing Agent**"). |
| **Principal Paying Agent:** | Deutsche Bank AG, London Branch (the "**Principal Paying Agent**"). |

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| **Paying Agent:** | Deutsche Bank AG, Amsterdam Branch (the "**Paying Agent**" and together with the Principal Paying Agent, the "**Paying Agents**") |
| **Reference Agent:** | Deutsche Bank AG, London Branch (the "**Reference Agent**") |
| **Rating Agencies:** | Moody's and S&P (each, a "**Rating Agency**" and collectively, the "**Rating Agencies**"). Each Rating Agency is established in the European Union and has been registered as of 31 October 2011 in accordance with Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies (the "**CRA Regulation**"). |
| **Arranger:** | Rabobank International (the "**Arranger**"). |
| **Managers:** | Rabobank International and HSBC Bank plc (each a "**Manager**" and together, the "**Managers**"). |
| **Common Safekeeper:** | Euroclear Bank S.A./N.V. or Clearstream Banking, société anonyme, in respect of the Class A Notes.<br><br>Deutsche Bank AG, London Branch (as common safekeeper for Euroclear S.A./N.V. and Clearstream Banking, société anonyme), in respect of the Class B Notes. |
| **Issuer Auditor:** | KPMG Accountants N.V., a public company with limited liability (*naamloze vennootschap*) incorporated and existing under Dutch law, having its official seat (*statutaire zetel*) in Amsterdam, the Netherlands and its registered address at Laan van Langerhuize 1, 1186 DS Amstelveen, the Netherlands and registered in the Trade Register under number 33263683 (the "**Issuer Auditor**"). |
| **Clearing system:** | Clearstream, Luxembourg and Euroclear. |

**THE NOTES**

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| **The Notes:** | The EUR 450,000,000 Class A Floating Rate Notes due 2024 (the "**Class A Notes**") and the EUR 242,400,000 Class B Floating Rate Notes due 2024 (the "**Class B Notes**" and together with the Class A Notes, the "**Notes**") will be issued by the Issuer on 15 May 2012 (or such later date as may be agreed between the Issuer, the Arranger and the Managers (the "**Closing Date**")) in accordance with the terms of the Trust Deed and on the terms and subject to the Conditions. |

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| **Issue Price:** | The issue price of each Class of Notes will be 100%. |
| **Purpose:** | The proceeds of the Notes will be used on the Closing Date by the Issuer to advance the Initial Issuer Advance, subject to and in accordance with the Issuer Facility Agreement. |
| **Status and Ranking:** | The Notes of each Class (as defined in the Conditions) rank *pari passu* without any preference or priority among Notes of the same Class.<br><br>The Notes will have the benefit of the Security which will be granted to the Security Trustee as security for the Secured Obligations owed to the Security Trustee (including the Parallel Debt).<br><br>The Notes represent the right to receive interest and principal payments from the Issuer in accordance with the Conditions and the Trust Deed. In accordance with the Conditions and the Trust Deed payments of principal and interest on the Class B Notes are subordinated to, *inter alia*, payments of principal and interest on the Class A Notes. See further the section entitled "*Terms and Conditions of the Notes*" below.<br><br>The obligations of the Issuer in respect of the Notes will rank behind the obligations of the Issuer in respect of certain items set forth in the applicable Priority of Payments. For a description of the Revolving Period Priority of Payments, Normal Amortisation Priority of Payments and the Accelerated Amortisation Priority of Payments see further the section entitled "*Credit Structure*" below. |
| **Form and denomination:** | The Notes will be issued in bearer form in the denominations of €100,000.<br><br>Each Class of Notes will initially be represented by a Temporary Global Note without interest coupons which will be delivered on the Closing Date to a common safekeeper for Euroclear and Clearstream, Luxembourg. The Temporary Global Note of each Class of Notes will, upon customary certification as to non-U.S. beneficial ownership, each be exchangeable for interests in a Permanent Global Note. Definitive Notes will be issued in certain limited circumstances.<br><br>Each Global Note will be in the form of a new global note. The Class A Notes are intended to be held in a manner which will allow Eurosystem eligibility. This means that the Class A Notes |

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| | are intended upon issue to be deposited with an ICSD common safekeeper, but does not necessarily mean that the Class A Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria. The Class B Notes are not intended to be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem. |
| **Limited recourse and non-petition:** | For a description of the limited recourse and non-petition provisions, please refer to Condition 10 (*Enforcement*). |
| **Limited resources of the Issuer:** | The ability of the Issuer to meet its obligations under the Notes will depend on the receipt by it of the Available Distribution Amounts. Other than the Available Distribution Amounts, the Issuer is not expected to have any other funds available to it to meet its obligations under the Notes or its obligations in respect of any payments ranking in priority to or *pari passu* with the Notes. |
| **Interest:** | Interest on the Notes will accrue from (and including) the Closing Date by reference to successive interest periods (each an "**Interest Period**") and will be payable monthly in arrears in euro in respect of the Principal Amount Outstanding (as defined in the Conditions) on the 26th day of each calendar month, or, if such day is not a Business Day (as defined below), the immediately succeeding Business Day, unless such Business Day falls in the next succeeding calendar month in which event the Business Day immediately preceding such 26th day is the relevant Business Day (each such day being a "**Payment Date**").<br><br>A "**Business Day**" means a day on which banks are open for business in Amsterdam, the Netherlands and London, United Kingdom, provided that such day is also a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer 2 System ("**TARGET 2 System**") or any successor thereto is operating credit or transfer instructions in respect of payments in euro.<br><br>Each Interest Period will commence on (and include) a Payment Date and end on (but exclude) the next succeeding Payment Date, except for the first Interest Period which will commence on (and include) the Closing Date and end on (but exclude) the Payment Date falling in June 2012. The interest |

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| | will be calculated on the basis of the actual number of days elapsed in an Interest Period divided by 360 days.<br><br>Interest on the Notes for the first Interest Period will accrue from (and include) the Closing Date at an annual rate equal to the linear interpolation between the Euro-zone Interbank Offered Rate ("**EURIBOR**") for one-month deposits in euro and the EURIBOR for two-months deposits in euro plus a margin for the Class A Notes which will be 1.10% per annum.<br><br>Interest on the Notes for each successive Interest Period will accrue at an annual rate equal to EURIBOR for one-month euro deposits plus a margin for the Class A Notes which will be 1.10% per annum.<br><br>Payment of interest on the Notes will only be made if and to the extent the Issuer or the Security Trustee, as the case may be, has sufficient funds available to it to satisfy such payment obligation subject to in accordance with the relevant Priority of Payments.<br><br>With respect to payments of interest and principal, particular attention should be paid to the risk factor descriptions as set forth in the section entitled "*Risk Factors*". |
| **Final Redemption:** | Unless previously redeemed in full, the Issuer will redeem the Notes at their respective Principal Amount Outstanding together with any accrued but unpaid interest thereon on the Payment Date falling in March 2024 (the "**Final Maturity Date**"). |
| **Mandatory Redemption in part:** | No principal will be paid on the Notes during the Revolving Period except for any optional redemption pursuant to Condition 6.4 (*Optional redemption in whole for taxation*). On each Payment Date following the termination of the Revolving Period and prior to the service of a Notes Acceleration Notice by the Security Trustee, the Issuer shall apply the Available Distribution Amounts equal to the Principal Redemption Amount, in redemption of the Notes, in accordance with the Normal Amortisation Priority of Payments.<br><br>Upon the service of a Notes Acceleration Notice by the Security Trustee, the Issuer shall redeem the Notes in accordance with the Accelerated Amortisation Priority of Payments. |
| **Optional Redemption in** | The Notes will be subject to early redemption in whole (but not |

**whole for taxation:**

in part) at their Principal Amount Outstanding together with accrued but unpaid interest up to but excluding the date of redemption at the option of the Issuer with not more than 60 nor less than 30 days' notice (or such shorter period expiring on or before the latest date permitted by relevant law) to the Noteholders in accordance with Condition 14 (*Notice to Noteholders*) and to the Security Trustee, on any Payment Date (as specified in Condition 6.4 (*Optional redemption in whole for taxation*)) if:

(a) the Issuer or the Paying Agent has become or would become obligated to make any withholding or deduction from payments in respect of any of the Notes (although the Issuer will not have any obligation to pay additional amounts in respect of any such withholding or deduction); and/or

(b) the Issuer has become or would become subject to any limitation of the deductibility of interest on any of the Notes, as a result of (i) a change in any laws, rules or regulations or in the interpretation or administration thereof, or (ii) any act taken by any taxing authority on or after the issue date of the Notes.

Prior to the publication of any notice of redemption as described above, the Issuer shall deliver to the Security Trustee a certificate stating that (i) the relevant event described above is continuing and that the appointment of a Paying Agent or a substitution as referred to in Condition 6.4 (*Optional redemption in whole for taxation*) would not avoid the effect of the relevant event or that, having used its reasonable endeavours, the Issuer is unable to arrange such a substitution, and (ii) the Issuer will have the necessary funds to pay all principal and interest due in respect of the Notes on the relevant Payment Date and to discharge all other amounts required to be paid by it on the relevant Payment Date, and the Security Trustee shall be entitled to accept the certificate as sufficient evidence of the satisfaction of the conditions precedent set out above and such certification shall vis-à-vis the Noteholders be conclusive and binding.

**Seller Clean-Up Call:**

Prior to the occurrence of a Seller Event of Default, the Seller may at any time terminate all, but not some only, of the Hire Purchase Contracts and repay all Issuer Advances on any Payment Date on which the Aggregate Portfolio Balance is less than 10% of the Aggregate Portfolio Balance as of the Initial Purchase Cut-Off Date, provided that on such Payment Date the Issuer will have sufficient funds to pay all amounts due and payable to the Noteholders and all amounts to be paid in priority to the Notes subject to and in accordance with the Conditions (the "**Seller Clean-Up Call**").

The Issuer shall use the proceeds of such repayment of Issuer Advances to redeem all of the Notes in accordance with Condition 6.5 (*Redemption following Seller Clean-Up Call*).

**Revolving Period:**

During the period commencing on (and including) the Closing Date and ending on (but excluding) the Payment Date falling in June 2013 or, if earlier, the date on which one or more of the other Revolving Period Termination Events occurs (the "**Revolving Period**") no payments of principal will be made on the Notes, except in case of an optional redemption pursuant to Condition 6.4 (*Optional redemption in whole for taxation*).

During the Revolving Period, the Available Distribution Amounts will not be applied in redemption of the Class A Notes or the Class B Notes but shall, subject to the terms of the Master Hire Purchase Agreement and the Revolving Period Priority of Payments, be applied to hire purchase Additional Leased Vehicles together with the associated Lease Receivables and to make Additional Issuer Advances up to the amount of the Replenishment Amount or shall be credited on the Transaction Account with a corresponding credit to the Replenishment Ledger.

**Withholding tax:**

All payments of, or in respect of, principal and interest on the Notes will be made without withholding of, or deduction for any present or future taxes, duties, assessments or charges of whatsoever nature imposed or levied by or on behalf of the Netherlands, any authority therein or thereof having power to tax unless the withholding or deduction of such taxes, duties, assessments or charges are required by law. In that event, the Issuer will make the required withholding or deduction of such taxes, duties, assessments or charges for the account of the Noteholders, as the case may be, and shall not be obliged to pay any additional amounts to such Noteholders.

See "*Optional redemption in whole for taxation"* above for a description of the Issuer's right to redeem the Notes on the occurrence of certain tax-related events, including the imposition of Dutch withholding tax on payments in respect of the Notes.

**Notes Acceleration Service:** Pursuant to Condition 9 (*Issuer Events of Default*), upon the service of a Notes Acceleration Notice by the Security Trustee, all Classes of Notes then outstanding shall immediately become due and repayable at their respective Principal Amount Outstanding, together with accrued interest as provided in the Trust Deed. The security constituted by the Security Documents will become enforceable upon the service of a Notes Acceleration Notice.

**Security for the Notes:** The Noteholders will benefit from the security created by the Issuer and the Seller in favour of the Security Trustee pursuant to the trust deed entered into on the Signing Date between the Issuer, the Seller, the Security Trustee and the Shareholder (the "**Trust Deed**") and the Pledge Agreements (together with the Trust Deed, the "**Security Documents**").

Under the Trust Deed, the Issuer will undertake to pay to the Security Trustee, under the same terms and conditions, an amount equal to the aggregate of all its undertakings, liabilities and obligations to the Directors, the Servicer, the Back-Up Servicer, the Issuer Administrator, the Liquidity Facility Provider, the Paying Agents, the Reference Agent, the Account Bank, the Swap Counterparty, the Back-Up Swap Counterparty, the Noteholders, the Seller, the Call Option Buyer, the RV Guarantor and the Subordinated Lender (the "**Secured Creditors**") pursuant to the relevant Transaction Documents, provided that every payment in respect of such Transaction Documents for the account of or made to the Secured Creditors directly shall operate in satisfaction *pro tanto* of the corresponding payment covenant in favour of the Security Trustee (such a payment undertaking and the obligations and liabilities resulting from it being referred to as the "**Parallel Debt**"). The amounts available by the Issuer to the Secured Creditors under the Trust Deed will be limited to the net amounts available for such purpose to the Security Trustee.

The Notes will be secured indirectly, through the Security Trustee, by (i) a first ranking right of pledge granted by the Seller to the Security Trustee over the Purchased Vehicles (ii)

a first ranking (conditional) right of pledge granted by the Issuer to the Security Trustee over the Purchased Vehicles, (iii) a first ranking right of pledge granted by the Issuer to the Security Trustee over the Lease Receivables, and (iv) a first ranking right of pledge granted by the Issuer to the Security Trustee over the Issuer's rights under or in connection with the Master Hire Purchase Agreement, the Swap Agreement, the Conditional Deed of Novation, the RV Guarantee Agreement, the Servicing Agreement, the Liquidity Facility Agreement, the Subordinated Loan Facility, the Commingling Reserve Guarantee and the Issuer Facility Agreement, and (v) a first ranking right of pledge granted by the Issuer to the Security Trustee in respect of the Account Agreement and the Issuer Accounts.

The amounts payable by the Security Trustee to the Secured Creditors under the Trust Deed will be limited to the net amounts available for such purpose to the Security Trustee. Payments to the Secured Creditors will be made in accordance with the Accelerated Amortisation Priority of Payments.

The Noteholders, the other Secured Creditors and the Security Trustee may not institute against, or join any person in instituting against, the Issuer any bankruptcy, winding-up, reorganisation, arrangement, insolvency or liquidation proceeding until the expiry of a period of at least two (2) years after the last maturing Note is paid in full. The only remedy of the Security Trustee against the Issuer and only obligation of the Security Trustee towards the Secured Creditors after any of the Notes have become due and payable is to enforce the Security and to distribute the proceeds in accordance with the Trust Deed. See for a more detailed description the section entitled "*Description of Security*" below.

**Ratings:**

The Class A Notes are expected on issue to be assigned the following ratings:

| **Moody's** | **S&P** |
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| Aaa (sf) | AAA (sf) |

**Applicable law:**

The Notes and the Transaction Documents (other than the Swap Agreement and the Conditional Deed of Novation) will be governed by, and construed in accordance with, Dutch law. The Swap Agreement and the Conditional Deed of Novation will be governed by, and construed in accordance with, English law.

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| **Selling Restrictions:** | There are selling restrictions in relation to the United States, the United Kingdom, Ireland, France, Italy and the EEA and such other restrictions as may apply in connection with the offering and sale of the Notes. See the section entitled "*Subscription and Sale*" of this Prospectus. |
| **Listing:** | Application has been made to list the Notes on Euronext Amsterdam. Listing is expected to take place on or about the Closing Date. |

**PRIORITY OF PAYMENTS AND BANK ACCOUNTS**

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| **Bank Accounts and Transaction Account Ledgers:** | On or prior to the Closing Date, the Issuer (or the Issuer Administrator on its behalf) will establish a transaction account (the "**Transaction Account**"), a reserve account (the "**Reserve Account**") and a Liquidity Facility Stand-By Drawing Account (as defined below), (together, the "**Issuer Accounts**") with the Account Bank. The Issuer (or the Issuer Administrator on its behalf) will also maintain certain ledgers in respect of the amounts credited to the Transaction Account (the "**Transaction Account Ledgers**") comprising the Collection Ledger, the Replenishment Ledger, the Lease Incidental Surplus Ledger, the Commingling Reserve Ledger, the Maintenance Reserve Ledger and the Swap Replacement Ledger, each as further described under the section entitled "*Credit Structure*" below. |
| **Revolving Period Priority of Payments:** | During the Revolving Period, the Available Distribution Amounts will be distributed on each Payment Date in accordance with the Revolving Period Priority of Payments.<br><br>The Available Distribution Amounts will not be applied in redemption of the Class A Notes or the Class B Notes during the Revolving Period but shall subject to the terms of the Master Hire Purchase Agreement and the Revolving Period Priority of Payments be applied to hire purchase Additional Leased Vehicles together with the associated Lease Receivables and to make Additional Issuer Advances up to the amount of the Replenishment Amount or shall be credited on the Transaction Account with a corresponding credit to the Replenishment Ledger (except in case of any optional redemption pursuant to Condition 6.4 (*Optional redemption in whole for taxation) occurs*). See further the section entitled "Credit Structure" below. |
| **Normal Amortisation Priority of Payments:** | After the termination of the Revolving Period and provided no Notes Acceleration Notice has been served by the Security |

Trustee, any amount standing to the credit of the Replenishment Ledger shall form part of the Available Distribution Amounts which will be distributed on each Payment Date, subject to and in accordance with the Normal Amortisation Priority of Payments. See further the section entitled "*Credit Structure*" below.

**Accelerated Amortisation Priority of Payments:**

Following the delivery of a Notes Acceleration Notice by the Security Trustee, all funds available to the Issuer (including any amounts standing to the credit of the Issuer Accounts) will be distributed on any Business Day following such event subject to and in accordance with the Accelerated Amortisation Priority of Payments. See further the section entitled "*Credit Structure"* below.

**ASSETS**

**Hire Purchase Contracts:**

Pursuant to the Master Hire Purchase Agreement, the Issuer will, from time to time, subject to the conformity with the Eligibility Criteria, hire purchase Leased Vehicles from the Seller by means of the execution of Hire Purchase Contracts. It will hire purchase the Initial Leased Vehicles on the Closing Date and from time to time, subject to the terms of the Master Hire Purchase Agreement, hire purchase any Additional Leased Vehicles on any Additional Purchase Date.

The Issuer agrees and acknowledges that the legal ownership of each Purchased Vehicle remains with the Seller and will by operation of law transfer to the Issuer upon full discharge of the Purchase Price in respect of such Purchased Vehicle.

Delivery (*levering*) of each Purchased Vehicle shall take place by the Seller providing control (*macht*) over such Purchased Vehicle to the Issuer. To this effect the Seller shall execute a declaration incorporated in the relevant Combined Transfer Deed to confirm that it transfers control over the relevant Purchased Vehicle to the Issuer as from the relevant Purchase Date. In addition, a notification will be sent to the relevant Lessee within such time as agreed upon in the Master Hire Purchase Agreement. By means of this notice the relevant Lessees will be informed that, among other things, the details as to which Leased Vehicles leased by the relevant Lessee are subject to the hire purchase, will be made available to the Lessee upon request. Moreover, the Lessee will be instructed to adhere to any instruction of the Issuer in relation thereto. The Issuer's control of each Purchased Vehicle will be indirect

(*middellijk*) that is through the relevant Lessee.

The Leased Vehicles are being sold together with any and all rights and claims pursuant to the associated Lease Agreements including the Lease Receivables.

The Purchase Price payable pursuant to a Hire Purchase Contract in respect of a Purchased Vehicle together with the associated Lease Receivables will be an amount equal to the sum of (i) the Book Value of the Purchased Vehicle subject to the Hire Purchase Contract calculated as per the relevant Purchase Cut-Off Date and (ii) the aggregate of all Lease Interest Components included in the Lease Instalments relating to the relevant associated Lease Agreement calculated as per the relevant Purchase Cut-Off Date to the extent such Lease Instalments will become due and payable.

Each Purchase Price will be payable by the Issuer to the Seller in instalments, comprising (i) Regular Purchase Instalments which are payable with respect to each Collection Period up to and including the Collection Period in which a Lease Termination Date in respect of the Lease Agreement associated with the relevant Purchased Vehicle falls and (ii) a Final Purchase Instalment which is payable upon the occurrence of a Lease Termination Date in respect of the Lease Agreement associated with the relevant Purchased Vehicle.

Each Regular Purchase Instalment for a Purchased Vehicle for a Collection Period will be equal to the sum of the Lease Interest Component and the Lease Principal Component for such Collection Period under the relevant associated Lease Agreement, each as calculated as per the relevant Purchase Cut-Off Date and will be due on the first Payment Date following such Collection Period.

The Final Purchase Instalment for a Purchased Vehicle will be equal to (i) in case of a Matured Lease, the Estimated Residual Value of the relevant Purchased Vehicle and (ii) in case of a Lease Agreement Early Termination, the Book Value outstanding on the first day of the Collection Period within which the relevant Lease Early Termination Date falls, each as calculated per the relevant Purchase Cut-Off Date. The Final Purchase Instalment will be due on the first Payment Date following the Collection Period within which the relevant Lease Termination Date falls (unless the Seller becomes Insolvent and the Final Purchase Instalment is accelerated (see further

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| | the section entitled "*Description of certain Transaction Documents*")).<br><br>Upon a prepayment by the Issuer of the remaining Purchase Instalments, the Issuer is entitled to a discount on the Purchase Price in respect of each Purchased Vehicle equal to the Prepayment Discount. |
| **Lease Receivables:** | The lease receivables in respect of any Lease Agreement associated to a Purchased Vehicle (the "**Lease Receivables**") consist of any present or future rights and claims in respect of the relevant Lessee under the relevant Lease Agreement, including any Lease Interest Component, Lease Principal Component, Lease Servicing Component, Lease Incidental Receivable and any VAT, maintenance charge or related fees and expenses due and payable by the Lessee under the terms of the Lease Agreement and any accessory rights (*afhankelijke rechten*), ancillary rights (*nevenrechten*), connected rights (*kwalitatieve rechten*) and any other rights relating thereto.<br><br>See the section entitled '*Description of the Purchased Vehicles – Contract Type*' for further details. |
| **Repurchase Option:** | For each Collection Period, the Call Option Buyer has the right to exercise the Repurchase Option in respect of any Purchased Vehicle in respect of which a Lease Termination Date occurred in such Collection Period, provided that if an Insolvency Event has occurred with respect to a Lessee the Call Option Buyer may only exercise such Repurchase Option with respect to all (but not some of the) Purchased Vehicles relating to such Lessee. |
| **Termination and repayment by the Seller:** | Pursuant to the Master Hire Purchase Agreement, the Seller will be required to terminate the relevant Hire Purchase Contract and repay the associated Issuer Advance in the event of a breach of the Asset Warranties (including the Eligibility Criteria and Replenishment Criteria) made by it in respect thereof subject to the terms and conditions of the Master Hire Purchase Agreement.<br><br>In addition, in the Master Hire Purchase Agreement the Seller has undertaken to terminate the relevant Hire Purchase Contract and repay the associated Issuer Advance upon certain circumstances, including immediately following the date on which an amendment of the terms of the relevant Lease Agreement becomes effective as a result of which such |

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| | Lease Agreement and/or the associated Lease Receivables or Purchased Vehicle no longer meets certain criteria set forth in the Master Hire Purchase Agreement and/or the Servicing Agreement. |
| **Aggregate Portfolio Balance:** | The aggregate balance (the "**Aggregate Portfolio Balance**") in respect of the Portfolio means the sum of the Book Value of all Purchased Vehicles, to the extent not relating to a Defaulted Lease Agreement, calculated as per the relevant Collection Period Cut-Off Date. |
| **Eligibility Criteria:** | Pursuant to the Master Hire Purchase Agreement the Seller represents and warrants to the Issuer and the Security Trustee as of each Purchase Date with respect to the Leased Assets sold by it on such Purchase Date or, as the case may be, relating to the Portfolio including such Leased Assets as of such Purchase Date that each Leased Vehicle together with the associated Lease Receivables and Lease Agreements comprised in the relevant Portfolio satisfy certain criteria (the "**Eligibility Criteria**"). |
| **Representations and Warranties:** | In each Hire Purchase Contract, the Seller will make certain representations and warranties with respect to itself (the "**Corporate Warranties**") and in respect of the relevant Leased Vehicle purchased pursuant to such Hire Purchase Contract, the associated Lease Receivables and the related Lease Agreement (the "**Asset Warranties**" and together with the Corporate Warranties, the "**Seller Warranties**").<br><br>Certain representations and warranties will be further repeated on each Payment Date.<br><br>With regard to the Eligibility Criteria, the Replenishment Criteria and the Seller Warranties see further the section entitled "*Description of certain Transaction Documents*" below. |
| **Liquidity Facility Agreement:** | On the Signing Date, the Issuer will enter into a 364-day term liquidity facility agreement with the Liquidity Facility Provider under which the Issuer will be entitled to make drawings in order to meet certain shortfalls in the Available Distribution Amounts. See under *Credit Structure* below. |
| **Liquidity Facility Account:** | The Issuer shall maintain with the Liquidity Facility Provider an account (the "**Liquidity Facility Account**") through which, *inter alia*, all drawings to be made under the Liquidity Facility (as defined below) will be administered. Each such drawing made under the Liquidity Facility Agreement (other than a |

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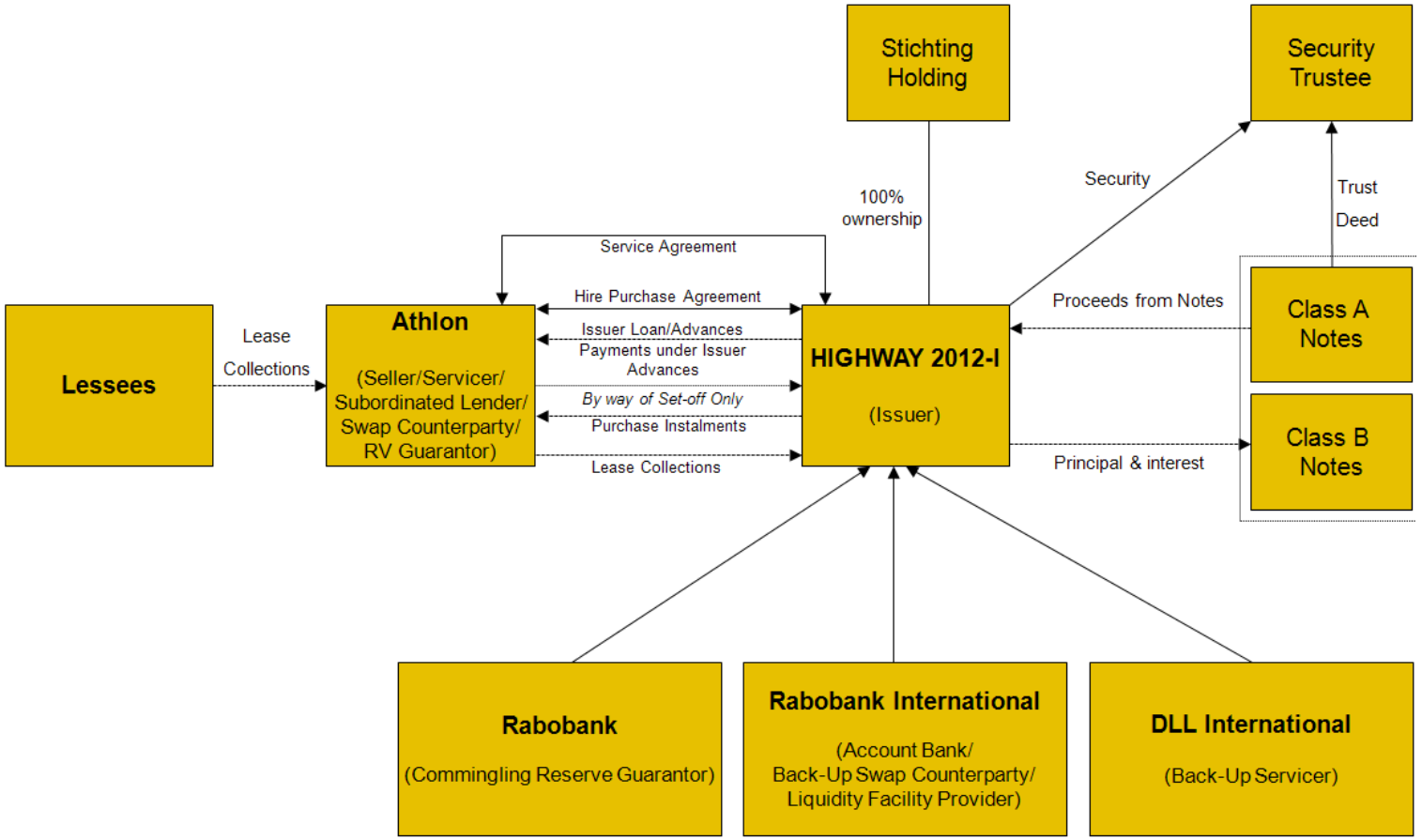
| | Liquidity Facility Stand-By Drawing) shall subsequently be deposited into the Transaction Account. |
| **Liquidity Facility Stand-By Drawing Account:** | The Issuer shall maintain with the Account Bank an account (the "**Liquidity Facility Stand-By Drawing Account**") into which any Liquidity Facility Stand-By Drawing (as defined below) to be made under the Liquidity Facility Agreement will be deposited. |
| **Swap Agreement:** | On or about the Signing Date, the Issuer and the Swap Counterparty will enter into a swap agreement, consisting of an ISDA master agreement, a schedule, a credit support annex and any confirmations (the "**Swap Agreement**") pursuant to which the Issuer will hedge the risks of a mismatch between the floating rate of interest payable by the Issuer in respect of the Notes and the fixed rate income being the Lease Interest Components included in the Lease Instalments to be received by the Issuer in respect of the Portfolio.<br><br>If the Swap Counterparty fails to make, when due, any payment to the Issuer under the Swap Agreement or is declared bankrupt (*failliet*), the Swap Agreement shall be novated to the Back-Up Swap Counterparty pursuant to the Conditional Deed of Novation.<br><br>For further information with regard to the Swap Agreement, see further the section entitled "*Description of certain Transaction Documents*" below. |
| **Retention Requirement:** | The Seller will retain a material net economic interest of no less than 5% in the securitisation in accordance with Article 122a of the Capital Requirement Directive. As at the Closing Date, such interest will consist of interest in the Initial Subordinated Loan Advance and (part of) the Class B Notes, each of which, in accordance with Article 122a paragraph (1) sub d) of the Capital Requirement Directive, comprises a tranche having the same or a more severe risk profile than those sold to investors as required by Article 122a of the Capital Requirement Directive. The Seller has provided a corresponding undertaking to procure that it will retain the required interest during the period wherein the Notes are outstanding to the Managers and to the Issuer in the Subscription Agreement and to the Security Trustee in the Trust Deed. |

**Principal Characteristics of the Notes**

The following is a brief overview of the principal characteristics of the Notes referred to in this Prospectus. This information is subject to, and is more fully explained in, the other sections of this Prospectus.

| **Notes** | **Class A** | **Class B** |
|---|---|---|
| **Principal Amount** | EUR 450,000,000 | EUR 242,400,000 |
| **Issue price** | 100% | 100% |
| **Interest Margin** | Euribor 1 month + 110 bps | Euribor 1 month |
| **Final Maturity Date** | Payment Date falling in March 2024 | Payment Date falling in March 2024 |
| **Revolving Period** | Maximum of 12 months | Maximum of 12 months |
| **Payment Dates** | 26th day of each month | 26th day of each month |
| **Form of Notes** | New Global Note/Bearer | New Global Note/Bearer |
| **Denomination** | EUR 100,000 | EUR 100,000 |
| **Clearing system** | Euroclear and Clearstream | Euroclear and Clearstream |
| **Listing** | Amsterdam | Amsterdam |
| **Common Code** | 070770547 | 070770571 |
| **ISIN** | XS0707705470 | XS0707705710 |
| **Expected rating** | Aaa (sf) / AAA (sf) | N/A |

**Transaction diagram**



## DESCRIPTION OF THE PURCHASED VEHICLES

### Introduction

The Vehicles and Associated Leases in the pool have been selected according to criteria set forth in the Master Hire Purchase Agreement and are selected in accordance with such agreement, on or before the Closing Date. All of the Lease Agreements forming part of the pool were originated by the Seller before 30 April 2012.

### Contract types

Athlon has concluded so-called master agreements (*mantelovereenkomsten* or *hoofdovereenkomsten*) with its lessees containing the conditions under which Athlon is prepared to lease a vehicle to the lessee. Unless agreed otherwise, the master agreements are subject to the general terms and conditions (*algemene voorwaarden*) of Athlon, which are deemed to form an integral part of the relevant master agreements. In respect of each vehicle, a separate lease contract is entered into between Athlon and the respective lessee, to which the terms and conditions agreed upon in the master agreement (including the general terms and conditions) will apply.

Athlon provides all types of car leasing solutions whereby the closed end operational car lease product forms the majority of the business. The principal and interest component are typically less than 50% in a full operational car lease contract.

Generally, each lease contract has the following common features:

1. Legal ownership of a vehicle remains with the lessor and the lessee will not obtain a security interest in the vehicle.

2. The lessee must return the leased vehicle to the lessor at the end of the agreed lease term unless the lessee has, at any time during the term of the lease or upon termination of the lease, made an offer to the lessor in respect of the leased vehicle and subsequently purchased it. If the lessee does not voluntarily return the vehicle to Athlon, a charge is levied against it and an action to recover such charge. In addition, all appropriate means are implemented in order to repossess the vehicle without any court order being required (save in certain circumstances where the vehicle has been sold and delivered to a third party that was acting in good faith, which however is unlikely to occur in cases where the vehicles are registered in the name of Athlon). Following the sale of a vehicle upon the scheduled termination of a Lease in relation to operational car lease contracts:
    - in the case of a so-called "closed-end lease", a lessee is not liable for any negative fluctuations in the value of the vehicle and in most cases it does not benefit from any positive fluctuations;
    - in the case of a so-called "open-end lease", a shortfall or surplus relative to the agreed residual value may either be shared between the lessor and the lessee, or the lessee will fully benefit from a surplus while the lessor will fully bear a shortfall; in most cases the surplus or shortfall is determined by reference to the

average result of at least five cars leased by the relevant lessee rather than on a car by car basis.

3. A termination of a lease by the lessee prior to the agreed lease termination date will oblige the lessee to reimburse the lessor the loss it incurs due to the early termination of the contract (except in case of certain non-paying early terminations). The amount to be reimbursed by the lessee is equal to the negative difference, if any, between the actual value of the relevant vehicle based on quotes obtained by Athlon from various sources, such as Autotelex or information obtained from dealerships or traders, and the book value as most recently reported by Athlon to the lessee plus turnover tax and a service charge.

4. Lease payments are payable in advance of each monthly lease period.

5. The lessee (and the employee) to whom the relevant vehicle is made available are required to ensure regular maintenance and repair of the vehicle and timely replacement of tyres with an official brand dealer or any other company as approved by Athlon.

6. The lessee is not entitled to net or set-off (*verrekenen*) amounts payable by it to Athlon, except that in the event that the agreed mileage exceeds the actual mileage, the lessee is entitled to set-off future lease payments, if any, against any amounts due by the lessor to the lessee as a result thereof.

7. The lessor may terminate the lease upon default (including non-payment, bankruptcy, etc.) by a lessee in which case the lessor may reclaim the vehicle without having obtained a court injunction.

Notwithstanding the above, each lease differs per customer, in particular with respect to the tenor of the lease, residual value and applicable interest rates and deviations from standard contracts are agreed from time to time between Athlon and the relevant lessee.

**Lease instalment**

The monthly lease instalment includes the following items:

1. Lease Interest Component;
2. Lease Principal Component;
3. Lease Servicing Component (e.g. administration, insurance, tyres and maintenance);
4. Lease VAT Component; and
5. Lease Management Fee Component.

Furthermore Athlon separately invoices the lessee for any additional amounts (e.g. fuel recalculations) which are not part of the monthly lease instalment.

**Leasing components**

The leasing products Athlon offers consist of several components. These components each can be separately in- or excluded from the leasing product offered to customers. A full service

operational leasing product consists of the components mentioned below.

***Depreciation***
For depreciation, the annuity-based depreciation methodology is used. The use of this methodology ensures that the monthly interest and principal instalment remain constant.

***Interest***
The interest rates included in Athlon's leasing quotations are based upon the Cost of Fund (COF) methodology and matched funding is applied. On top of the COF a margin is calculated to customers.

***Road tax***
Road tax (*motorrijtuigenbelasting*) must be paid for any car or motorcycle registered in the Netherlands and using Dutch roads. Pricing varies depending on the vehicle, its fuel and district of registration. Any changes in applicable regulations will be fully adapted and charged to customers.

***Full comprehensive insurance***
The insurance offered to clients may vary but in general consist of:

1. an insurance for third party liability with a coverage of EUR 2,500,000 per damage claim;
2. a full comprehensive insurance;
3. a passenger insurance (*inzittenden verzekering*);
4. an insurance for legal assistance;
5. the insurance policy fees; and
6. the complete administrative and financial handling of damage claims.

***Road assistance***
Athlon closely co-operates with EuroCross International to provide a 24-hour breakdown service for drivers. During office hours Athlon’s own operational department can be of assistance, outside these hours the EuroCross 24-hour alarm service provides this assistance. This way Athlon can guarantee optimum accessibility and service.

***Replacement vehicle***
In case of maintenance, repairs or damages drivers can use a replacement vehicle. The replacement vehicle included in a leasing contract can be provided directly, but also after 24 hours, according to particular agreements with the customer.

***Management fee and administration costs***
Management fee and administrative charges contribute to cover Athlon’s administrative and fleet management costs.

***Fuel and fuel administration***
Athlon provides their customers with a fuel management system which uses the Multi Tank Card. This system enables Athlon to acquire accurate information to control the fuel costs and surcharge customers if applicable.

**Pool Size and Characteristics**

The following tables set out the characteristics in respect of the Initial Portfolio as at 30 April 2012.

After the Closing Date, the characteristics of the Initial Portfolio may change as a result of (i) the acquisition of Additional Leased Vehicles together with the associated Lease Receivables during the Revolving Period, (ii) a Lease Agreement becoming a Defaulted Lease Agreement; (iii) a prepayment of a Lease Agreement or (iv) the payment behaviour of amounts due under a Lease Agreement.

**Summary characteristics Initial Portfolio**

These characteristics of the Initial Portfolio demonstrate the capacity to, subject to the risk factors referred to under the section entitled "*Risk Factors*" above, produce funds to pay interest and principal on the Notes, provided that each such payment shall be subject to the relevant Priority of Payments as further described under the section entitled "*Credit Structure*".

## Stratification Report HIGHWAY 2012-I
## Pool as of 30 April 2012

### Summary of the Initial Portfolio

| | |
|---|---|
| Cut off Date | 30-04-2012 |
| Outstanding Balance | 692,394,148.62 |
| Of which Open End Contracts | 19,025,732.46 |
| Of which Closed End Contracts | 673,368,416.16 |
| Average Outstanding Balance | 17,034.74 |
| Number of Contracts | 40,646 |
| Coupon (Weighted Average) | 4.93% |
| Minimum | 1.83% |
| Maximum | 11.82% |
| Original Term in Months (Weighted Average) | 49.59 |
| Seasoning (Weighted Average) | 18.43 |
| Remaining Term (Weighted Average) | 31.16 |

| Current Period | | | | | | |
|---|---|---|---|---|---|---|
| Type of Object | Aggregate Outstanding Balance | Outstanding Balance as % of Total | Aggregate Outstanding Lease Receivables Balance | Aggregate Outstanding Residual Value Balance | Number of Contracts | Number of Contracts as % of Total |
| Passenger Vehicle | 618,178,495 | 89.3% | 334,856,022 | 283,322,473 | 34,754 | 85.5% |
| Light Commercial Vehicle | 74,215,654 | 10.7% | 45,862,677 | 28,352,977 | 5,892 | 14.5% |
| | 692,394,149 | 100% | 380,718,699 | 311,675,449 | 40,646 | 100.0% |

### Initial outstanding amount on contract

| Current Period | | | | | | |
|---|---|---|---|---|---|---|
| Object Investment | Aggregate Outstanding Balance | Outstanding Balance as % of Total | Aggregate Outstanding Lease Receivables Balance | Aggregate Outstanding Residual Value Balance | Number of Contracts | Number of Contracts as % of Total |
| 0 - 10,000 | 10,436,963 | 1.5% | 5,286,784 | 5,150,179 | 1,644 | 4.0% |
| 10,000 - 20,000 | 117,595,639 | 17.0% | 60,890,303 | 56,705,336 | 10,805 | 26.6% |
| 20,000 - 30,000 | 312,195,081 | 45.1% | 173,222,323 | 138,972,758 | 18,579 | 45.7% |
| 30,000 - 40,000 | 164,803,991 | 23.8% | 91,429,207 | 73,374,784 | 7,041 | 17.3% |
| 40,000 - 50,000 | 50,587,110 | 7.3% | 28,682,567 | 21,904,543 | 1,700 | 4.2% |
| 50,000 - 60,000 | 21,655,790 | 3.1% | 12,328,103 | 9,327,687 | 569 | 1.4% |
| 60,000 - 70,000 | 7,959,637 | 1.1% | 4,513,762 | 3,445,875 | 184 | 0.5% |
| 70,000 - 80,000 | 3,447,737 | 0.5% | 1,967,595 | 1,480,142 | 69 | 0.2% |
| 80,000 - 90,000 | 1,870,779 | 0.3% | 1,185,973 | 684,806 | 31 | 0.1% |
| 90,000 - 100,000 | 1,000,895 | 0.1% | 631,888 | 369,007 | 14 | 0.0% |
| 100,000 - 125,000 | 840,526 | 0.1% | 580,193 | 260,333 | 10 | 0.0% |
| | 692,394,149 | 100% | 380,718,699 | 311,675,449 | 40,646 | 100% |

## Interest rate on contract

| Current Period | | | | | | |
|---|---|---|---|---|---|---|
| Interest Rate | Aggregate Outstanding Balance | Outstanding Balance as % of Total | Aggregate Outstanding Lease Receivables Balance | Aggregate Outstanding Residual Value Balance | Number of Contracts | Number of Contracts as % of Total |
| < - 2.0% | 48,581 | 0.0% | 28,362 | 20,219 | 2 | 0.0% |
| 2.0% - 2.5% | 6,559,332 | 0.9% | 4,153,183 | 2,406,149 | 257 | 0.6% |
| 2.5% - 3.0% | 31,712,902 | 4.6% | 17,416,491 | 14,296,411 | 1,626 | 4.0% |
| 3.0% - 3.5% | 55,186,062 | 8.0% | 31,948,779 | 23,237,283 | 2,693 | 6.6% |
| 3.5% - 4.0% | 68,467,892 | 9.9% | 39,931,709 | 28,536,183 | 3,537 | 8.7% |
| 4.0% - 4.5% | 68,499,621 | 9.9% | 40,286,794 | 28,212,827 | 3,611 | 8.9% |
| 4.5% - 5.0% | 131,214,474 | 19.0% | 79,147,738 | 52,066,736 | 6,552 | 16.1% |
| 5.0% - 5.5% | 125,751,504 | 18.2% | 72,548,498 | 53,203,007 | 7,126 | 17.5% |
| 5.5% - 6.0% | 84,662,074 | 12.2% | 45,064,564 | 39,597,510 | 5,411 | 13.3% |
| 6.0% - 6.5% | 51,269,929 | 7.4% | 23,663,643 | 27,606,286 | 3,954 | 9.7% |
| 6.5% - 7.0% | 34,944,548 | 5.0% | 14,271,152 | 20,673,396 | 2,868 | 7.1% |
| 7.0% - 7.5% | 18,469,195 | 2.7% | 6,644,784 | 11,824,411 | 1,650 | 4.1% |
| >= 7.5% | 15,608,036 | 2.3% | 5,613,004 | 9,995,032 | 1,359 | 3.3% |
| | 692,394,149 | 100% | 380,718,699 | 311,675,449 | 40,646 | 100% |

## Client province

| Current Period | | | | | | |
|---|---|---|---|---|---|---|
| Client Province | Aggregate Outstanding Balance | Outstanding Balance as % of Total | Aggregate Outstanding Lease Receivables Balance | Aggregate Outstanding Residual Value Balance | Number of Contracts | Number of Contracts as % of Total |
| Flevoland | 8,264,529 | 1.2% | 4,501,788 | 3,762,741 | 488 | 1.2% |
| Gelderland | 101,083,138 | 14.6% | 57,086,651 | 43,996,487 | 5,855 | 14.4% |
| Limburg | 24,535,307 | 3.5% | 14,159,088 | 10,376,219 | 1,467 | 3.6% |
| Noord-Brabant | 127,987,103 | 18.5% | 70,648,522 | 57,338,581 | 7,041 | 17.3% |
| Noord-Holland | 138,401,421 | 20.0% | 74,656,111 | 63,745,310 | 7,971 | 19.6% |
| Overijssel | 28,553,981 | 4.1% | 16,142,135 | 12,411,846 | 1,873 | 4.6% |
| Utrecht | 100,370,765 | 14.5% | 53,067,696 | 47,303,068 | 6,066 | 14.9% |
| Zeeland | 3,144,474 | 0.5% | 1,756,439 | 1,388,035 | 208 | 0.5% |
| Zuid-Holland | 160,053,430 | 23.1% | 88,700,269 | 71,353,161 | 9,677 | 23.8% |
| | 692,394,149 | 100% | 380,718,699 | 311,675,449 | 40,646 | 100% |

## Contract start date

| Current Period | | | | | | |
|---|---|---|---|---|---|---|
| Start Date | Aggregate Outstanding Balance | Outstanding Balance as % of Total | Aggregate Outstanding Lease Receivables Balance | Aggregate Outstanding Residual Value Balance | Number of Contracts | Number of Contracts as % of Total |
| 2005 | 90,698 | 0.0% | 39,818 | 50,880 | 35 | 0.1% |
| 2006 | 1,394,053 | 0.2% | 535,571 | 858,483 | 303 | 0.7% |
| 2007 | 15,371,178 | 2.2% | 4,793,870 | 10,577,308 | 1,968 | 4.8% |
| 2008 | 59,018,971 | 8.5% | 18,239,408 | 40,779,563 | 5,587 | 13.7% |
| 2009 | 99,591,342 | 14.4% | 42,416,846 | 57,174,496 | 7,436 | 18.3% |
| 2010 | 135,956,169 | 19.6% | 76,485,185 | 59,470,984 | 7,902 | 19.4% |
| 2011 | 266,050,609 | 38.4% | 163,625,675 | 102,424,934 | 12,715 | 31.3% |
| 2012 | 114,921,128 | 16.6% | 74,582,326 | 40,338,802 | 4,700 | 11.6% |
| | 692,394,149 | 100% | 380,718,699 | 311,675,449 | 40,646 | 100% |

## Original term of the contract

| Current Period | | | | | | |
|---|---|---|---|---|---|---|
| Original Term | Aggregate Outstanding Balance | Outstanding Balance as % of Total | Aggregate Outstanding Lease Receivables Balance | Aggregate Outstanding Residual Value Balance | Number of Contracts | Number of Contracts as % of Total |
| < 12 | 741,480 | 0.1% | 113,263 | 628,217 | 72 | 0.2% |
| 12 - 24 | 6,856,000 | 1.0% | 1,533,862 | 5,322,138 | 503 | 1.2% |
| 24 - 36 | 26,290,789 | 3.8% | 11,538,065 | 14,752,724 | 1,578 | 3.9% |
| 36 - 48 | 118,999,976 | 17.2% | 60,682,496 | 58,317,480 | 6,732 | 16.6% |
| 48 - 60 | 360,719,448 | 52.1% | 198,211,675 | 162,507,773 | 19,683 | 48.4% |
| 60 - 72 | 149,354,301 | 21.6% | 88,711,370 | 60,642,931 | 9,631 | 23.7% |
| 72 - 84 | 24,816,551 | 3.6% | 16,374,351 | 8,442,200 | 2,061 | 5.1% |
| 84 - 96 | 3,971,544 | 0.6% | 2,990,660 | 980,884 | 343 | 0.8% |
| 96 - 108 | 644,058 | 0.1% | 562,956 | 81,102 | 43 | 0.1% |
| | 692,394,149 | 100% | 380,718,699 | 311,675,449 | 40,646 | 100% |

## End date of contract

| Current Period | | | | | | |
|---|---|---|---|---|---|---|
| End Date | Aggregate Outstanding Balance | Outstanding Balance as % of Total | Aggregate Outstanding Lease Receivables Balance | Aggregate Outstanding Residual Value Balance | Number of Contracts | Number of Contracts as % of Total |
| 2012 | 58,327,085 | 8.4% | 10,216,032 | 48,111,053 | 5,942 | 14.6% |
| 2013 | 126,504,008 | 18.3% | 51,901,826 | 74,602,182 | 9,698 | 23.9% |
| 2014 | 153,149,242 | 22.1% | 86,129,070 | 67,020,172 | 8,856 | 21.8% |
| 2015 | 198,084,579 | 28.6% | 125,621,632 | 72,462,947 | 9,301 | 22.9% |
| 2016 | 124,047,783 | 17.9% | 83,417,329 | 40,630,454 | 5,449 | 13.4% |
| 2017 | 28,111,455 | 4.1% | 20,114,999 | 7,996,456 | 1,210 | 3.0% |
| 2018 | 3,643,838 | 0.5% | 2,892,499 | 751,339 | 165 | 0.4% |
| 2019 | 526,159 | 0.1% | 425,312 | 100,847 | 25 | 0.1% |
| | 692,394,149 | 100% | 380,718,699 | 311,675,449 | 40,646 | 100% |

## Current outstanding amount on contract

| Current Period | | | | | | |
|---|---|---|---|---|---|---|
| Outstanding Amount | Aggregate Outstanding Balance | Outstanding Balance as % of Total | Aggregate Outstanding Lease Receivables Balance | Aggregate Outstanding Residual Value Balance | Number of Contracts | Number of Contracts as % of Total |
| < 10,000 | 62,762,425 | 9.1% | 24,050,729 | 38,711,696 | 8,599 | 21.2% |
| 10,000 - 20,000 | 282,168,341 | 40.8% | 141,495,045 | 140,673,297 | 19,379 | 47.7% |
| 20,000 - 30,000 | 232,467,968 | 33.6% | 142,274,449 | 90,193,519 | 9,593 | 23.6% |
| 30,000 - 40,000 | 78,630,640 | 11.4% | 49,418,019 | 29,212,621 | 2,333 | 5.7% |
| 40,000 - 50,000 | 22,510,380 | 3.3% | 14,320,765 | 8,189,615 | 510 | 1.3% |
| 50,000 - 60,000 | 8,452,917 | 1.2% | 5,444,955 | 3,007,962 | 157 | 0.4% |
| 60,000 - 70,000 | 2,641,218 | 0.4% | 1,765,093 | 876,125 | 41 | 0.1% |
| 70,000 - 80,000 | 1,506,621 | 0.2% | 1,071,941 | 434,680 | 20 | 0.0% |
| 80,000 - 90,000 | 695,284 | 0.1% | 486,999 | 208,285 | 8 | 0.0% |
| 90,000 - 100,000 | 558,355 | 0.1% | 390,705 | 167,650 | 6 | 0.0% |
| | 692,394,149 | 100% | 380,718,699 | 311,675,449 | 40,646 | 100% |

## Instalment amount

| Current Period | | | | | | |
|---|---|---|---|---|---|---|
| Instalment Amount | Aggregate Outstanding Balance | Outstanding Balance as % of Total | Aggregate Outstanding Lease Receivables Balance | Aggregate Outstanding Residual Value Balance | Number of Contracts | Number of Contracts as % of Total |
| < 250 | 10,445,984 | 1.5% | 5,038,972 | 5,407,012 | 1,435 | 3.5% |
| 250 - 500 | 108,678,329 | 15.7% | 57,244,396 | 51,433,933 | 9,605 | 23.6% |
| 500 - 750 | 234,540,721 | 33.9% | 128,987,629 | 105,553,092 | 14,617 | 36.0% |
| 750 – 1,000 | 212,837,507 | 30.7% | 119,221,720 | 93,615,788 | 10,412 | 25.6% |
| 1,000 – 1,250 | 80,271,511 | 11.6% | 44,601,939 | 35,669,572 | 3,228 | 7.9% |
| 1,250 – 1,500 | 26,432,183 | 3.8% | 14,708,775 | 11,723,408 | 872 | 2.1% |
| 1,500 – 1,750 | 10,540,940 | 1.5% | 5,958,463 | 4,582,477 | 295 | 0.7% |
| 1,750 – 2,000 | 4,337,389 | 0.6% | 2,404,430 | 1,932,959 | 104 | 0.3% |
| 2,000 – 2,500 | 3,134,846 | 0.5% | 1,834,414 | 1,300,432 | 60 | 0.1% |
| 2,500 – 3,000 | 797,597 | 0.1% | 486,711 | 310,886 | 12 | 0.0% |
| 3,000 – 4,000 | 292,272 | 0.0% | 186,873 | 105,399 | 5 | 0.0% |
| 4,000 – 5,000 | 84,869 | 0.0% | 44,377 | 40,492 | 1 | 0.0% |
| | 692,394,149 | 100% | 380,718,699 | 311,675,449 | 40,646 | 100% |

## Client rating

| Current Period | | | | | | |
|---|---|---|---|---|---|---|
| Client Rating | Aggregate Outstanding Balance | Outstanding Balance as % of Total | Aggregate Outstanding Lease Receivables Balance | Aggregate Outstanding Residual Value Balance | Number of Contracts | Number of Contracts as % of Total |
| R0 | 969,031 | 0.1% | 544,368 | 424,663 | 48 | 0.1% |
| R1 | 424,550 | 0.1% | 323,913 | 100,637 | 20 | 0.0% |
| R2 | 1,366,888 | 0.2% | 695,782 | 671,106 | 82 | 0.2% |
| R3 | - | 0.0% | - | - | - | 0.0% |
| R4 | 2,127,998 | 0.3% | 1,414,562 | 713,436 | 102 | 0.3% |
| R5 | 1,002,520 | 0.1% | 558,189 | 444,331 | 66 | 0.2% |
| R6 | 10,644,236 | 1.5% | 6,591,236 | 4,053,000 | 688 | 1.7% |
| R7 | 13,941,030 | 2.0% | 8,207,116 | 5,733,914 | 795 | 2.0% |
| R8 | 25,334,759 | 3.7% | 13,399,868 | 11,934,892 | 1,244 | 3.1% |
| R9 | 68,541,629 | 9.9% | 38,601,447 | 29,940,182 | 3,823 | 9.4% |
| R10 | 67,150,569 | 9.7% | 34,843,075 | 32,307,494 | 4,084 | 10.0% |
| R11 | 88,133,174 | 12.7% | 51,123,952 | 37,009,222 | 5,288 | 13.0% |
| R12 | 78,247,926 | 11.3% | 42,584,755 | 35,663,171 | 4,586 | 11.3% |
| R13 | 102,507,330 | 14.8% | 55,499,075 | 47,008,254 | 5,847 | 14.4% |
| R14 | 87,527,129 | 12.6% | 46,757,318 | 40,769,812 | 5,295 | 13.0% |
| R15 | 61,776,708 | 8.9% | 34,148,275 | 27,628,433 | 3,626 | 8.9% |
| R16 | 37,165,442 | 5.4% | 21,002,523 | 16,162,919 | 2,264 | 5.6% |
| R17 | 24,629,822 | 3.6% | 13,296,161 | 11,333,662 | 1,412 | 3.5% |
| R18 | 12,606,998 | 1.8% | 6,810,075 | 5,796,923 | 794 | 2.0% |
| R19 | 5,908,854 | 0.9% | 3,312,774 | 2,596,080 | 385 | 0.9% |
| R20 | 2,387,555 | 0.3% | 1,004,236 | 1,383,318 | 197 | 0.5% |
| | 692,394,149 | 100% | 380,718,699 | 311,675,449 | 40,646 | 100% |

## Year of manufacturing

| Current Period | | | | | | |
|---|---|---|---|---|---|---|
| Building Year Object | Aggregate Outstanding Balance | Outstanding Balance as % of Total | Aggregate Outstanding Lease Receivables Balance | Aggregate Outstanding Residual Value Balance | Number of Contracts | Number of Contracts as % of Total |
| < | 4,875 | 0.0% | 3,082 | 1,793 | 3 | 0.0% |
| 2005 | 152,112 | 0.0% | 62,667 | 89,445 | 53 | 0.1% |
| 2006 | 1,563,812 | 0.2% | 604,633 | 959,179 | 319 | 0.8% |
| 2007 | 16,453,546 | 2.4% | 5,124,239 | 11,329,307 | 2,096 | 5.2% |
| 2008 | 63,384,326 | 9.2% | 19,412,196 | 43,972,130 | 5,979 | 14.7% |
| 2009 | 103,580,493 | 15.0% | 44,319,184 | 59,261,309 | 7,700 | 18.9% |
| 2010 | 136,077,087 | 19.7% | 77,400,518 | 58,676,569 | 7,791 | 19.2% |
| 2011 | 260,043,877 | 37.6% | 161,325,589 | 98,718,288 | 12,236 | 30.1% |
| 2012 | 111,134,022 | 16.1% | 72,466,592 | 38,667,430 | 4,469 | 11.0% |
| | 692,394,149 | 100% | 380,718,699 | 311,675,449 | 40,646 | 100% |

## Client sectors

| Current Period | | | | | | |
|---|---|---|---|---|---|---|
| Client Sector | Aggregate Outstanding Balance | Outstanding Balance as % of Total | Aggregate Outstanding Lease Receivables Balance | Aggregate Outstanding Residual Value Balance | Number of Contracts | Number of Contracts as % of Total |
| Professional, scientific and technical services | 177,218,137 | 25.6% | 95,469,264 | 81,748,872 | 10,510 | 25.9% |
| Wholesale and retail trade | 140,470,892 | 20.3% | 79,225,974 | 61,244,918 | 7,571 | 18.6% |
| Manufacturing | 87,110,557 | 12.6% | 49,800,982 | 37,309,575 | 4,508 | 11.1% |
| Financial & insurance activities | 78,649,565 | 11.4% | 42,216,569 | 36,432,996 | 4,666 | 11.5% |
| Construction | 60,256,317 | 8.7% | 33,639,515 | 26,616,802 | 4,141 | 10.2% |
| Water supply | 31,231,838 | 4.5% | 14,724,890 | 16,506,948 | 2,241 | 5.5% |
| Information & Communication | 23,641,330 | 3.4% | 12,818,762 | 10,822,568 | 1,231 | 3.0% |
| Other service activities | 23,055,115 | 3.3% | 12,634,193 | 10,420,922 | 1,529 | 3.8% |
| Transportation & storage | 18,468,914 | 2.7% | 10,271,743 | 8,197,171 | 944 | 2.3% |
| Real estate activities | 13,030,565 | 1.9% | 7,239,880 | 5,790,685 | 781 | 1.9% |
| Human health & social work activities | 7,721,488 | 1.1% | 4,417,910 | 3,303,578 | 559 | 1.4% |
| Electricity, gas, steam and air conditioning supply | 6,085,496 | 0.9% | 4,196,845 | 1,888,651 | 339 | 0.8% |
| Arts, Entertainment, and Recreation | 6,044,492 | 0.9% | 2,940,233 | 3,104,259 | 321 | 0.8% |
| Accommodation & food service activities | 4,998,775 | 0.7% | 2,836,476 | 2,162,299 | 351 | 0.9% |
| Agriculture, forestry and fishing | 4,231,232 | 0.6% | 2,532,106 | 1,699,126 | 342 | 0.8% |
| Education | 3,881,524 | 0.6% | 1,989,025 | 1,892,499 | 242 | 0.6% |
| Public administration & defence | 2,484,760 | 0.4% | 1,617,927 | 866,833 | 126 | 0.3% |
| Unknown | 1,890,440 | 0.3% | 970,060 | 920,380 | 134 | 0.3% |
| Administrative& support service activities | 1,792,599 | 0.3% | 1,100,586 | 692,013 | 104 | 0.3% |
| Mining and quarrying | 130,114 | 0.0% | 75,760 | 54,354 | 6 | 0.0% |
| | 692,394,149 | 100% | 380,718,699 | 311,675,449 | 40,646 | 100% |

## Brands

| Current Period | | | | | | |
|---|---|---|---|---|---|---|
| Brands | Aggregate Outstanding Balance | Outstanding Balance as % of Total | Aggregate Outstanding Lease Receivables Balance | Aggregate Outstanding Residual Value Balance | Number of Contracts | Number of Contracts as % of Total |
| Volkswagen | 125,736,521 | 18.2% | 65,181,221 | 60,555,300 | 7,020 | 17.3% |
| Audi | 59,237,585 | 8.6% | 32,246,808 | 26,990,777 | 2,225 | 5.5% |
| Renault | 58,828,436 | 8.5% | 34,576,412 | 24,252,024 | 3,971 | 9.8% |
| Peugeot | 58,017,718 | 8.4% | 32,458,052 | 25,559,666 | 3,724 | 9.2% |
| Volvo | 50,365,636 | 7.3% | 27,736,379 | 22,629,258 | 2,010 | 4.9% |
| Ford | 49,497,240 | 7.1% | 26,395,624 | 23,101,616 | 3,511 | 8.6% |
| Opel | 47,862,747 | 6.9% | 25,256,794 | 22,605,954 | 3,281 | 8.1% |
| BMW | 34,146,162 | 4.9% | 19,318,934 | 14,827,227 | 1,198 | 2.9% |
| Toyota | 29,986,069 | 4.3% | 16,134,640 | 13,851,429 | 2,222 | 5.5% |
| Skoda | 28,744,210 | 4.2% | 18,089,655 | 10,654,555 | 1,719 | 4.2% |
| Citroen | 26,842,789 | 3.9% | 14,192,021 | 12,650,768 | 1,942 | 4.8% |
| Seat | 23,666,999 | 3.4% | 13,266,547 | 10,400,452 | 1,664 | 4.1% |
| Mercedes | 16,910,419 | 2.4% | 9,486,282 | 7,424,137 | 709 | 1.7% |
| Honda | 13,006,084 | 1.9% | 6,027,639 | 6,978,445 | 1,027 | 2.5% |
| Lexus | 9,080,509 | 1.3% | 5,740,002 | 3,340,507 | 316 | 0.8% |
| Nissan | 8,852,901 | 1.3% | 4,833,985 | 4,018,916 | 563 | 1.4% |
| Other | 51,612,124 | 7.5% | 29,777,705 | 21,834,419 | 3,544 | 8.7% |
| | 692,394,149 | 100% | 380,718,699 | 311,675,449 | 40,646 | 100% |

## Client concentration

| Current Period | | | | | | |
|---|---|---|---|---|---|---|
| Client Group | Aggregate Outstanding Balance | Outstanding Balance as % of Total | Aggregate Outstanding Lease Receivables Balance | Aggregate Outstanding Residual Value Balance | Number of Contracts | Number of Contracts as % of Total |
| 1 | 13,740,751 | 2.0% | 6,548,250 | 7,192,501 | 946 | 2.3% |
| 2 | 13,724,338 | 2.0% | 7,873,535 | 5,850,803 | 922 | 2.3% |
| 3 | 13,694,800 | 2.0% | 8,492,358 | 5,202,442 | 579 | 1.4% |
| 4 | 10,229,081 | 1.5% | 5,328,944 | 4,900,137 | 631 | 1.6% |
| 5 | 9,282,703 | 1.3% | 5,693,292 | 3,589,411 | 535 | 1.3% |
| 6 | 8,339,043 | 1.2% | 5,190,620 | 3,148,423 | 637 | 1.6% |
| 7 | 8,308,110 | 1.2% | 4,740,081 | 3,568,029 | 623 | 1.5% |
| 8 | 7,141,031 | 1.0% | 3,433,397 | 3,707,634 | 447 | 1.1% |
| 9 | 6,553,287 | 0.9% | 2,863,676 | 3,689,611 | 530 | 1.3% |
| 10 | 6,491,324 | 0.9% | 3,315,301 | 3,176,023 | 332 | 0.8% |
| 11 | 5,603,476 | 0.8% | 3,526,513 | 2,076,963 | 284 | 0.7% |
| 12 | 4,876,241 | 0.7% | 2,405,321 | 2,470,920 | 175 | 0.4% |
| 13 | 4,806,086 | 0.7% | 2,023,020 | 2,783,066 | 382 | 0.9% |
| 14 | 4,367,669 | 0.6% | 1,169,069 | 3,198,600 | 276 | 0.7% |
| 15 | 4,088,027 | 0.6% | 2,560,324 | 1,527,703 | 150 | 0.4% |
| 16 | 3,748,658 | 0.5% | 1,805,098 | 1,943,560 | 199 | 0.5% |
| 17 | 3,654,263 | 0.5% | 1,905,452 | 1,748,811 | 208 | 0.5% |
| 18 | 3,609,176 | 0.5% | 2,068,379 | 1,540,797 | 272 | 0.7% |
| 19 | 3,565,212 | 0.5% | 1,845,788 | 1,719,424 | 239 | 0.6% |
| 20 | 3,491,859 | 0.5% | 1,485,776 | 2,006,083 | 190 | 0.5% |
| | 139,315,133.9 | 20.1% | 74,274,193 | 65,040,941 | 8,557 | 21.1% |

## ORIGINATION AND UNDERWRITING

### Sales Channels

Athlon has a direct and indirect sales system in place. Direct sales are concluded by account managers who are working in separate market segments whereas indirect sales channels use the Rabobank offices and the dealers to originate business. Athlon also uses the internet through its proprietary system "Athlonline". Athlonline is an internet application which is used for on-line calculations and order processing.

### Organisation

In line with the sales channels and customer needs, the commercial organization is divided into three specialities:

- Sales Mid Accounts
- Sales Large Accounts
- Sales Online

Sales Mid Accounts as well as Sales Large Accounts are made up of three uniform pillars:

- Sales Management
- Sales Acquisition
- Sales Support

*National and regional approach*
Personal contact and direct lines are very important to Athlon. Therefore specific dedicated account teams manage large customer fleets from Athlon's head office in Almere and its sales offices in Eindhoven and Berkel en Rodenrijs. These account teams are the point of contact for Athlon's customers and drivers and are fully up-to-date on the customer's specific arrangements and processes. This guarantees short and efficient lines of communication. In addition, the customer is assured of a personal approach and good mutual communication.

Additionally, Athlon manages fleets smaller than 100 vehicles from its regional sales offices. This way Athlon can also guarantee its regional customers a direct and personal, local specific approach. Athlon has local offices in Heerenveen, Alkmaar, Nieuwegein, Berkel en Rodenrijs and Eindhoven.

### Credit Management

Key responsibilities of Credit Management can be divided into three main area's, being:

- Customer acceptance and credit management (credit application process)
- Legal documents and administrative processing
- Credit review

*Credit application process in general*

The credit policy is described in a set of internal guidelines. Persons responsible for evaluating and processing the request for a lease are all well experienced and have worked with Athlon for several years. Athlon checks its clients' creditworthiness yearly in order to assess whether its clients are likely to be able to meet their obligations under the lease contracts.

The risk appraisal is primarily done on the basis of scoring techniques, complemented with the experience of the staff and the assessment by them of the information obtained in the course of the application process.

If there is limited financial and/or other relevant information available or the information obtained shows a (slightly) increased credit risk, additional security will be required which generally take the form of:

- a liability statement of parent and/or other group companies for all debts including early termination charges under the master agreement;
- cash deposits of up to six (6) months lease payments per car (including fuel usage);
- an irrevocable bank guarantee in the amount of up to six (6) months lease payments per car (including fuel usage) which can be drawn on first demand.

@Once - OnLine Credit scoring, a lease administration system, developed by DLL, drives the credit approval process. When a borrower's credit limit is scored, the result is a determined probability of default (PD) connected to the Rabobank Masterscale Rate (Risk-rating) and an advice or decision is generated (accept, decline or refer). This process is applicable for credit limits up to EUR 500.000. Above this threshold a manual assessment of annual accounts takes place and PD and master scale rating are determined by a system of the Rabobank, called Credit Rating Engine (CRE). Above EUR 15 million or a Rabobank Masterscale Rate (Risk-rating) of > R15 (S&P B+), elaborated reporting and detailed financial analysis are mandatory. The approval authorities for accounts above EUR 500.000 are based and set upon:

- Manager CRM
- Local Risk Committee (LRC)
- European Risk Committee (ERC) / (DLL)
- Credit Committee Credit Risk Management (CCCRM) (Rabobank)

*Legal documents and administrative processing*

ATLAS, an in-house developed lease administration system, stores the outcome of the credit approval process. The ATLAS system is designated to ensure that no cars can be leased unless:

- Athlon has assessed the credit risk and determined the maximum credit limit;
- the credit limit is still not due (max. 12 months);
- a signed master agreement is received from the client;
- the credit used (book value at risk) is less than the assigned credit limit; and
- a signed order for an individual car is received from the lessee.

*Credit review*

The credit limit is reviewed each year. This recurring credit approval process, including requests for limits increase, is similar to the initial credit approval process.

## COLLECTION OF LEASE RECEIVABLES BY ATHLON

### Contract Management and Servicing

When a master agreement has been signed, the lessee can order cars through the internet application "Athlonline" operated by Athlon (password protected) or through direct contact with its dedicated account team. Once the lessee has made his/her choice, an order form is automatically printed and sent directly to the lessee for authorisation. Upon receipt of the signed order form from the lessee, the car is ordered from an authorised dealer through the purchasing department.

Athlon services the contract in relation to any third party including the dealerships and garages. In case of any maintenance or repair to the car the relevant garage will contact Athlon in advance and will ask for permission to carry out the requested repairs. Athlon can retrieve a specification of the lease contract from ATLAS, and can check which services are included in the lease. The invoice is sent to Athlon directly.

### Collections and doubtful debtors

*Methods of Payment*

There are two methods of payments:

- direct debit (at the date of this Prospectus approximately 65 per cent. of the clients, representing approximately 50 per cent. of the total monthly instalments); and
- manual transfer (at the date of this Prospectus approximately 35 per cent. of the clients); mostly in case of the larger accounts.

All lease instalments are due in advance; invoices are typically issued thirty (30) days prior to such due date. Basic principle is that each client should give an automatic irrevocable authorisation for collection. However, Athlon may decide (e.g. because of commercial reasons and/or limited credit risk) not to ask for this authorisation or, in case of large accounts a slightly increased payment term, in which case the interest component incorporated in the monthly lease payment will be increased and payment is carried out manually in such case. All lease payments are paid monthly into the bank account of Athlon, held with Rabobank.

*Accounts Receivable Department*

Other than in the situation of a dispute, in the event that a direct debit authorisation cannot be processed or overdue balances exist the monthly lease payment must in principle be paid within forty-eight hours and the client will be contacted by the collection department to discuss the reason which led to the non-payment and to agree upon the form and timing of payment. In the event that the lease instalment has not been received on the first day of the next calendar month, the lessee is ordered to pay all due but unpaid monthly lease payments within five business days. During this period, there may be several contacts, which may include (but are not limited to):

- telephone and mail correspondence by more senior collection agents;
- actual site visits to the lessee from Athlon's special accounts coordinator;
- correspondence with an external lawyer;
- credit check and registration of default;
- block fuel cards; and
- correspondence with Rabobank and DLL in case of joint-customers.

If the client still fails to make the payment, Athlon may decide to repossess the underlying leased vehicle(s). All costs in connection with the recovery of the car are invoiced to the lessee. Specialised companies carry out the recovery of the car. The average numbers of cars stolen has been marginal in relation to the total contract portfolio in recent years.

The accounts receivable department prepares weekly outstanding receivables analyses, allowing timely monitoring of developments. Distribution of the weekly ageing analysis among all collection agents in combination with ageing related targets creates competition between the collection agents resulting in a sound receivables portfolio.

**Debtor Monitoring System 'OnGuard'**

Athlon uses a debtor monitoring system named ‘OnGuard’. The system contains several profiles describing on which moment in time (in relation to the due date of an invoice), which steps have to be taken by the accounts receivable department. Each client is linked to a certain profile. On the basis of the profile the accounts receivable department receives a daily overview of the actual steps to be taken. The outcome of these actions is documented in OnGuard. Substantially all profiles are based on three main profiles: (1) one for clients subject to direct debit, and (2) one for clients not subject to automatic debit with a low risk profile (<R16: PD < 3%) and (3) one for clients not subject to automatic debit with a high risk profile (>R15: PD > 3%). Alongside performing customers all defaulted customers have a custom-made dunning profile. In general, however, the dunning profile is as following:

Main Profile
Day 01 – 09 Letter 1
Day 10 – 16 Phone call
Day 17 – 32 Letter 2
Day 33 – 40 Phone call
Day 41 – 52 Letter 3 (summation)
Day 53 – 60 Default registration
Day 61 – 65 Termination of contract
Day 66 – 70 Retrieve cars

**Residual Value**

One of the financial risks to which Athlon is exposed is a decline in the residual value of the leased vehicles. A residual value loss or gain arises when there is a difference between the book value and the (present) market value of the leased vehicles. The residual value is expressed as a percentage of the purchase price of the leased vehicle. The process of setting a residual value is specific to each vehicle type and depends on factors such as the term of the

operating lease, expected mileage, expected usage, model, engine size, transmission type and fuel.

A dedicated residual value team meets every five weeks to discuss the latest developments in (and possibly to adjust) the residual value of the vehicles. Each model is at a minimum reviewed twice a year by the residual value team, with special attention to new models and end-of-life models. In this meeting (i) the latest developments of the residual value, (ii) the ability to sell and (iii) general market trends and information per type of car are discussed. Factors considered when setting residual value recommendations include the sales of used cars by Athlon as well as the sales of non- Athlon used vehicles in the market. This information is provided by external sources such as traders, dealers, manufacturers, and X-ray (an external provider of vehicle data in the Netherlands). Views on future economic conditions, new car prices, new car types and other factors likely to influence the used car market are also taken into account.

The vehicles are valued at actual cost after deduction of annuity-based depreciation, which is generally determined on the basis of the lease term. Most of the contracts have a term of twenty-four (24) to forty-eight (48) months. As the lessee pays an amortisation component based on the same policy, the book value varies in parallel with the cash flow. Residual value for each make model is determined based on 3 year / 120,000 km. A full residual value matrix is calculated based on different contract periods and annual mileage.

Three times a year the residual value risk of the running portfolio is assessed based on three different methods and once a year the residual values of the portfolio is also assessed against an external benchmark.

Because actual mileage will always differ from the forecasted mileage, each lease contract is recalculated at least once during its term. In this recalculation Athlon will (partly) compensate any negative or positive effect of the actual mileage through an adjustment of the residual value of the underlying lease car. This mitigates the residual value risk. The expected residual value is (re)calculated:

1. at the end of the contract period;
2. in the event that the mileage or some of the other terms show a certain deviation with the contractual mileage or agreed and terms (the mileage shows a deviation of more than 10 per cent. with the contractual mileage; other terms show a deviation of more than 5 per cent., with the contractual terms);
3. upon an early termination: in the case of early termination, the lease payments that were due on the basis of the terminated contract are recalculated in order to establish the lease payments that should have been due in the case that the term of the lease contract was equal to the period running from the effective date of the lease contract up to the date of early termination. The early termination includes a recalculation of the residual value based on actual duration of the contract.

**ICT**

*General Structure*

Athlon implemented 'ATLAS' in 1998. Through interfaces, which allow information/data exchange, ATLAS has access to third party software systems of parties such as Centraal Beheer (insurances), MTC (fuel), other standard company software systems for sales and bookkeeping.

Extensive reporting is possible as all data and each file and entry are directly accessible and may be sorted at random. Beside the usual company operational, financial and commercial information flows Athlon is in a position to prepare through ATLAS all kind of special reports, such as:

- profitability assessments per client, client range and/or type of lease;
- residual value developments per brand, tenor, mileage;
- damage (%) compared to actual insurance payments/own risk; and
- quality of lease portfolio.

*Back-up process*

A total back up is made on a daily basis and, also on a daily basis, stored offsite in a different part of the country. Athlon has a full contingency plan in place covering all essential business applications and facilities. The restoring capabilities within the contingency plan are tested once a year. In case of an emergency Athlon is capable of moving its administrative activities within forty-eight (48) hours to a branch office located in Nieuwegein.

## LEASE VEHICLES SALES PROCEDURES

At the end of an operational lease agreement the vehicle will be returned by the lessee (except in cases where the vehicle is sold to the lessee or to the lessee's driver-employee). When returned at one of the delivery points designated by Athlon a certificate evidencing receipt of the vehicle (the "**Certificate**") will be made on site together with the driver. If delivered somewhere else, the final vehicle inspection of the exterior and interior of the vehicle will take place at the premises of Athlon by independent specialized employees of an external damage repair company.

The vehicle must be returned in perfect condition except for normal wear and tear. The customer must also return the two sets of keys and all the vehicle documents handed over at the start of the agreement (e.g. vehicle registration documents but also the service manual). The completeness of these items is also part of the final inspection.

The Certificate will show (a) if the vehicle has any damage and (b) the kilometres shown on the distance travelled indicator on the return date. The reception certificate will also reflect the documents and elements delivered with the vehicle as indicated in the previous paragraph.

If the Certificate and/or the subsequent inspection report state that the vehicle has damage not related to normal wear and tear or the customer has not returned all the documents and elements handed over at the start of the agreement, Athlon is authorized to charge the amount of the damage and the costs of replacement of the lost documentation or elements to the customer.

When the state of the vehicle has been assessed, it will be marketed through the Athlon sales channels.

The sales activity is carried out through the remarketing department. The administration of the remarketing section will generate a valuation list. The valuation list contains all the data for the newly entered vehicles (Brand, Type, Engine, Year, Accessories) that are needed to arrive at a correct valuation. Neither the residual value nor the book value appears on the valuation list.

The collected ex-lease cars are valued by at least 2 sales members of the remarketing department. The valuation takes account of damage, completeness, mileage, colour and the general condition of the car. The final minimum trade value is determined following consultations by the used cars manager and confirmed on the valuation list, which is initialled by both remarketing-member and if need be by the remarketing manager. The administration of the remarketing department enters the market values in the operational system.

Following the valuation, the sales channel through which the car is to be offered is decided. The determination of the sales channel is made on the basis of the mileage of the vehicle, the technical condition of the vehicle (based on the RMT and damage history) and the demand per channel. As regards assignment to the private channel, account is taken of demand and a correct stock mix.

Athlon uses the following sales channels:

*Sale by Lot (Trade)*
Lots of cars are put together (very marketable with less marketable/non-marketable cars). Sales are often made by lots, depending on the size of the trader/lot. The price of the car is however always determined on an individual basis.

*Car Dealer (Trade)*
Vehicles are generally sold to dealers by means of buyback agreements.

*Private*
Cars are offered via the OccasionCentre, where it is expected that a substantially higher price will be achieved by means of direct sales to private persons, and where the condition and mileage are particularly favourable.

*By Tender (Trade)*
Bids are received from traders for cars on the basis of the list with likely bidders.

*Auctions*
The auction channel is used if the sale of the vehicle is directed by a customer agreement or if, given the condition of the vehicle, it is expected that an auction will result in the highest sale proceeds.

*Driver*
The driver has the chance to take over the vehicle at the end of the lease contract. The takeover price is determined by the Used Cars department.

*International*
The international sales channel is used to reach foreign buyers, where use is made of a uniform automated sales system (Car Plaza) in cooperation with sister organisations.

Athlon has sold a total volume of 97,440 vehicles in the last three years (2008 -2010) with an average current permanence of vehicles in stock of 20.43 days. A vehicle is considered to be in stock from the date on which the customer, who subscribed the operating lease agreement, proceeds to return it up to the date when it is sold by Athlon and paid by the buyer.

## OVERVIEW OF THE DUTCH CAR LEASE MARKET

*The information provided under this section has been derived from publicly available information on the Dutch auto lease market as published by the Association of Dutch Car Lease Companies ("Vereniging van Nederlandse Autoleasemaatschappijen": "**VNA**") in its 2010 annual report on the auto lease market and the report "Zicht op zakelijke automobiliteit" on mobility within business in the Netherlands.*

### 1. Introduction

The Dutch lease market has been through a turbulent period during 2007-2010. This was mainly due to the economic developments at that time, but environmental tax- and corporate social responsibility related policies increasingly applied by customers (encouraging lessees to lease smaller cars often with lower investment value) contributed as well. The Dutch market for lease cars declined for the second year in a row in 2010 and the decline in 2010 amounted to approximately 3% of the total number of leased vehicles (compared with the end of 2009).

**Top 10 Lease Companies in the Netherlands**
*(2010)*

| **Company** |
|---|
| Athlon Car Lease Nederland B.V. |
| LeasePlan Nederland N.V. |
| ING Car Lease Nederland B.V. (acquired by Alphabet Nederland B.V.) |
| Arval B.V. |
| Mercedes-Benz Financial Services B.V. |
| ALD Automotive B.V. |
| Business Lease B.V. |
| Terberg Leasing B.V. |
| BMW Group Financial Services B.V. |
| PSA Financiering Nederland B.V. |

*Source: "VNA – Annual report auto lease market 2010"*

### 2. Market size

The number of cars under lease in 2010 in the Dutch market amounts to 682,400 vehicles, 3% less than in 2009, when the total number of leased vehicles amounted to 703,500.

**Number of lease contracts by vehicles type**
*(31 December 2010)*

| **Type of vehicle** | **Vehicles** |
|---|---|
| Passenger vehicle | 538,100 |
| Light commercial vehicle | 144,300 |
| **Total** | 682,400 |

*Source: "VNA – Annual report auto lease market 2010"*

A large part of the Dutch lease market for passenger cars is dominated by members of the VNA. VNA members have a market share of about 91 per cent or 619,700 vehicles.

**Number of VNA-lease contracts by vehicle type**
*(31 December 2010)*

| **Type of vehicle** | **Vehicles** |
|---|---|
| Passenger car | 494,200 |
| Light commercial vehicle | 125,500 |
| **Total** | 619,700 |

*Source: "VNA – Annual report auto lease market 2010"*

### 3. Passenger cars

For passenger cars the division over various forms of contract is as follows:

**Number of VNA-lease contracts by type of contract**
*(31 December 2010)*

| **Type of contract** | **Cars** |
|---|---|
| Financial | 28,600 |
| Net operational | 10,900 |
| Operational (close-end) | 369,200 |
| Operational (open-end) | 60,400 |
| Fleet management | 25,100 |
| **Total** | 494,200 |

*Source: "VNA – Annual report auto lease market 2010"*

In 2010 the average passenger car theoretical lease contract tenor with VNA-members showed a slight increase from 45.9 in 2009 to 46.7 months (+1.8%). For new passenger cars, the average theoretical new contract tenor was 41.6 months in 2010 (-3.1%). The realised average tenor of terminated contracts was 39.3 months (+4.6%) in 2010.

**Average life of lease fleet of passenger cars**
*(2006- 2010)*

| **Year** | **Months** |
|---|---|
| 2006 | 23.0 |
| 2007 | 23.2 |
| 2008 | 23.4 |
| 2009 | 26.1 |
| 2010 | 27.2 |

*Source: "VNA – Annual report auto lease market 2010"*

The percentage of passenger business cars in newly registered passenger cars was 36% in 2010. The percentage of newly leased private business cars in the part of total newly registered

passenger business cars was 67.7%, a decline of 2.1 percentage points compared to the 2009 figure (69.8%).

**Top 10 newly registered leased passenger cars by type**
*(2010)*

| **Brand** | **Vehicles** |
|---|---|
| Volkswagen Golf | 6,572 |
| Renault Megane | 5,050 |
| Volkswagen Polo | 4,882 |
| Volkswagen Passat | 4,636 |
| Toyota Prius | 3,678 |
| Skoda Octavia | 3,500 |
| Audi A4 | 2,846 |
| Audi A3 | 2,642 |
| BMW 3-series | 2,163 |
| Opel Astra | 2,094 |

*Source: "VNA – Annual report auto lease market 2010"*

### 4. Light commercial vehicle

For light commercial vehicles the division across various forms of contract is as follows:

**Number of VNA-lease contracts by type of contract**
*(31 December 2010)*

| **Type of contract** | **Cars** |
|---|---|
| Financial | 19,400 |
| Net operational | 4,600 |
| Operational (close-end) | 76,300 |
| Operational (open-end) | 13,600 |
| Fleet management | 11,600 |
| **Total** | 125,500 |

*Source: "VNA – Annual report auto lease market 2010"*

In 2010 the average light commercial vehicle theoretical lease contract tenor with VNA-members was 55.2 months, just as in 2009. For new light commercial vehicles, the average theoretical new contract tenor was 49.8 months in 2010 (-2.9%). The realised average tenor of a terminated contract was 41.1 months (+4.6%) in 2010.

**Average life of leased light commercial vehicle**
*(2006 — 2010)*

| **Year** | **Months** |
|---|---|
| 2006 | 28.9 |
| 2007 | 29.5 |
| 2008 | 30.3 |

| | |
|---|---|
| 2009 | 33.1 |
| 2010 | 34.0 |

*Source: "VNA – Annual report auto lease market 2010"*

As with passenger cars, leasing has an important position in total new registrations of light commercial vehicles. In 2010, 78.8% of newly registered light commercial vehicles were leased, down from 79.8% in 2009. The average price of a light commercial vehicle leased in 2010 increased by €1,200 to €22,000 (+5.8%).

**Top 10 newly registered leased light commercial vehicles (LCV) by type**
*(2010)*

| **Brand** | **LCV** |
|---|---|
| Volkswagen Caddy | 2,200 |
| Volkswagen Transporter | 2,028 |
| Renault Trafic | 1,143 |
| Volkswagen Crafter | 1,006 |
| Opel Vivaro | 984 |
| Renault Kangoo | 971 |
| Ford Transit | 911 |
| Mercedes-Benz Sprinter | 621 |
| Peugeot Partner | 597 |
| Ford Transit Connect | 543 |

*Source: "VNA – Annual report auto lease market 2010"*

## ATHLON CAR LEASE INTERNATIONAL B.V.

### History

Athlon Car Lease International B.V. ("**Athlon International**"), a limited liability company (*besloten vennootschap met beperkte aansprakelijkheid*), which was previously named Athlon Holding N.V., was incorporated under Dutch law on 19 May 1916, under the name Reparatie Inrichting van Automobielen N.V. ("**RIVA**"), having its registered head-office in Amsterdam, the Netherlands at the time. Having bought out the other RIVA shareholders, Mr. Albert Heijn (the founder of the Ahold-conglomerate) acquired full ownership of RIVA in 1923. RIVA was listed on the AEX stock exchange (at present known as Euronext Amsterdam) in 1954.

Until the early 1960s, RIVA focused primarily on traditional car dealerships, launching its first leasing operations in 1963. In 1990, RIVA started car body repair activities under the name CARe. In 1991, RIVA was renamed Athlon Groep N.V., mainly because the general public continued to associate RIVA with the Opel dealership, whereas most of Athlon Groep N.V.'s turnover came from the lease operations. In 1992, Athlon Groep N.V. decided to sell its Opel dealerships in Amsterdam and The Hague, the Netherlands. The name RIVA was transferred to the new owner of the Opel dealership in The Hague.

The sale of its two biggest Opel dealerships and the corporate name change in the early 1990s were the beginning of a new strategy, focusing on three core activities: car lease and rental, dealerships and car body repairs. Since 1995, Athlon Groep N.V.'s growth strategy has not only been focused on expansion in the Benelux but also on expansion in France and Germany, resulting in the first acquisition in France in 1997 and in Germany in 1998. Followed by further acquisitions in both countries in 1999, the new millennium brought further focus in Athlon Groep N.V.'s strategy. With the sale of its remaining dealer activities and the disposal of its rental activities in 2001 and 2002, respectively, Athlon Groep N.V. narrowed its business focus on its car leasing operations only, which ultimately resulted in merging all businesses into one lease company per country and a new name as Athlon Holding N.V. in 2003.

After the acquisition of the remaining 50 % of Unilease in 2004, and the finalization of a further acquisition in Spain, Athlon Holding N.V. was acquired by De Lage Landen ("**DLL**") in 2006, delisted from the stock exchange and subsequently renamed into Athlon Car Lease International B.V.

As a 100% subsidiary of DLL, Athlon International has since further increased its European footprint with the establishment of greenfield operations in Poland in 2007 and in Portugal in 2008, as well as through the acquisition of the car leasing operations of Masterlease in Italy in 2009.

In addition to its active growth strategy, Athlon International has also pursued the strategic goal of increasing the range of mobility services in its product and service portfolio throughout these years, resulting in several strategic collaborations throughout the industry.

During 2010, Athlon International has succeeded in limiting the impact of the economic crisis by successfully introducing an online remarketing platform for ex-lease cars. Despite a shrinking portfolio, Athlon International has consolidated its market share and remained market leader in the Netherlands throughout 2010.

Following its new strategy to become an international mobility provider and a top 5 European player, Athlon International acquired the remaining 50% of Fleet Synergy International in 2010 and fully integrated it into the International Sales & Account Management division of Athlon International.

**Corporate Structure**

Athlon International is a holding company that operates in nine countries: the Netherlands, Belgium, Luxembourg, France, Germany, Italy, Spain Portugal and Poland. The operating companies report directly to the Executive Board. With an average workforce of around 1,150 FTE, Athlon International achieved a turnover of EUR 1,647 million in 2010 of which the foreign operations accounted for 36 per cent. of this turnover. For 2011, Athlon International achieved a turnover of EUR 1,645 million of which the foreign operations accounted for 37 per cent. of this turnover and with an average workforce of around 1,094 FTE.

The main operating companies of Athlon International in the Netherlands are (as at 31 December 2011):

| | |
|---|---|
| Main operating Dutch entities: | Athlon Car Lease Nederland B.V., Special Lease Systems B.V., Athlon Car Lease Rental Services B.V., De Lage Landen Dealerlease B.V., Friesland Lease B.V. (51%), Zuidlease B.V. (51%) and Wagenplan B.V. (50%) |

**Executive Board of Athlon International**

H.J. Blink - CEO

**Shareholders**

The shares in Athlon International are held by De Lage Landen Europe Participations B.V., a 100% subsidiary of De Lage Landen International B.V. De Lage Landen International B.V. is a 100% subsidiary of Rabobank Nederland.

**Business Overview**

The car lease activities are focused on operational leasing, fleet management and rental services.

- Operational leasing: in this financing Athlon International remains the legal and economical owner of the car and takes care of all services such as financing, body repair services, fuel management, insurances and maintenance. Due to the extensive service package this form of leasing provides greater added value to its customers (higher margins) compared to financial leasing. In case of financial leasing the lease provider arranges only the financing of the car;
- Fleet management: in this concept the cars are owned and financed by the customer. Athlon International performs the day to day management of the fleet, arranging all other matters such as insurances, maintenance and body repair activities. The latter obviously creating a possibility for cross selling; and
- Rental Services: this service consists of the offering of rental vehicles to lessees in order to fulfil their temporary mobility needs. Athlon Car Lease Rental Services has a fleet of both passenger as well as light commercial vehicles.

Athlon International provides leasing services primarily to corporate customers. In all of its markets Athlon International offers lease activities under the 'Athlon Car Lease' label. Athlon International's expertise of the 'car lease' product combined with advanced information management enables the company to offer clients not only cost control, but transparency and convenience as well.

**Objectives and Strategy**

As part of the DLL's business line 'Financial & Mobility Solutions', Athlon International aims to be the best provider of asset-related finance products. In doing this, Athlon International creates great solutions, builds sustainable relationships and optimizes shareholder value.

Athlon International's ambition is to be recognized as a part of a cohesive DLL Group by delivering sustainable mobility solutions.

In order to reach these goals the strategy focuses on a number of key strategic themes:

*Growth*

- Strengthen its position as Corporate Social Responsible/Sustainable offeror of car leasing and/or mobility solutions through the development of innovative services in new areas, setting up co-operations with key customers and thus demonstrate CSR capabilities to the market
- Improve the performance of Athlon International's branches outside of the Netherlands
- Develope an 'All finanz' concept, integrating the services and products of Athlon International and DLL
- Utilize cross selling opportunities with both DLL and Rabobank

*Efficiency*

- Leverage the strength of the total European Athlon International organization by using economies of scale
- Increase the effectiveness and cost efficiency of processes and business alignment
- Increase customer value and satisfaction through “operational excellence delivered with a smile”
- Standardize information management to support informed decision making

*Collaboration*

- Define a common culture and drive cultural change to support the development of a high performing organization
- Increase the collaboration on a country level with DLL and its Vendor Finance business line
- Set up the right structure within the organization to support all desired changes

*Regulatory*

- Implementing a Single European Payment Area (SEPA)
- Re-evaluating Athlon International’s strategic position due to changes in accounting regulations (IFRS)

**Securitisation**

As the first car lease company in Europe, Athlon International completed a public securitisation on operational car lease contracts of € 350 million in May 2003; another public securitisation of € 257 million followed in 2005. Athlon International decided to exercise its clean-up call option to prepay the 2003 transaction in whole in March 2010 and the 2005 transaction in September 2011.

**ATHLON CAR LEASE NEDERLAND B.V.**

Athlon Car Lease Nederland B.V. ("**Athlon**") was incorporated as a private company with limited liability *(besloten vennootschap met beperkte aansprakelijkheid)* under Dutch law.

Athlon is a leading Dutch car leasing company. Besides developing sustainable products and clean mobility solutions, Athlon wants to inspire the environment to take up sustainable solutions. Scale, quality, customer satisfaction and regional presence are of paramount importance for Athlon's continued success.

**Shareholders**

Athlon is a wholly owned subsidiary of Athlon Beheer Nederland B.V. ("**Athlon Beheer**"), which in turn is a 100% subsidiary of Athlon International.

Neither Athlon nor Athlon Beheer publish separate financial statements.

**Executive board of Athlon Car Lease Nederland B.V.**

Athlon International is the sole managing director of Athlon. The persons in charge of the day to day operations are:

- A. van Veen - CEO
- M. Jansen - CFO
- M. Koops - Sales Director
- J. Geenen - Director Operations

**Key figures Athlon Car Lease Nederland B.V. (unaudited and unconsolidated)**

| | **2008FY** | **2009FY** | **2010FY** | **2011FY** |
|---|---|---|---|---|
| Total assets (EUR mln) | 2,064 | 1,972 | 1,799 | 1,730 |
| Equity | 159.7 | 179.2 | 175.9 | 165 |
| Net result (EUR mln) | 32 | 26 | 36 | 35 |
| No. of cars | 114,482 | 110,917 | 107,017 | 103,609 |
| Staff (FTE) (excluding contractors) | 477 | 459 | 455 | 455 |
| Car to Staff | 240 | 242 | 235 | 228 |

## RABOBANK[1]

Rabobank Group (the "**Rabobank Group**") is an international financial service provider operating on the basis of cooperative principles. At 31 December 2011, it comprises 139 independent local Rabobanks and their central organisation Rabobank Nederland and its subsidiaries. Rabobank Group operates in 46 countries. Its operations include domestic retail banking, wholesale banking and international retail banking, asset management, leasing and real estate. It serves approximately 10 million clients around the world. In the Netherlands, its focus is on broad financial services provision in the Netherlands and primarily on the food and agribusiness internationally. Rabobank Group entities have strong inter-relationships due to Rabobank's cooperative structure.

Rabobank Group is one of the most creditworthy privately owned banks world-wide, which is reflected in the ratings awarded by several rating agencies (Standard & Poor's, Moody's, Fitch Ratings and DBRS). In terms of Tier 1 capital, Rabobank Group is among the world's 30 largest financial institutions (source: *The Banker*).

Rabobank Group's cooperative core business comprises independent local Rabobanks. Clients can become members of their local Rabobank. In turn, the local Rabobanks are members of Rabobank Nederland, the supralocal cooperative organisation that advises and supports the banks in their local services. Rabobank Nederland also supervises the operations, sourcing, solvency and liquidity of the local Rabobanks. With 872 branches and 2,949 cash-dispensing machines at 31 December 2011, the local Rabobanks form a dense banking network in the Netherlands. In the Netherlands, the local Rabobanks serve approximately 6.8 million retail clients, and approximately 0.8 million corporate clients, offering a comprehensive package of financial services.

Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A. ("**Rabobank Nederland**") is the holding company of a number of specialised subsidiaries in the Netherlands and abroad. Rabobank International is Rabobank Group's wholesale bank and international retail bank.

At 31 December 2011, Rabobank Group had total assets of € 731.7 billion, a private sector loan portfolio of € 448.3 billion, amounts due to customers of € 329.9 billion, savings deposits of € 140.0 billion and equity of € 45.0 billion.

### *Capitalisation*

At 31 December 2011, Rabobank's tier 1 ratio was 17.0 per cent and the core tier 1 ratio was 12.7 per cent.

### Recent Developments

### *Exchange of Rabobank Member Certificates*

In October 2011, the Rabobank Member Certificates were exchanged. On that occasion, holders of former Rabobank Member Certificates received new Rabobank Member Certificate as well as a payment in cash equalling the difference between the former Rabobank Member Certificate's net asset value and the new Rabobank Member Certificate's nominal value. The

[1] *Source: Annual Summary Rabobank Group 2011 (unaudited).*

new Rabobank Member Certificates are depository receipts of participation rights directly issued by Rabobank Nederland. The exchange enabled the capital represented by the former Rabobank Member Certificates to continue to be qualified as core capital (common equity tier 1) for Rabobank Nederland.

***Issue of Capital Securities***

On 9 November 2011, Rabobank Nederland issued U.S.$ 2,000,000,000 perpetual non-cumulative capital securities. Subject to the terms and conditions and in accordance with the procedures as set out in the prospectus dated 7 November 2011, interest on the capital securities will accrue on their prevailing principal amount from (and including) 9 November 2011 to (but excluding) 29 June 2017 at an initial rate of 8.4 per cent. per annum. The capital securities are perpetual securities and therefore have no fixed or final redemption date.

***Conversion of Rabo Extra Member Bonds into Rabobank Membership Certificates***

On 30 December 2011, Rabobank Nederland exercised its right to convert 25 per cent. of the initial nominal value of Rabo extra member bond into a Rabobank Member Certificate. The conversion has increased the number of Rabobank Member Certificates in issue by 9 million to 268,961,365.

***Sarasin sold to Safra***

Rabobank sold its equity interest in Swiss-based private bank Sarasin to Safra Group for € 844 million in 2011. The sale of Sarasin, which serves private clients outside the Netherlands, will allow Rabobank to sharpen its focus on its strategic core business, i.e. broad market leadership in the Netherlands and worldwide growth in the area of food and agri. This transaction is currently still subject to regulatory approval.

***Rabobank acquires full ownership Obvion***

On 26 March 2012 Rabobank announced its intention to acquire the remaining shares in Obvion N.V. ("**Obvion**") from the other shareholder, Stichting Pensioenfonds ABP. Rabobank already has a 70 per cent. stake in Obvion. This transaction implies that Obvion will be fully owned by Rabobank. The transaction is being carried out subject to a statement of no objection from the Dutch Central Bank. The transaction is expected to be finalised in mid-2012.

***Ratings***

On 23 January 2012 Standard & Poor's affirmed the long-term counterparty credit rating of Rabobank Nederland of 'AA' with the outlook negative, in line with the outlook for the sovereign credit rating of The Netherlands.

On 15 February 2012 Moody's placed the long-term debt and deposit ratings of Rabobank Nederland of 'Aaa' on review for downgrade.

***Friesland Bank opts for merger with Rabobank***

On 2 April 2012, Rabobank announced that Friesland Bank and Rabobank have reached agreement on the merger of Friesland Bank with Rabobank. For this purpose, Friesland Bank will initially become a wholly owned subsidiary of Rabobank Nederland. The merger of the customers, employees, branches and activities of Friesland Bank with the network of local Rabobanks in the Netherlands will occur during a transition period. This gradual integration is expected to take approximately two years.

## CREDIT STRUCTURE

*The following is a summary of the credit structure underlying the Notes. Such summary should be read in conjunction with information appearing elsewhere in this Prospectus.*

## ISSUANCE OF NOTES

On the Closing Date, the Issuer will issue EUR 450,000,000 Class A Notes and EUR 242,400,000 Class B Notes. The Notes constitute direct and unsubordinated obligations of the Issuer. The Class A Notes rank *pari passu* without preference or priority amongst themselves. The Class B Notes rank below the Class A Notes with respect to payment of interest and principal but *pari passu* without preference or priority amongst themselves. The gross proceeds of the Notes are expected to amount to EUR 692,400,000.

For a more detailed description of the terms and conditions of the Notes, see the section entitled "*Terms and Conditions of the Notes*".

## USE OF PROCEEDS FROM THE NOTES AND SUBORDINATED LOAN FACILITY

On the Closing Date, the Issuer will apply the gross proceeds of the Notes to make the Initial Issuer Advances to Athlon pursuant to the Issuer Facility Agreement. The Initial Subordinated Loan Advance and the Maintenance Reserve Advance drawn by the Issuer under the Subordinated Loan Facility on the Closing Date will be applied, respectively, to make a deposit into the Reserve Account up to the Required General Reserve Amount and to make a deposit into the Transaction Account up to the Required Maintenance Reserve Amount with a corresponding credit to the Maintenance Reserve Ledger.

## SUBORDINATED LOAN FACILITY

On the Signing Date, the Issuer, the Subordinated Lender, the Security Trustee and the Issuer Administrator will enter into a Subordinated Loan Facility pursuant to which the Issuer will be entitled to draw the Subordinated Loan Advances in accordance with the terms of the Subordinated Loan Facility.

*Subordinated Loan Advances*

On the Closing Date, the Subordinated Lender will make available to the Issuer (i) an advance to enable the Issuer to make a deposit into the Reserve Account up to the Required General Reserve Amount (the "**Initial Subordinated Loan Advance**") and (ii) an advance to enable the Issuer to make a deposit into the Transaction Account up to the Required Maintenance Reserve Amount (the "**Maintenance Reserve Advance**") with a corresponding credit to the Maintenance Reserve Ledger.

Upon the occurrence of a Commingling Reserve Trigger Event and as long as such Commingling Reserve Trigger Event is continuing, the Subordinated Lender will make available to the Issuer an amount up to the Required Commingling Reserve Amount (the "**Commingling Reserve Advance**" and together with the Maintenance Reserve Advance and the Initial Subordinated Loan Advance, the "**Subordinated Loan Advances**" and each, a "**Subordinated Loan Advance**").

The Commingling Reserve Guarantor will guarantee the obligation of the Subordinated Lender to make the Commingling Reserve Advance available to the Issuer pursuant to the terms of the Commingling Reserve Guarantee. The Commingling Reserve Guarantor is required to have at least the Commingling Reserve Guarantor Required Ratings (unless its obligations under the Commingling Reserve Guarantee are guaranteed by an entity with the Commingling Reserve Guarantor Required Ratings). If the Commingling Reserve Guarantor ceases to have the Commingling Guarantor Required Ratings, the Commingling Reserve Guarantor will be required within thirty (30) days of such downgrading or any withdrawal to (i) replace itself with an alternative commingling reserve guarantor having at least the Commingling Reserve Guarantor Required Ratings, or (ii) procure that a third party having at least the Commingling Reserve Guarantor Required Ratings guarantees the obligations of the Commingling Reserve Guarantor, or (iii) find another solution which is suitable in order to maintain the then current ratings assigned to the Class A Notes.

The Commingling Reserve Advance and the Maintenance Reserve Advance provide structural subordination protection and rights as follows:

*Commingling Reserve Advance*

The Commingling Reserve Advance is a mechanism to provide credit enhancement to cover possible losses due to the Lease Collections being trapped if an Insolvency Event occurs in respect of Athlon. The purpose of the Commingling Reserve Advance is to enable the Issuer to continue to make payments in accordance with the relevant Priority for Payments if, on any Payment Date, Athlon, acting in its capacity as Servicer, would not transfer any Lease Collections and/or Vehicle Realisation Proceeds collected by it during the immediately preceding Collection Period to the Issuer due to its Insolvency.

*Maintenance Reserve Advance*

The Maintenance Reserve Advance is a mechanism to provide credit enhancement to cover potential maintenance costs relating to any associated Lease Agreement. The purpose of the Maintenance Reserve Advance is to ensure that the Issuer will continue to be able to pay any maintenance costs relating to the Lease Agreements if and to the extent maintenance costs will not be paid by Athlon in its capacity as Servicer due to an Insolvency Event relating to Athlon.

For a more detailed description of the terms and conditions of the Subordinated Loan Facility see the section entitled *'Description of Certain Transaction Documents'*.

**ACCOUNT BANK**

Pursuant to the terms of the account agreement (the "**Account Agreement**") entered into on the Signing Date by and between the Account Bank, the Issuer and the Security Trustee, the Issuer will maintain the Issuer Accounts with the Account Bank.

The Account Bank is required to have at least the Account Bank Required Ratings (unless its obligations under the Account Agreement are guaranteed by an entity with the Account Bank Required Ratings). If the Account Bank ceases to have the Account Bank Required Ratings (or its obligations under the Account Agreement cease to be guaranteed by an entity with the

Account Bank Required Ratings), and an alternative bank having at least the Account Bank Required Ratings is willing to accept deposits from the Issuer on similar terms as set out in the Account Agreement, then the Account Agreement will (with the prior written consent of the Security Trustee) be terminated by the Issuer (or the Issuer Administrator on its behalf).

The Account Agreement provides that in the event of any termination (a) the Account Bank shall assist the other parties thereto to effect an orderly transition of the banking arrangements documented hereby at its own cost and expense and (b) the parties to the Account Agreement or any of them shall notify each Rating Agency of such termination and of the identity of the successor Account Bank.

In the Account Agreement, the Account Bank agrees to pay interest on the moneys standing to the credit of the Issuer Accounts at specified guaranteed rate of interest determined in accordance with the Account Agreement.

Pursuant to the Issuer Administration Agreement, the Issuer Administrator renders the Administration Services, including operating the Issuer Accounts and ensuring that payments are made into and from the Issuer Accounts.

**Transaction Account**

On or prior to the Closing Date, the Issuer will open a transaction account (the "**Transaction Account**") into which, *inter alia*, all amounts received by the Issuer (i) in respect of the Lease Agreements and (ii) from the sale of the Purchased Vehicles will be paid. Furthermore, any drawing (other than a Liquidity Facility Stand-By Drawing) made under the Liquidity Facility Agreement shall be deposited into the Transaction Account. The Issuer Administrator will identify all amounts paid into the Transaction Account.

**Liquidity Facility Stand-By Drawing Account**

On or prior to the Closing Date, the Issuer will open an account (the "**Liquidity Facility Stand-By Drawing Account**") into which any Liquidity Facility Stand-By Drawing to be made by the Issuer under the Liquidity Facility Agreement will be deposited.

**Reserve Account**

On or prior to the Closing Date, the Issuer will establish a reserve account (the "**Reserve Account**"). On the Closing Date the Issuer shall apply the proceeds of the Initial Subordinated Loan Advance to make a deposit into the Reserve Account up to the Required General Reserve Amount.

Prior to the service of a Notes Acceleration Notice by the Security Trustee, amounts credited to the Reserve Account will be available on any Payment Date to meet items (a) up to and including (h) in the applicable Priority of Payments if the Available Distribution Amounts would be insufficient to meet such items. If and to the extent that the Available Distribution Amounts (before any drawing from the Reserve Account) on any Calculation Date exceeds the amounts required to meet the Issuer's payment obligations under items (a) up to and including (h) in the applicable Priority of Payments, the excess amount will be deposited into the Reserve Account to replenish the Reserve Account up to the Required General Reserve Amount.

Following the service of a Notes Acceleration Notice by the Security Trustee, the balance standing to the credit of the Reserve Account will be available to meet any item of the Accelerated Amortisation Priority of Payments.

In addition, (i) on each Payment Date the amount by which the balance standing to the credit of the Reserve Account exceeds the Required General Reserve Amount shall be withdrawn from the Reserve Account to form part of the Available Distribution Amounts, and (ii) on the Payment Date on which sufficient funds will be available to redeem the Class A Notes in full, the Required General Reserve Amount will be reduced to zero and any amount standing to the credit of the Reserve Account will thereafter form part of the Available Distribution Amounts.

**Transaction Account Ledgers**

The Issuer Administrator shall in respect of the amounts credited to the Transaction Account maintain on behalf of the Issuer the Collection Ledger, the Replenishment Ledger, the Commingling Reserve Ledger, the Maintenance Reserve Ledger, the Lease Incidental Surplus Ledger and the Swap Replacement Ledger (the "**Transaction Account Ledgers**"):

*Collection Ledger*

The Issuer shall maintain a ledger (the "**Collection Ledger**") on which any Lease Collections, Deemed Collections, Vehicle Realisation Proceeds and any amounts paid by the RV Guarantor will be credited. In addition, if on any Payment Date any Available Distribution Amounts are remaining after all items ranking higher than (i) in respect of the Revolving Period Priority of Payments, item (p) or (ii) in respect of the Normal Amortisation Priority of Payments ranking higher than item (q), having been discharged in full, which cannot be applied to the payment of any Variable Success Fee on such Payment Date, such excess Available Distribution Amounts shall be credited to the Collection Ledger and will form part of the Available Distribution Amounts on the next succeeding Payment Date. Any amounts standing to the credit of the Collection Ledger shall form part of the Available Distribution Amounts which will be applied by the Issuer on each Payment Date in accordance with the relevant Priority of Payments (and if applied, a corresponding debit will be recorded to the Collection Ledger).

*Replenishment Ledger*

During the Revolving Period, if the Seller offers to the Issuer to enter into a Hire Purchase Contract with respect to any additional Leased Vehicles, the Issuer shall (i) hire purchase Additional Leased Vehicles together with the associated Lease Receivables subject to and in accordance with the Master Hire Purchase Agreement and (ii) apply the Available Distribution Amounts, subject to and in accordance with the Revolving Period Priority of Payments, towards the making of any Additional Issuer Advances subject to and in accordance with the Issuer Facility Agreement. The Issuer shall open a ledger (the "**Replenishment Ledger**" ) into which any Excess Collection Amount will be credited subject to and in accordance with the Revolving Period Priority of Payments to form part of the Available Distribution Amounts on the immediately succeeding Payment Date. Upon termination or expiry of the Revolving Period the balance credited to the Replenishment Ledger will be part of the Available Distribution Amounts and will be applied in accordance with the relevant Priority of Payments.

*Commingling Reserve Ledger*

Upon the occurrence of a Commingling Reserve Trigger Event, the Subordinated Lender will advance the Commingling Reserve Advance up to the Required Commingling Reserve Amount to the Issuer pursuant to the terms of the Subordinated Loan Facility, which amount will be credited by the Issuer to a ledger (the "**Commingling Reserve Ledger**") to enable the Issuer to continue to make the relevant payments in accordance with the relevant Priority for Payments.

If following the occurrence of an Insolvency Event relating to Athlon, Athlon (in its capacity as Servicer) fails on any Payment Date to transfer to the Issuer any Lease Collections (other than Deemed Collections) or Vehicle Realisation Proceeds received by it during, or with respect to, the preceding Collection Period, the amount credited to the Commingling Reserve Ledger shall up to an amount equal to such shortfall, form part of the Available Distribution Amounts. A corresponding amount shall be debited from the Commingling Reserve Ledger.

For a further description of the mechanics by which amounts are being credited to and debited from the Commingling Reserve Ledger, see the paragraph headed "*Subordinated Loan Facility*" under the section entitled "*Description of Certain Transaction Documents*".

*Maintenance Reserve Ledger*

On the Closing Date, the Subordinated Lender will advance the Maintenance Reserve Advance up to the Required Maintenance Reserve Amount to the Issuer pursuant to the terms of the Subordinated Loan Facility, following which the Issuer will credit such Required Maintenance Reserve Amount to a ledger (the "**Maintenance Reserve Ledger**").

If and to the extent Athlon in its capacity as Servicer does not cover any maintenance costs, an amount equal to such unpaid Maintenance Costs, if and to the extent standing to the credit of the Maintenance Reserve Ledger will form part of the Available Distribution Amounts and will, subject to and in accordance with the relevant Priority of Payments, be applied towards payment of such maintenance costs. If and to the extent the Required Maintenance Reserve Amount will be applied toward the payment of any maintenance costs which are not settled by the Servicer, a corresponding amount shall be debited from the Maintenance Reserve Ledger.

See for a further description of the mechanics by which amounts are being credited to and debited from the Maintenance Reserve Ledger, the paragraph headed "*Subordinated Loan Facility*" under the section entitled "*Description of Certain Transaction Documents*".

*Lease Incidental Surplus Reserve Ledger*

Following the occurrence of a Seller Event of Default, the Issuer will, if a Lease Termination Date occurs and the Call Option Buyer elects not to exercise the Repurchase Option in respect of the relevant Purchased Vehicle, reserve any amount by which the aggregate of all Lease Incidental Collections actually received by the Issuer exceeds the aggregate of all Lease Incidental Debts in respect of the relevant Collection Period ("**Lease Incidental Surplus**"). For this purpose the Issuer Administrator shall, on behalf of the Issuer open a ledger (the "**Lease Incidental Surplus Reserve Ledger**") to which any Lease Incidental Surplus will be credited

following the occurrence of a Seller Event of Default.

On any Payment Date, following the occurrence of a Seller Event of Default on which the sum of all Lease Incidental Debts exceeds the sum of all Lease Incidental Collections actually received by the Issuer, any Lease Incidental Surplus reserved at the Lease Incidental Surplus Reserve Ledger will form part of the Available Distribution Amounts up to an amount by which the sum of all Lease Incidental Collections actually received by the Issuer is insufficient to discharge the sum of all Lease Incidental Debts payable in respect to the Collection Period immediately preceding the relevant Payment Date (following which a corresponding debit will be recorded to the Lease Incidental Surplus Reserve Ledger).

Following the Payment Date on which all amounts of interest and principal due in respect of the Notes have been redeemed in full, the amount standing to the credit of the Lease Incidental Surplus Reserve Ledger will not form part of the Available Distribution Amounts but will be paid directly by the Issuer to the Seller into an account designated for such purpose by the Seller.

*Swap Replacement Ledger*

The Issuer shall maintain a Swap Replacement Ledger to which the following amounts will be credited upon receipt of the same to the Transaction Account:

(a) any premiums received from any replacement swap counterparty upon entry by the Issuer into a replacement swap agreement; and

(b) termination payments received from the Swap Counterparty in respect of the termination of the Swap Agreement (together the "**Swap Replacement Excluded Amounts**").

The amount standing to the credit of the Swap Replacement Ledger may only be debited:

(a) to pay any termination amount due to the Swap Counterparty in respect of a termination of the Swap Agreement; and

(b) to pay any premium due to a replacement swap counterparty upon entry into a replacement swap agreement,

provided that any amount which is in excess of the total of (i) any amounts owed to the Swap Counterparty in respect of a termination of the Swap Agreement and (ii) any premium due to a replacement swap counterparty upon entry into a replacement swap agreement, will form part of the Available Distribution Amounts and will be applied in accordance with the relevant Priority of Payments.

**Other ledgers**

*Interest Shortfall Ledger*

The Issuer shall maintain an Interest Shortfall Ledger to record, in accordance with Condition 15 (*Subordination of Interest by deferral*), at any Payment Date the amount by which the Available Distribution Amounts fall short of the aggregate amount of interest payable on the Class B Notes, including any amounts previously deferred under Condition 15 (*Subordination of Interest by deferral*) and accrued interest thereon.

*Principal Deficiency Ledger*

A ledger (the "**Principal Deficiency Ledger**") comprising two (2) sub-ledgers, known as the "**Class A Principal Deficiency Ledger**" and the "**Class B Principal Deficiency Ledger**", respectively, will be established by or on behalf of the Issuer in order to record any Uncured Losses on the Leased Assets (each respectively the "**Class A Principal Deficiency**" and the "**Class B Principal Deficiency**", together the "**Principal Deficiency**"). The balance of any Uncured Losses shall on each Calculation Date be recorded on the Class B Principal Deficiency Ledger as a debit so long as the debit balance on such sub-ledger is less than the Principal Amount Outstanding of the Class B Notes and thereafter such amounts shall be recorded as a debit on the Class A Principal Deficiency Ledger so long as the debit balance on such sub-ledger is less than the Principal Amount Outstanding of the Class A Notes.

"**Uncured Losses**" means, on each Calculation Date, the greater of (i) zero and (ii) the Principal Amount Outstanding of the Notes *less* the sum of the Book Value of all Purchased Vehicles following the application of the applicable Priority of Payments on the immediately succeeding Payment Date.

**LIQUIDITY FACILITY AGREEMENT**

On the Signing Date, the Issuer will enter into the Liquidity Facility Agreement with the Liquidity Facility Provider. On any Payment Date (other than a Payment Date if and to the extent that on such date the Notes are redeemed in full) the Issuer will be entitled, subject to certain conditions, to make drawings under the Liquidity Facility in case, after the application of the amounts available in the Reserve Account and before any drawing under the Liquidity Facility, there is a shortfall in the Available Distribution Amounts to meet items (a) up to and including (h) of the Revolving Period Priority of Payments in full on that Payment Date or, as the case may be, to meet items (a) up to and including (h) of the Normal Amortisation Priority of Payments in full on that Payment Date.

For further detail regarding the Liquidity Facility Agreement, see the section entitled "*Description of Certain Transaction Documents*" below.

**SWAP AGREEMENT**

On or about the Signing Date, the Issuer will enter into the Swap Agreement with the Swap Counterparty. The Swap Agreement will hedge the risk of a mismatch between the floating interest rate payable by the Issuer on the Notes and the fixed rate income being the Lease Interest Components included in the Lease Instalments to be received by the Issuer in respect of the Portfolio.

For further detail regarding the Swap Agreement, see the section entitled "*Description of Certain Transaction Documents*" below.

**RV GUARANTEE AGREEMENT**

On or about the Signing Date, the Issuer will enter into the RV Guarantee Agreement with the RV Guarantor. Pursuant to the RV Guarantee Agreement, if a Lease Termination Date occurs in relation to a Lease Agreement (other than a Defaulted Lease Agreement) and the Call Option Buyer does not exercise the relevant Repurchase Option and the Vehicle Realisation Proceeds realised in respect of the relevant Purchased Vehicle are less than (a) in case of a Matured Lease, the Estimated Residual Value or (b) in case of a Lease Agreement Early Termination, the Book Value, both as outstanding on the first day of the Collection Period within which the relevant Lease Termination Date falls, the RV Guarantor will be obliged to make a payment equal to the RV Shortfall Amount.

For further detail regarding the RV Guarantee Agreement, see the section entitled "*Description of Certain Transaction Documents*" below.

**PRIORITY OF PAYMENTS**

Prior to service of a Notes Acceleration Notice by the Security Trustee, the sum of the following amounts (without counting double) calculated as at each Calculation Date as being collected, or received, as the case may be, by the Issuer, during the immediately preceding Collection Period (the items (i) up to and including (xv), to the extent actually received by the Issuer *less* on the Payment Date falling in January of each calendar year an amount equal to the higher of (i) 10% of the management fee due and payable per annum to the Director of the Issuer and (ii) € 3,500, representing taxable income for corporate income tax purposes in the Netherlands (the "**Available Distribution Amounts**"), shall be applied subject to and in accordance with the applicable Priority of Payments on each Payment Date:

(i) any Lease Collections;

(ii) any Deemed Collections;

(iii) any amount of interest paid or principal repaid, other than by way of set-off, under the Issuer Facility Agreement;

(iv) any Vehicle Realisation Proceeds;

(v) any Net RV Guarantee Receipts;

(vi) any Lease Incidental Shortfall payments received from Athlon;

(vii) any interest accrued on the Issuer Accounts;

(viii) any sum standing to the credit of the Reserve Account on the immediately succeeding Payment Date;

(ix) any amount to be drawn under the Liquidity Facility (other than a Liquidity Facility Stand-By Drawing) on the immediately succeeding Payment Date;

(x) any Net Swap Receipts under the Swap Agreement (excluding any Swap Replacement Excluded Amounts and amounts credited to a Swap Collateral Account but including amounts received from a Swap Collateral Account to form part of the Available Distribution Amounts as Net Swap Receipts);

(xi) any sum standing to the credit of the Replenishment Ledger on the immediately succeeding Payment Date;

(xii) any amount to be debited from the Commingling Reserve Ledger on the immediately succeeding Payment Date to form part of the Available Distribution Amounts subject to and in accordance with the relevant mechanics of the Commingling Reserve Ledger;

(xiii) any amount to be debited from the Maintenance Reserve Ledger on the immediately succeeding Payment Date to form part of the Available Distribution Amounts subject to and in accordance with the relevant mechanics of the Maintenance Reserve Ledger;

(xiv) any amount to be debited from the Lease Incidental Surplus Reserve Ledger on the immediately succeeding Payment Date to form part of the Available Distribution Amounts subject to and in accordance with the relevant mechanics of the Lease Incidental Surplus Reserve Ledger; and

(xv) any amount to be debited from the Swap Replacement Ledger on the immediately succeeding Payment Date to form part of the Available Distribution Amounts subject to and in accordance with the relevant mechanics of the Swap Replacement Ledger.

**Revolving Period Priority of Payments**

During the Revolving Period, the Available Distribution Amounts as calculated at the Calculation Date immediately preceding the relevant Payment Date, will be distributed on each Payment Date according to the following order of priority (in each case if and to the extent payments of a higher order of priority have been made in full) (the "**Revolving Period Priority of Payments**"):

(a) *first*, in or towards satisfaction of any taxes due and payable by the Issuer;

(b) *second*, in or towards satisfaction *pari passu* and *pro rata* of any Ordinary Expenses (other than those paid elsewhere pursuant to this Revolving Period Priority of Payments);

(c) *third*, until the earlier of (i) the occurrence of a Seller Event of Default and (ii) the appointment of Athlon as Servicer being terminated, in or towards satisfaction of the Servicer Fee to the Servicer;

(d) *fourth*, in or towards satisfaction of any Net RV Guarantee Payments due to the RV Guarantor;

(e) *fifth*, in or towards satisfaction of any Lease Incidental Surplus due to the Seller;

(f) *sixth*, in or towards satisfaction of any amounts (other than the commitment fee and the Subordinated Liquidity Facility Amount, if any) due and payable to the Liquidity Facility Provider under the Liquidity Facility Agreement;

(g) *seventh*, to the extent not paid from the Swap Replacement Ledger, in or towards satisfaction of any Net Swap Payments, if any, due and payable by the Issuer to the Swap Counterparty under the terms of the Swap Agreement;

(h) *eighth*, in or towards satisfaction of the amounts of interest accrued but unpaid in respect of the Class A Notes;

(i) *ninth*, in or towards satisfaction of any sums required to replenish the Reserve Account up to the amount of the Required General Reserve Amount**;**

(j) *tenth*, up to the Replenishment Amount in or towards satisfaction of (i) any Additional Issuer Advance pursuant to the terms of the Issuer Facility Agreement and thereafter (ii) any sums to be recorded to the credit of the Replenishment Ledger up to the amount of the Excess Collection Amount;

(k) *eleventh*, in or towards satisfaction of the amounts of interest accrued but unpaid in respect of the Class B Notes;

(l) *twelfth*, in or towards satisfaction *pari passu* and *pro rata* of the amounts of interest due and payable in respect of any Subordinated Loan Advance outstanding;

(m) *thirteenth*, in or towards satisfaction *pari passu* and *pro rata* of the amounts of principal due and payable in respect of any Subordinated Loan Advance outstanding;

(n) *fourteenth*, to the extent not paid from the Swap Replacement Ledger, in or towards satisfaction of the Subordinated Swap Amount (if any) due and payable by the Issuer to the Swap Counterparty under the terms of the Swap Agreement;

(o) *fifteenth*, in or towards satisfaction, *pari passu* and *pro rata* of any Subordinated Liquidity Facility Amount and gross-up amounts or additional amounts, if any, due under the Issuer Administration Agreement and/or the Servicing Agreement; and

(p) *sixteenth*, (i) provided that each Required Reserve Amount has been credited to the relevant Reserve Ledger or the Notes have been redeemed in full in accordance with the Conditions, in or towards satisfaction of any Variable Success Fee, or otherwise (ii) to be withheld at the Transaction Account with a corresponding credit to the Collection Ledger.

**Normal Amortisation Priority of Payments**

Following the termination or expiry of the Revolving Period and provided that no Notes Acceleration Notice has been served by the Security Trustee, the Available Distribution Amounts, as calculated at the Calculation Date immediately preceding the relevant Payment Date, will be distributed on each Payment Date according to the following order of priority (in each case if and to the extent payments of a higher order of priority have been made in full) (the "**Normal Amortisation Priority of Payments**"):

(a) *first*, in or towards satisfaction of any taxes due and payable by the Issuer;

(b) *second*, in or towards satisfaction *pari passu* and *pro rata* of any Ordinary Expenses (other than those paid elsewhere pursuant to this Normal Amortisation Priority of Payments);

(c) *third*, until the earlier of (i) the occurrence of a Seller Event of Default and (ii) the appointment of Athlon as Servicer being terminated, in or towards satisfaction of the Servicer Fee to Servicer;

(d) *fourth*, in or towards satisfaction of any Net RV Guarantee Payments due to the RV Guarantor;

(e) *fifth*, in or towards satisfaction of (i) until the occurrence of a Seller Event of Default, any Lease Incidental Surplus due to the Seller and (ii) following a Seller Event of Default, (x) any Lease Incidental Debt due to the relevant Lessee and (y) any Lease Incidental Surplus to be credited to the Transaction Account;

(f) *sixth*, in or towards satisfaction of any amounts (other than the commitment fee and the Subordinated Liquidity Facility Amount, if any) due and payable to the Liquidity Facility Provider under the Liquidity Facility Agreement;

(g) *seventh*, to the extent not paid from the Swap Replacement Ledger, in or towards satisfaction of any Net Swap Payments, if any, due and payable by the Issuer to the Swap Counterparty under the terms of the Swap Agreement;

(h) *eighth*, in or towards satisfaction of the amounts of interest accrued but unpaid in respect of the Class A Notes;

(i) *ninth*, in or towards satisfaction of any sums required to replenish the Reserve Account up to the Required General Reserve Amount;

(j) *tenth*, in or towards satisfaction of principal amounts due on the Class A Notes, up to the Principal Redemption Amount;

(k) *eleventh*, in or towards satisfaction of the amounts of interest accrued but unpaid in respect of the Class B Notes;

(l) *twelfth*, subject to the Class A Notes being redeemed in full, in or towards satisfaction of principal amounts due on the Class B Notes, up to the Principal Redemption Amount *less* amounts paid under (j) and (k) above;

(m) *thirteenth*, in or towards satisfaction *pari passu* and *pro rata* of the amounts of interest due and payable in respect of any Subordinated Loan Advance outstanding;

(n) *fourteenth*, in or towards satisfaction *pari passu* and *pro rata* of the amounts of principal due and payable in respect of any Subordinated Loan Advance outstanding;

(o) *fifteenth*, to the extent not paid from the Swap Replacement Ledger, in or towards satisfaction of the Subordinated Swap Amount (if any) payable by the Issuer to the Swap Counterparty under the terms of the Swap Agreement;

(p) *sixteenth*, in or towards satisfaction, *pari passu* and *pro rata* of any Subordinated Liquidity Facility Amount and gross-up amounts or additional amounts, if any, due under the Issuer Administration Agreement and/or the Servicing Agreement; and

(q) *seventeenth*, (i) provided that each Required Reserve Amount has been credited to the relevant Reserve Ledger or the Notes have been redeemed in full in accordance with the Conditions, in or towards satisfaction of any Variable Success Fee, or otherwise (ii) to be withheld at the Transaction Account with a corresponding credit to the Collection Ledger.

**Accelerated Amortisation Priority of Payments**

Following the service of a Notes Acceleration Notice by the Security Trustee, all funds available to the Issuer (including any amounts standing to the credit of the Issuer Accounts and all monies received or recovered by the Security Trustee, but excluding any Excess Swap Collateral) will be applied by the Security Trustee (or the Issuer Administrator on its behalf) to the Secured Creditors on any Business Day according to the following order of priority (in each case if and to the extent payments of a higher order of priority have been made in full) (the "**Accelerated Amortisation Priority of Payments**"):

(a) *first*, in or towards satisfaction *pari passu* and *pro rata* of any Ordinary Expenses and Extraordinary Expenses (other than those paid elsewhere pursuant to this Accelerated Amortisation Priority of Payments);

(b) *second*, until the earlier of (i) the occurrence of a Seller Event of Default and (ii) the appointment of Athlon as Servicer being terminated, in or towards satisfaction of the Servicer Fee to the Servicer;

(c) *third,* in or towards satisfaction of any Net RV Guarantee Payments due to the RV Guarantor;

(d) *fourth,* in or towards satisfaction of (i) until the occurrence of a Seller Event of Default any Lease Incidental Surplus due to the Seller and (ii) following a Seller Event of Default any Lease Incidental Debt due to the relevant Lessee;

(e) *fifth*, to the extent not paid from the Swap Replacement Ledger, in or towards satisfaction of any Net Swap Payments, if any, due and payable by the Issuer to the Swap Counterparty under the terms of the Swap Agreement;

(f) *sixth*, in or towards satisfaction of any amounts (other than the commitment fee and the Subordinated Liquidity Facility Amount, if any) due and payable to the Liquidity Facility Provider under the Liquidity Facility Agreement;

(g) *seventh,* in or towards satisfaction of the amounts of interest accrued but unpaid in respect of the Class A Notes;

(h) *eighth*, in or towards satisfaction of principal amounts due on the Class A Notes until fully redeemed in accordance with the Conditions;

(i) *ninth*, in or towards satisfaction of the amounts of interest due or accrued but unpaid in respect of the Class B Notes;

(j) *tenth*, subject to the Class A Notes being redeemed in full, in or towards satisfaction of principal amounts due on the Class B Notes until fully redeemed in accordance with the Conditions;

(k) *eleventh,* in or towards satisfaction *pari passu* and *pro rata* of the amounts of interest due and payable in respect of any Subordinated Loan Advance outstanding;

(l) *twelfth*, in or towards satisfaction *pari passu* and *pro rata* of the amounts of principal due and payable in respect of any Subordinated Loan Advance outstanding;

(m) *thirteenth*, to the extent not paid from the Swap Replacement Ledger, in or towards satisfaction of the Subordinated Swap Amount (if any) due and payable by the Issuer to the Swap Counterparty under the terms of the Swap Agreement;

(n) *fourteenth*, in or towards satisfaction, *pari passu* and *pro rata* of any Subordinated Liquidity Facility Amount and gross-up amounts or additional amounts, if any, due under the Issuer Administration Agreement and/or the Servicing Agreement; and

(o) *fifteenth*, in or towards satisfaction of any Variable Success Fee.

## DESCRIPTION OF CERTAIN TRANSACTION DOCUMENTS

## MASTER HIRE PURCHASE AGREEMENT

*Initial Hire Purchase*

Under the Master Hire Purchase Agreement, the Issuer will from time to time hire purchase Leased Vehicles from the Seller which meet the Eligibility Criteria, pursuant to the entering of a hire purchase agreement (*overeenkomst van huurkoop*) within the meaning of section 7A:1576h of the Dutch Civil Code (each such agreement a "**Hire Purchase Contract**"). Each Hire Purchase Contract forms part of the relevant Combined Transfer Deed. In addition, in the relevant Combined Transfer Deed, the Seller assigns its rights and claims under or in connection with each of the associated Lease Agreements to the Issuer by means of a deed of assignment within the meaning of section 3:94 of the Dutch Civil Code (the "**Assignment Deed**") (forming part of the relevant Combined Transfer Deed) which deed will be registered with the Dutch tax authorities (*Belastingdienst*).

Delivery (*levering*) occurs by the Seller providing the control (*macht*) of each such Purchased Vehicle to the Issuer on the relevant Purchase Date. To this effect the Seller shall execute a declaration incorporated in the relevant Combined Transfer Deed to confirm that it transfers control over the relevant Purchased Vehicle to the Issuer as from the relevant Purchase Date. In addition, a notification to the relevant Lessees, whereby each relevant Lessee will be informed that, among other things, the details as to which Leased Vehicles leased by the relevant Lessee which are subject to the hire purchase, will be made available to the Lessee upon request and that the Lessee will have to adhere to any instruction of the Issuer in relation thereto. Until the occurrence of a Lease Termination Date, the Issuer's control of each Purchased Vehicle will be indirect (*middellijk*). In other words, until the occurrence of a Lease Termination Date, the Issuer will exercise its control through the relevant Lessee.

On the Closing Date, the Seller, the Issuer and the Security Trustee will enter into a Hire Purchase Contract relating to each Leased Vehicle forming part of the Initial Portfolio, by means of the execution of the relevant Combined Transfer Deed.

*Additional Hire Purchase*

As from the Closing Date and as long as the Revolving Period has not expired or terminated, the Seller may offer to the Issuer to enter into a Hire Purchase Contract with respect to any Additional Leased Vehicle by delivery of a duly executed and completed Combined Transfer Deed, which shall constitute an irrevocable offer by the Seller to sell to the Issuer on the first following Payment Date additional Leased Vehicles by way of hire purchase (*huurkoop*) within the meaning of section 7A:1576h of the Dutch Civil Code. The Issuer shall, subject to conformity with the Eligibility Criteria and Replenishment Criteria, provided that sufficient funds are or will be available to the Issuer under the relevant Transaction Documents and subject to the other terms and conditions of the Master Hire Purchase Agreement, be obliged to accept such offer by way of counter-execution of the relevant Combined Transfer Deed, which shall include a separate Hire Purchase Contract in respect of each Additional Leased Vehicle, such agreement to be effective as from the relevant Purchase Date. Furthermore, the Combined Transfer Deed shall provide for an assignment by the Seller of all Lease Receivables under or in connection

with the associated Lease Agreement within the meaning of section 3:94 of the Dutch Civil Code which deed will be registered with the Dutch tax authorities (*Belastingdienst*).

*Risks, benefit, proceeds and assignment*

As of the relevant Purchase Cut-Off Date, the risk and benefit relating to a Purchased Vehicle will be for the account of the Issuer. The obligations of the Seller in respect of the Purchased Vehicle will remain with the Seller until such time as the Issuer acquires full title to the relevant Purchased Vehicle. In furtherance of the Issuer's interest in the Purchased Vehicles and the associated Lease Receivables, the Seller will be appointed to perform such obligations and exercise such rights subject to and in accordance with the Servicing Agreement.

For each Purchased Vehicle it is agreed in the Master Hire Purchase Agreement that all associated Lease Receivables will qualify as proceeds of such Purchased Vehicle as referred to in section 7A:1576n of the Dutch Civil Code, with the intent that the Issuer will by operation of law be entitled to such proceeds from the relevant Purchase Date. To the extent this is not effective for any Lease Receivable for any reason, the Seller in the relevant Combined Transfer Deed assigns (*cedeert*) each such Lease Receivable to the Issuer.

*Full title*

By operation of law, full title (*eigendom*) to any Purchased Vehicles shall transfer to the Issuer upon full discharge of the Purchase Price in respect of such Purchased Vehicle, regardless whether the Seller has become Insolvent at such time.

In respect of each Purchased Vehicle it is agreed in the Master Hire Purchase Agreement that all rights and obligations under the associated Lease Agreements will qualify as being "directly connected to the granting of quiet enjoyment against payment of lease instalments" (*die onmiddellijk verband houden met het doen hebben van het gebruik van de zaak tegen een door de huurder te betalen tegenprestatie*) as referred to in section 7:226(3) of the Dutch Civil Code. The intention is that, upon the transfer to the Issuer of full title of the relevant Purchased Vehicle, all such rights and obligations transfer to the Issuer by operation of law. The Issuer has agreed in the Master Hire Purchase Agreement with the Seller and the Security Trustee that if and to the extent for any Purchased Vehicle, any right or obligation under the associated Lease Agreement does not qualify as being "directly connected to the granting of quiet enjoyment against payment of lease instalments" (*onmiddellijk verband houdt met het doen hebben van het gebruik van de zaak tegen een door de huurder te betalen tegenprestatie*), as referred to in section 7:226(3) of the Dutch Civil Code, and therefore will not transfer to the Issuer by operation of law upon the transfer to the Issuer of full title to the relevant Purchased Vehicle, the Issuer will assume and bear the risks of any such obligations.

*Representations and Warranties*

Under or pursuant to the Master Hire Purchase Agreement, the Seller will represent and warrant with respect to the Leased Vehicles to be purchased by the Issuer on any Purchase Date and each associated Lease Agreement and Lease Receivable (collectively, the "**Leased Assets**") as of such Purchase Date or, as the case may be, with respect to the Portfolio including such

Leased Assets as of such Purchase Date, that the following representations and warranties are true, correct and not misleading in any material respect:

(a) the Seller has full right and title to the Leased Assets and the rights arising therefrom; no restrictions on the transfer of the Leased Assets are in effect and the Leased Assets are capable of being transferred save as permitted under the Transaction Documents;

(b) the Seller has the power (*is beschikkingsbevoegd*) to sell and transfer the Leased Assets;

(c) each of the Leased Assets meets the Eligibility Criteria as of the relevant Purchase Cut-Off Date;

(d) the Portfolio, after giving effect to the purchase of the Leased Assets on the relevant Purchase Date, complies with the Replenishment Criteria;

(e) the particulars of each Leased Vehicle forming part of the Initial Portfolio or, as the case may be, Additional Portfolio included in any Combined Transfer Deed are true and accurate as of the relevant Purchase Cut-Off Date in all material respects;

(f) each of the Purchased Vehicles is to the Seller's best knowledge well-maintained in accordance with standard practice of a prudent lessor of vehicles in the Netherlands;

(g) the Seller has taken out third party liability insurance (*wettelijke aansprakelijkheidsverzekering*), where it is under a statutory obligation to do so, and passenger insurance (*inzittendenverzekering*) in respect of each of the Purchased Vehicles in line with market practice, unless under the associated Lease Agreement the Lessee is obliged to take out such insurances;

(h) any and all of the Seller's obligations which have fallen due under or in connection with its associated Lease Agreements have been performed in all material respects and so far as the Seller is aware, the relevant Lessee has not threatened or commenced any legal action which has not been resolved against the Seller for any failure on the part of the Seller to perform any such obligation;

(i) each associated Lease Agreement is in full force and effect and constitutes legal, valid and enforceable obligations of the parties thereto and is enforceable against such parties in accordance with the terms of the associated Lease Agreement and there is sufficient written evidence of such Lease Agreement;

(j) the Seller is the lessor under the associated Lease Agreement;

(k) the associated Lease Agreement has been entered into in accordance with all applicable legal requirements and materially met the Seller's standard underwriting criteria and procedures prevailing at that time, which did not materially differ from the underwriting criteria and procedures of a prudent lessor of vehicles in the Netherlands at that time;

(l) prior to entering into a Lease Agreement the Seller has checked the creditworthiness of the relevant Lessee in accordance with its standard guidelines prevailing at that time;

(m) the Seller is not aware that any Lessee is in material breach, default or violation of any obligation under any of the Lease Agreements or that any event has occurred which, with

the giving of notice and/or the expiration of any applicable grace period, would constitute such a material breach, default or violation of such Lease Agreements and the Seller has not exercised any right of enforcement in respect of any Lease Agreement; and

(n) the amounts of deposits placed by the relevant Lessees with Athlon do not exceed EUR 1,500,000.

each an "**Asset Warranty**" and together the "**Asset Warranties**".

*Eligibility Criteria*

Pursuant to the Master Hire Purchase Agreement, a Leased Asset meets the Eligibility Criteria referred to under item (c) of the Asset Warranties if it meets the following criteria (collectively and individually, "**Eligibility Criteria**") on the relevant Purchase Date, to the extent applicable to it:

(a) the Vehicle qualifies as a passenger vehicle (*personenauto*), a van (*bestelauto*) or a commercial vehicle (*commercieel voertuig*);

(b) subject to Adverse Claims under the BOVAG General Conditions and the FOCWA General Conditions, (i) the Seller has full right and title to the Leased Asset, free and clear of any Adverse Claim, and has power to transfer or encumber (*is beschikkingsbevoegd*) the Leased Asset and the Seller has not agreed to transfer or encumber it, whether or not in advance, in whole or in part, in any way whatsoever and (ii) otherwise there is no person or entity with a prior proprietary right (*oorspronkelijk rechthebbende*) or privileged receivable (*geprivilegeerde schuldeiser*) in respect of each Leased Asset, save as permitted under the Asset Warranties and/or in accordance with any of the Transaction Documents;

(c) the Lessee of the Leased Vehicle is a legal entity or private individual conducting an enterprise (*werkzaam in de uitoefening van een beroep of bedrijf*), located in the Netherlands;

(d) the Lease Agreement is governed by Dutch law;

(e) the relevant Leased Vehicle is registered in the Netherlands in accordance with the requirements under the Road Traffic Act 1994 (*Wegenverkeerswet 1994);*

(f) the Leased Vehicle is financed by the Seller;

(g) the amounts due and payable under the Lease Agreement are denominated in euro;

(h) the Lessee has not been granted an option to purchase the Leased Vehicle upon the Lease Maturity Date for a purchase price less than its Estimated Residual Value or, if higher, the market price;

(i) the transfer of the Leased Vehicle pursuant to the relevant Combined Transfer Deed will not violate any agreement binding on the Seller;

(j) the details of the associated Lease Agreement are contained in the data base Records and systems and the particulars of the Lease Receivables associated to the relevant Leased Vehicle are sufficiently distinguishable to easily segregate and identify them for ownership and security purposes on any day;

(k) each Leased Vehicle has together with its keys and identification papers been delivered (*ter hand gesteld*) by on or behalf of its supplier to the relevant Lessee;

(l) the purchase price (including VAT) in respect of each Leased Vehicle has been paid in full to the relevant supplier;

(m) each Lease Agreement has been entered into in the forms and upon terms and conditions which were common in the Dutch auto lease market at the time of origination;

(n) each Lease Agreement is in full force and effect and constitutes the legal, valid, binding and enforceable obligations of all parties thereto;

(o) the associated Lease Agreement is not a Defaulted Lease Agreement;

(p) the Lessee is not in arrears in relation to the associated Lease Agreement;

(q) the Lessee does not form part of the Rabobank Group;

(r) the payment frequency under the associated Lease Agreement is monthly;

(s) the associated Lease Agreement has been originated by the Seller or any legal predecessor of the Seller;

(t) the Lessee under the associated Lease Agreement has satisfied at least one (1) Lease Instalment of the relevant associated Lease Receivable;

(u) the associated Lease Agreement does not have a Lease Maturity Date beyond the Payment Date falling in March 2022;

(v) the associated Lease Agreement does not have a remaining term of less than one (1) month;

(w) the associated Lease Agreement does not have an original term greater than one hundred and eight (108) months;

(x) the associated Lease Agreement does not qualify as a financial lease (*huurkoop*);

(y) the associated Lease Agreement does not prohibit or restrict Athlon's capability to delegate the supply of certain services in connection with the associated Lease Agreement to third parties;

(z) the initial purchase price (excluding VAT) of the Leased Vehicle is less than or equal to EUR 125,000; and

(aa) the associated Lease Agreement does not permit the Lessee to terminate the Lease Agreement if an Insolvency Event occurs in respect of the Originator, unless the Lessee

is required upon such termination to pay a Lease Agreement Early Termination Amount, if any, in respect of such Lease Agreement.

*Replenishment Criteria*

In addition, during the Revolving Period the Additional Leased Vehicles intended to be purchased on any Purchase Date and together with the Purchased Vehicles and the associated Lease Receivables satisfy the replenishment criteria referred to in item (d) of the Asset Warranties if, calculated on a portfolio basis throughout the Revolving Period (including on the Closing Date) and, for the avoidance of doubt, calculated by taking into account the Additional Leased Vehicles proposed to be purchased on such Purchase Date, the purchase of the relevant Additional Leased Vehicles will not result in a breach of any of the following criteria (the "**Replenishment Criteria**"):

(a) none of the top 5 Lessees measured by their respective financial proportion to the Aggregate Portfolio Balance accounts individually for more than 2% of the Aggregate Portfolio Balance;

(b) none of the top 6 to 10 Lessees measured by their respective financial proportion to the Aggregate Portfolio Balance accounts individually for more than 1.25% of the Aggregate Portfolio Balance;

(c) none of the top 11 to 15 Lessees measured by their respective financial proportion to the Aggregate Portfolio Balance accounts individually for more than 1% of the Aggregate Portfolio Balance;

(d) none of the top 16 to 30 Lessees measured by their respective financial proportion to the Aggregate Portfolio Balance accounts individually for more than 0.75% of the Aggregate Portfolio Balance;

(e) none of the Lessees ranking 31 or lower measured by their respective financial proportion to the Aggregate Portfolio Balance accounts individually for more than 0.50% of the Aggregate Portfolio Balance;

(f) the sum of the Estimated Residual Value of all Purchased Vehicles does not account for more than 48% of the Aggregate Portfolio Balance; and

(g) the Aggregate Portfolio Balance resulting from Lease Agreements in respect of which the Lessee are classified by the Servicer in one specific Client Sector does not account for more than 26% of the Aggregate Portfolio Balance.

*Purchase Price and Payment of Purchase Instalments*

The consideration for the hire purchase of a Purchased Vehicle pursuant to a Hire Purchase Contract entered into on any Purchase Date will be equal to the sum of (i) the Book Value of the Purchased Vehicle subject to the Hire Purchase Contract and (ii) the aggregate of all Lease Interest Components included in the Lease Instalments relating to the relevant associated Lease Agreement calculated as per the relevant Purchase Cut-Off Date to the extent such Lease Instalments will become due and payable. The Purchase Price will be payable in

instalments, consisting of one or more Regular Purchase Instalments and one Final Purchase Instalment.

There will be a Regular Purchase Instalment for each Collection Period that falls, in whole or in part, in the period from the applicable Purchase Date until the earlier of (i) the applicable Lease Early Termination Date and (ii) the applicable Lease Maturity Date. Each Regular Purchase Instalment for a Purchased Vehicle for a Collection Period will equal the sum of the Lease Interest Component and the Lease Principal Component for such Collection Period under the relevant Lease Agreement as calculated by the Servicer as per the relevant Purchase Cut-Off Date in accordance with the standard guidelines. Each Regular Purchase Instalment which is payable in respect of a Collection Period, will be due on the first Payment Date following such Collection Period. For each Purchased Vehicle, the first Regular Purchase Instalment will apply to the period from the associated Purchase Cut-Off Date to the final day of the Collection Period in which the associated Purchase Date falls.

The Final Purchase Instalment for a Purchased Vehicle will equal (i) in case of a Matured Lease, the Estimated Residual Value of the relevant Purchased Vehicle and (ii) in case of a Lease Agreement Early Termination, the Book Value outstanding on the first day of the Collection Period within which the relevant Lease Early Termination Date falls, each as calculated as per the associated Purchase Cut-Off Date. The Final Purchase Instalment will be due on the first Payment Date following the Collection Period within which the relevant Lease Termination Date falls.

By operation of law, the Issuer is entitled to prepay any remaining Purchase Price Instalment at any time. In the Master Hire Purchase Agreement it is agreed that this is only intended to occur in relation to any Purchased Vehicle subject to and in accordance with the provisions of the Issuer Facility Agreement. In each case, pursuant to the Master Hire Purchase Agreement, upon a prepayment by the Issuer of the remaining Purchase Instalments, the Issuer is entitled to a discount on the Purchase Price in respect of each Purchased Vehicle equal to the Prepayment Discount.

*Breach of Asset Warranty, Corporate Warranty or other warranty*

Pursuant to the terms of the Master Hire Purchase Agreement, the Seller will be required to terminate the relevant Hire Purchase Contract and repay the associated Issuer Advance if any breach of an Asset Warranty made by the Seller in relation to that Purchased Vehicle and/or associated Lease Receivable and/or associated Lease Agreement, by reference to the facts and circumstances then subsisting at the relevant date on which such Asset Warranty was given and which breach has not been cured within twenty (20) Business Days after the date on which the Seller became aware or (if earlier) was notified by the Servicer, the Issuer or the Security Trustee of the relevant breach of the Asset Warranties. If such breach is not capable of remedy, or is not remedied to the satisfaction of the Issuer within such twenty (20) Business Days, then the Seller shall, if the breach relates to an Asset Warranty, terminate (*opzeggen*) the Hire Purchase Contract relating to the relevant Purchased Vehicle on the first following Payment Date and be effective as of the relevant Collection Period Cut-Off Date. Termination contemplates, among other things, (i) the control of the relevant Purchased Vehicles being provided back to the Seller, (ii) a (conditional) re-assignment of the relevant future Lease Receivables, and (iii) a termination of the Security Trustee's right of pledge on the relevant

Purchased Vehicle and any associated Lease Receivables. Each such re-assignment and termination of pledge will be conditional on the associated Issuer Advance being fully and finally repaid in accordance with the Issuer Facility Agreement and on the Seller reimbursing the Issuer and the Security Trustee for any and all reasonable costs, expenses and liabilities incurred by the Issuer and/or the Security Trustee as a result of the termination of the relevant Hire Purchase Contract.

If the breach only relates to a breach of the Replenishment Criteria, the Seller shall only be required to terminate those Hire Purchase Contracts that would ensure the satisfaction of the Replenishment Criteria as at the relevant Payment Date (whereby if more Purchased Vehicles qualify, the relevant Purchased Vehicles will be randomly selected within such group), taking into account any Purchased Vehicles to be hire purchased by the Issuer on such Payment Date.

*Repurchase other than due to a breach of an Asset Warranty*

The Seller shall also undertake to terminate the relevant Hire Purchase Contract and repay the associated Issuer Advance on the Payment Date immediately succeeding the date on which an amendment of the terms of the relevant Lease Agreement becomes effective, in the event that such amendment is not in accordance with the terms and conditions set out in the Master Hire Purchase Agreement and/or the Servicing Agreement, which include the condition that after such amendment the relevant Lease Agreement, the associated Lease Receivables or the relevant Purchased Vehicle would still meet all the Eligibility Criteria (to the extent applicable). However, the Seller shall not be required to terminate the relevant Hire purchase Contract and repay the associated Issuer Advance if the relevant amendment is made as part of the Credit and Collection Procedures to be complied with upon a default by the Lessee under the relevant Lease Agreement or is otherwise made as part of a restructuring or renegotiation of the relevant Lease Agreement due to a deterioration of the credit quality of the relevant Lessee.

If the breach relates to a covenant or undertaking or to a Corporate Warranty the Seller shall pay to the Issuer forthwith on an after tax full indemnity basis the direct losses suffered or incurred (*geleden verlies*) by the Issuer as a result of the breach of the relevant covenant, undertaking or warranty.

*Seller Clean-Up Call*

The Seller will have the right at its option to exercise the Seller Clean-Up Call and to terminate all, but not some only, of the Hire Purchase Contracts and repay all Issuer Advances on any Payment Date on which the Aggregate Portfolio Balance is less than 10% of the Aggregate Portfolio Balance as of the Initial Purchase Cut-Off Date provided that the conditions set out in Condition 6.5 (*Redemption following Seller Clean-Up Call*) for redemption of the Notes are fulfilled.

*Exercise of Repurchase Option*

In case of a Matured Lease and upon the occurrence of a Lease Agreement Early Termination the Call Option Buyer will, pursuant to the Master Hire Purchase Agreement, have the right (but not the obligation) to, after having received notice of such termination by the Servicer, on the Payment Date immediately succeeding the Collection Period in which the relevant Lease Termination Date occurred to repurchase the Purchased Vehicle together with the associated

Lease Receivables which have or will become due and payable after the relevant Lease Termination Date against a payment of the Option Exercise Price. If an Insolvency Event has occurred with respect to a Lessee the Call Option Buyer may only exercise its Repurchase Option with respect to all (but not some of the) Purchased Vehicles relating to such Lessee.

In case the Call Option Buyer elects to exercise the Repurchase Option, the Issuer shall (a) retransfer the relevant Purchased Vehicle to the Call Option Buyer, (b) effect a (conditional) re-assignment of the relevant Lease Receivables, (c) retransfer and procure the assumption by the Call Option Buyer of any Lease Incidental Debt relating to the relevant Purchase Vehicle, and (d) procure that the Security Trustee shall (conditionally) terminate (*opzeggen*) its right of pledge on the relevant Purchased Vehicle and the associated Lease Receivables, all on the relevant Payment Date pertaining and effective as from the relevant Collection Period Cut-Off Date. Each such re-assignment and termination of pledge will be conditional on the associated Issuer Advance being fully and finally repaid in accordance with the Issuer Facility Agreement and on the Seller reimbursing the Issuer and the Security Trustee for any and all reasonable costs, expenses and liabilities incurred by the Issuer and/or the Security Trustee as a result of the termination of the relevant Hire Purchase Contract.

*Notification of Lessees*

If so requested by the Issuer or the Security Trustee, at any time after the occurrence of a Seller Event of Default the Servicer on behalf of the Issuer, or, following the occurrence of an Issuer Event of Default, on behalf of the Security Trustee, will subject to and in accordance with the terms of the Servicing Agreement:

(a) give notice in the Issuer's name or, following the occurrence of an Issuer Event of Default, in the Security Trustee's name, to all or any of the Lessees that Athlon (in its capacity as Servicer) is no longer authorised to collect any payments pursuant to the Lease Agreements;

(b) direct all Lessees and any relevant third parties to pay amounts outstanding in respect of Purchased Vehicles and the associated Lease Receivables into the Transaction Account or any other account which is specified by the Issuer, or, following the occurrence of an Issuer Event of Default which is specified by the Security Trustee;

(c) give instructions to immediately transfer any Lease Collections standing to the credit of the account of the Servicer to the Transaction Account; and

(d) take such other action as it reasonably considers to be necessary, appropriate or desirable in order to recover any amount outstanding in respect of the Purchased Vehicles and/or the associated Lease Receivables or to improve, protect, preserve or enforce their rights against the Lessees in respect of the Purchased Vehicles and the associated Lease Receivables.

The Issuer or the Security Trustee (or a third party acting on its behalf) may notify the Lessees. Any costs in connection with a notification of the Lessees shall be borne by the Servicer.

Additionally, upon the occurrence of a Seller Event of Default, the Issuer may upon request of the Security Trustee terminate the Master Hire Purchase Agreement in which case the Issuer

shall be entitled to prepay all amounts, including but not limited to the Regular Purchase Instalments and the Final Purchase Instalments, that have become or (in the absence of such termination) would have become due and payable to the Seller under or in connection with each Hire Purchase Contract concluded pursuant to the Master Hire Purchase Agreement in respect of the Purchased Vehicles on or after the date of termination of the Hire Purchase Contract. In such event the Issuer will be entitled to a discount on the Purchase Price in respect of each Purchased Vehicle equal to the Prepayment Discount.

As a consequence of the Issuer having paid all amounts owed by it under a Hire Purchase Contract it acquires legal title to the relevant Vehicle automatically, without any further act or notice being required and irrespective of the Seller having become Insolvent in the meantime.

The Issuer shall be entitled to set-off (*verrekenen*) any of its obligations pursuant to the Master Hire Purchase Agreement and/or any Hire Purchase Contract against the relevant Seller's obligations under the Issuer Facility Agreement, at any time and without prior notice, regardless of the currency in which the Seller's obligations are denominated.

**SERVICING AGREEMENT**

On or prior to the Signing Date the Issuer, the Security Trustee, Athlon (in its capacity as Servicer) and the Back-Up Servicer will enter into a servicing agreement (the "**Servicing Agreement**") pursuant to which Athlon will be instructed to act as Servicer and to carry out certain management, collection and recovery activities in relation to the Purchased Vehicles and associated Lease Receivables to be transferred to the Issuer pursuant to the Master Hire Purchase Agreement in accordance with the credit and collection procedures of Athlon as amended from time to time in accordance with the terms and conditions of the Servicing Agreement (the "**Credit and Collection Procedures**").

*Description of servicing functions*

The duties of the Servicer are set out in the Servicing Agreement and the Servicer has agreed, amongst other things, to:

(a) administer the Lease Agreements;

(b) collect all Lease Receivables and any Vehicle Realisation Proceeds in respect of a sale of a Purchased Vehicle to the Lessee pursuant to the relevant Lease Agreement;

(c) to communicate with the Lessees and do all such things and prepare and send to the Lessees and/or any other relevant party all such documents and notices which are incidental thereto;

(d) where the Call Option Buyer has not exercised its Repurchase Option, repossess the respective Purchased Vehicles on behalf of the Issuer upon termination of the associated Lease Agreements and to sell such Purchased Vehicles as soon and against as high a price as possible on behalf of the Issuer;

(e) arrange for the payment of any and all taxes levied in respect of the Purchased Vehicles or the use thereof, the amounts owed to fuel suppliers and all other amounts which are for the account of the lessor under the associated Lease Agreements;

(f) at all times during the term of the Servicing Agreement, devote itself to or procure that there is devotion to the coordination of the maintenance of the Purchased Vehicles;

(g) deal with early repayments under the associated Lease Agreements;

(h) (re)calculate the Estimated Residual Value, Lease Receivables and/or the Lease Maturity Date in accordance with the Credit and Collection Procedures and subject to the terms of the relevant Lease Agreement;

(i) prepare and publish the financial and other reporting on the performance of the Portfolio, including the Servicer Monthly Report;

(j) keep and maintain Records with respect to each Lease Agreement comprised in the Portfolio for the purposes of identifying amounts paid by each Lessee, any amount due from a Lessee and the balance from time to time outstanding with respect to each such Lease Agreement;

(k) keep and maintain Records in respect of amounts recognised as having been lost or irrecoverable in relation to any Lease Agreement which under its term is in default and amounts recovered in relation to any Lease Agreements which have previously been recognised as having been lost or irrecoverable in accordance with the requirements of the Servicing Agreement and the Credit and Collection Procedures;

(l) keep and maintain the Records on a Purchased Vehicle by Purchased Vehicle and Lease Receivable by Lease Receivable basis, in whatever medium or media may be expedient showing clearly all transactions and proceedings relating to the Servicing Agreement and to the relevant Lessees (including their correspondence details), the Purchased Vehicle, Lease Receivables and in an adequate form as is necessary to collect each Lease Receivable and/or enforce any security attached to the Purchased Vehicle and/or Lease Receivables;

(m) ensure that the Records in respect of the Purchased Vehicles and associated Lease Receivables and the relevant Lease Agreements are kept in good order, in safe custody in fireproof and flood-proof storage in such manner so that they are identifiable and distinguishable from the Records and other documents which relate to other agreements which are held by or on behalf of the Servicer or any other person and so that the relevant Lease Agreements and Records are uniquely, unequivocably and physically identifiable from data contained in any Hire Purchase Contract;

(n) give access to Athlon's records (in as far as relating to the Portfolio) to the Issuer or the Security Trustee (or any agent) upon request;

(o) take all actions which the Issuer may reasonably request (taking into account the obligations under the relevant Lease Agreement) to protect its interest on the Purchased Vehicles and the Lease Receivables;

(p) deal with any Lease Agreement which under its term is in default in accordance with the terms of the Servicing Agreement; and

(q) perform other tasks incidental to the above and to do or cause to be done any and all things which it reasonably considers necessary, convenient or incidental to the provision of the services to be rendered pursuant to the Servicing Agreement.

In accordance with the terms of the Servicing Agreement, the Servicer shall: (a) comply with the Credit and Collection Procedures; and (b) at all times devote or procure that there is devoted to the performance of its obligations, exercise of its discretions and its exercise of the rights of the Issuer and where so permitted the Security Trustee in respect of the Purchased Vehicles and associated Lease Receivables at least (i) the same amount of time and attention and (ii) the same level of skill, care and diligence in the performance of those obligations and discretions as it would if it were administering vehicles and receivables which it beneficially owned and, in any event, will devote all due skill, care and diligence to the performance of its obligations and the exercise of its discretions under the Servicing Agreement and consider the interests of the Issuer and the Security Trustee (acting on behalf of the Secured Creditors) at all times whilst carrying out the services under the Servicing Agreement but the Servicer shall not be required to do or cause to be done anything which it is prevented from doing by any regulatory direction or any requirement of law.

In addition, the Servicer shall service and administer the assets forming part of the Portfolio in compliance with the Lease Agreements, the Master Hire Purchase Agreement and certain general covenants of the Servicer (including covenants as to the compliance with any applicable laws in rendering the services owed by the Servicer).

*Servicer fee*

In consideration of its duties pursuant to the Servicing Agreement, the Servicer will receive the Servicer Fee to be paid by the Issuer subject to and in accordance with the applicable Priority of Payments.

*Lease Collections and distribution*

Under the Servicing Agreement the Servicer will procure that (i) all Lease Collections in respect of the Lease Receivables and all Vehicle Realisation Proceeds in respect of a sale of a Purchased Vehicle to the Lessee pursuant to the relevant Lease Agreement collected at any time during the immediately preceding Collection Period and all Deemed Collections are paid on each Payment Date directly into the Transaction Account and (ii) upon the occurrence of a Commingling Reserve Trigger Event and as long as a Commingling Reserve Trigger Event is continuing, (A) all Lease Collections other than any Lease Servicing Component, Lease Management Fee Component and/or Lease VAT Component and (B) all Vehicle Realisation Proceeds in respect of a sale of a Purchased Vehicle to the Lessee pursuant to the relevant Lease Agreement collected at any time during the immediately preceding Collection Period are paid directly into the Transaction Account on each relevant Commingling Transfer Date.

*Election of Required Commingling Reserve Amount*

Pursuant to the terms of the Servicing Agreement the Servicer has also covenanted that it shall immediately on the occurrence of a Commingling Reserve Trigger Event elect (and notify the Issuer, the Security Trustee and the Issuer Administrator in writing of the same) either paragraph (c) (i) or (c) (ii) of the definition of Required Commingling Reserve Amount as the basis on which the Required Commingling Reserve Amount will be calculated and such election shall continue until the next following Calculation Date on which the Servicer makes a new election pursuant to the Servicing Agreement and the Commingling Reserve Ledger is credited with an amount equal to the Required Commingling Reserve Amount, provided that:

(a) if the amount credited to the Commingling Reserve Ledger is less than the Required Commingling Reserve Amount calculated in accordance with paragraph (c) (ii) of the definition of Required Commingling Reserve Amount, it shall have no option to change its election pursuant to the Servicing Agreement and the Commingling Transfer Dates shall be each Twice Weekly Payment Date;

(b) if the Required Commingling Reserve Amount is determined in accordance with paragraph (c) (i) of the definition of Required Commingling Reserve Amount, the Commingling Transfer Dates shall be each Twice Weekly Payment Date;

(c) if the Required Commingling Reserve Amount is determined in accordance with paragraph (c) (ii) of the definition of Required Commingling Reserve Amount, the Commingling Transfer Dates shall be each Payment Date; and

(d) if the Servicer fails to make an election by 5.30 p.m. (Amsterdam Time) on the day falling ten (10) Business Days after the day on which such Commingling Reserve Trigger Event occurs, the Required Commingling Reserve Amount shall be deemed to be determined in accordance with paragraph (c) (ii) of the definition of Required Commingling Reserve Amount and the Commingling Transfer Dates shall be each Payment Date, until the next following Calculation Date on which the Servicer makes an election pursuant to the Servicing Agreement and the Commingling Reserve is credited with an amount equal to the Required Commingling Reserve Amount (as determined in accordance with paragraph (c) (i) or (c) (ii) of the definition of Required Commingling Reserve Amount) as elected by the Servicer.

*Lease Agreement Recalculation*

The Servicer will determine on each Calculation Date the Lease Agreement Recalculations which took place during the immediately preceding Collection period, if any, with respect to the Lease Agreements subject to and in accordance with the provisions of the relevant Lease Agreement. Any Lease Agreement Recalculation might result in (i) a Lease Recalculation Receivable or a Lease Recalculation Debt becoming due and payable by the relevant Lessee or the Seller, as the case may be, and (ii) a corresponding adjustment of the associated Lease Instalment which is effective as of the immediately preceding Collection Period Cut-Off Date relating to the relevant Lease Agreement.

The Servicer will notify the Issuer, the Seller and the Issuer Administrator on the same Calculation Date of each Lease Recalculation Receivable or Lease Recalculation Debt and

corresponding adjustment of the associated Lease Instalment resulting from such Lease Agreement Recalculations.

*Performance by third parties*

The Servicer is permitted to delegate some or all of its duties to other entities, including any subsidiaries (provided that such sub-contracting arrangement does not, directly or indirectly, lead to a downgrading of the current ratings of the Class A Notes), although the Servicer will remain liable for the performance of any duties that it delegates to another entity.

*Allocation of Lease Collections*

Where two or more Lease Agreements from a Lessee are included in the Portfolio or where Lease Agreements from a Lessee are included in the Portfolio and other lease agreements from the same Lessee are not included in the Portfolio, in a Collection Period amounts received from the Lessee will be applied in the following order:

(a) *firstly*, to the applicable invoice relating to such payment;

(b) *secondly*, where payments are not identified as relating to a specific invoice, to the relevant invoice at the direction of the Lessee;

(c) *thirdly*, where no such allocation is provided by the relevant Lessee within ten (10) Business Days, to the oldest invoice then outstanding until the outstanding balance of such invoice has been reduced to zero and thereafter to the next oldest invoices in order until the outstanding balance of such invoices has been reduced to zero; and

(d) *fourthly*, *pari passu* and *pro rata* between all outstanding invoices of the Lessee including, for the avoidance of doubt, Lease Receivables sold and assigned to the Issuer and Lease Receivables not sold to the Issuer.

Additionally, the *pro rata* share of the collections received and allocated to the Lease Agreements included in the Portfolio shall first be allocated *pari passu* and *pro rata* to (i) Lease VAT Collections and (ii) all other Lease Collections. The share allocated to the Lease Collections under (ii) shall thereafter be allocated *pro rata* to such individual Lease Collections.

*Servicer Monthly Report*

On or prior to the date falling two (2) Business Days prior to each Calculation Date the Servicer shall, using information provided to it by the Seller, pursuant to the Servicing Agreement, prepare and deliver via facsimile, email, CD-rom or any other agreed electronic means a report applicable to the relevant Collection Period (each a "**Servicer Monthly Report**") to the Issuer, the Issuer Administrator, the Security Trustee and each Rating Agency.

If the information given in the Servicer Monthly Report is not sufficient for the Issuer, the Security Trustee or the Issuer Administrator, the Servicer has undertaken to give such assistance as reasonably requested in order for such parties to perform their respective roles or duties under the Transaction Documents.

*Appointment of Back-Up Servicer*

DLL International has been appointed by the Issuer as Back-Up Servicer. The Back-Up Servicer will have to satisfy and meet the requirements and standards as set out in the Servicing Agreement. The Servicer must notify the parties to the Servicing Agreement in writing immediately on the occurrence of an Insolvency Event in relation to the Servicer or the occurrence of any other Servicer Termination Event (or any event which with the giving of notice or lapse of time, or both, would become a Servicer Termination Event).

Following (a) the occurrence of a Servicer Termination Event and (b) termination of the appointment of the Servicer, and under the conditions that (i) the Issuer will, to the extent reasonable, enter into any agreements negotiated by the Back-Up Servicer with any suppliers of services on behalf of the Issuer, and (ii) the Back-Up Servicer is able to (reasonably) obtain the Records, the IT systems and software as set out in the Servicing Agreement, and all (other) information it requires to provide the services under the Servicing Agreement, the Back-Up Servicer will take over the services of the Servicer under the Servicing Agreement.

*Back-Up Servicer Fee*

In consideration of its duties pursuant to the Servicing Agreement, the Back-Up Servicer will receive the Back-Up Servicer Fee in such an amount to be agreed between the Issuer and the Back-Up Servicer and to be paid by the Issuer subject to and in accordance with the applicable Priority of Payments.

As long as the Back-Up Servicer has not taken over the services of the Servicer, the Back-Up Servicer will be entitled to receive the Back-Up Servicer Stand-By Fee in such an amount to be agreed between the Issuer and the Back-Up Servicer and to be paid by the Issuer subject to and in accordance with the applicable Priority of Payments.

*Termination and Replacement of the Servicer*

After the occurrence of a Servicer Termination Event, the Issuer and Security Trustee, acting jointly, may at once or at any time thereafter while such Servicer Termination Event continues by notice in writing to the Servicer terminate the Servicing Agreement, with effect from a date (not earlier than the date of the notice) specified in the notice provided that the effective date of such termination shall be no earlier when that the Back-Up Servicer has taken over the services performed by the Servicer on terms substantially similar to the existing Servicing Agreement.

*Realisation*

The Servicer will undertake to use its best efforts to sell, on behalf of and for the account of the Issuer, the Purchased Vehicles where the Call Option Buyer has not exercised the Repurchase Option, in each case after the Purchased Vehicle has been returned to the Servicer in accordance with the Servicing Agreement. The Servicer shall only sell the related Purchased Vehicles at such time if this would not result in a breach of the relevant Lease Agreement.

*Reporting*

The Servicer will include certain pre-agreed information regarding the Purchased Vehicles in the Servicer Monthly Report. Such information shall (a) cover the Collection Period immediately

preceding the relevant Calculation Date and (b) in any event include (i) a cash flow report, (ii) the stratification tables and (iii) the list of Purchased Vehicles.

The Servicer will agree and covenant to the Issuer to also provide the Issuer, the Issuer Administrator and the Issuer Security Trustee with any information the Issuer, the Issuer Administrator or the Security Trustee may reasonably request.

**LIQUIDITY FACILITY AGREEMENT**

On the Signing Date, the Issuer will enter into the Liquidity Facility Agreement with the Liquidity Facility Provider. On any Payment Date (other than a Payment Date if and to the extent that on such date the Notes are redeemed in full) the Issuer will be entitled to make drawings under the facility made available by the Liquidity Facility Provider pursuant to the Liquidity Facility Agreement (the "**Liquidity Facility**") up to the Liquidity Facility Maximum Amount (as defined below). The Liquidity Facility Agreement is for a term of 364 days. Payments to the Liquidity Facility Provider (other than the Subordinated Liquidity Facility Amount) will rank in priority to payments under the Notes. The commitment of the Liquidity Facility Provider is extendable at its discretion.

*Drawings*

Any drawing under the Liquidity Facility by the Issuer shall only be made on a Payment Date if and to the extent that, after the application of the amounts available in the Reserve Account and before any drawing under the Liquidity Facility (each a "**Liquidity Facility Drawing**"), there is a shortfall in the Available Distribution Amounts to meet items (a) up to and including (h) of the Revolving Period Priority of Payments in full on that Payment Date or, as the case may be, to meet items (a) up to and including (h) of the Normal Amortisation Priority of Payments in full on that Payment Date.

For these purposes "**Liquidity Facility Maximum Amount**" means, on each Calculation Date, an amount equal to the greater of (i) 2.00 per cent. of the Principal Amount Outstanding of the Notes on such date and (ii) 1.00 per cent. of the Principal Amount Outstanding of the Notes as at the Closing Date.

*Downgrade of Liquidity Facility Provider*

If, at any time the short-term or long-term unsecured, unsubordinated and unguaranteed debt obligations of the Liquidity Facility Provider are (i) assigned a credit rating of less than the Liquidity Facility Provider Required Ratings, and/or such rating is withdrawn and (ii) within thirty (30) days of such downgrading or withdrawal the Liquidity Facility Provider is not replaced with a suitable alternative liquidity facility provider, or a third party having the required ratings has not guaranteed the obligations of the Liquidity Facility Provider, or another solution which is suitable in order to maintain the then current ratings assigned to the Class A Notes is not found, the Issuer will be required forthwith to draw down the entire undrawn portion of the Liquidity Facility (a "**Liquidity Facility Stand-By Drawing**") and deposit such amount into the Liquidity Facility Stand-By Drawing Account. Amounts so deposited into the Liquidity Facility Stand-By Drawing Account may be utilised by the Issuer in the same manner as if the Liquidity Facility Stand-By Drawing had not been made. A Liquidity Facility Stand-By Drawing shall also be made if the Liquidity Facility is not renewed prior to the commitment termination date.

**SWAP AGREEMENT**

On the Signing Date, the Issuer will enter into the interest rate swap agreement (the "**Swap Agreement**") with Athlon (the "**Swap Counterparty**") and the Security Trustee. The Swap Agreement will hedge the risk of a mismatch between the floating interest rate payable on the Class A Notes and the Class B Notes and the fixed rate income being the Lease Interest Components included in the Lease Instalments to be received by the Issuer in respect of the Portfolio.

Under the Swap Agreement the Issuer will pay to the Swap Counterparty on each Payment Date an amount equal to (a) the Lease Interest Components included in the Lease Instalments (other than those due and payable under Defaulted Lease Agreements) scheduled to be received in respect of the Collection Period immediately preceding the relevant Payment Date *plus* (b) the interest credited to the Transaction Account and *less* (i) certain expenses as described under (a) and (b) of the Revolving Period Priority of Payments or, as the case may be, of the Normal Amortisation Priority of Payments and *less* (ii) an excess margin (the "**Excess Spread Margin**") of 1.50% per annum applied to the Principal Amount Outstanding of each Class of Notes on the first day of the relevant Interest Period reduced by the relevant Principal Deficiency. In return, the Swap Counterparty will pay to the Issuer on each Payment Date amounts equal to the scheduled interest due under each Class of Notes, calculated by reference to the floating rate of interest applied to the Principal Amount Outstanding of the relevant Class of Notes on the first day of the relevant Interest Period minus any debit balance on the relevant sub-ledger of the Principal Deficiency Ledger which was recorded on the previous Calculation Date.

*Conditional novation*

If - *inter alia* - (i) the Swap Counterparty fails to make, when due, any payment to the Issuer under the Swap Agreement or (ii) the Swap Counterparty is declared bankrupt (*failliet*), the Issuer shall promptly give notice thereof to Rabobank International, London Branch in its capacity as back-up swap counterparty (the "**Back-Up Swap Counterparty**") in accordance with the conditional deed of novation, entered into between the Swap Counterparty, the Back-Up Swap Counterparty, the Issuer and the Security Trustee on the Signing Date (the "**Conditional Deed of Novation**"). Following such notice, the Swap Agreement shall be novated to the Back-Up Swap Counterparty in accordance with the Conditional Deed of Novation. Upon such novation (i) reference to the Swap Counterparty in respect of the Swap Agreement shall be deemed to be a reference to the Back-Up Swap Counterparty, (ii) the Swap Counterparty shall be released from its obligations under the Swap Agreement towards the Issuer, (iii) the Back-Up Swap Counterparty shall have assumed all obligations of the Swap Counterparty towards the Issuer under the Swap Agreement and (iv) the Back-Up Swap Counterparty shall have acquired all rights of the Swap Counterparty against the Issuer under the Swap Agreement.

*Payments*

Payments under the Swap Agreement will be made on a net basis on each Payment Date, so that a net amount will be due from the Issuer or the Swap Counterparty (as the case may be) on each Payment Date. Payments made by the Issuer under the Swap Agreement (other than the Subordinated Swap Amount) rank higher in priority than all payments on the Notes. Payments by the Swap Counterparty to the Issuer under the Swap Agreement will be made into the Transaction Account and will, to the extent necessary, be increased to ensure that such payments are free and clear of all taxes.

*Termination*

The Swap Agreement may be terminated in certain circumstances, including but not limited to the following, each as more specifically described in each Swap Agreement (an "**Early Termination Event**"):

(a) if there is a failure by a party to pay amounts due under the Swap Agreement and any applicable grace period has expired;

(b) if certain insolvency events occur with respect to a party;

(c) if a breach of a provision of the Swap Agreement by the Swap Counterparty is not remedied within the applicable grace period;

(d) if a change of law results in the obligations of one of the parties under the Swap Agreement becoming illegal;

(e) in certain circumstances, if a deduction or withholding for or on account of taxes is imposed on payments made by the Swap Counterparty under the Swap Agreement;

(f) if the Swap Counterparty is downgraded below the Swap Required Ratings and subsequently and fails to comply with the requirements of the remedial provisions contained in the Swap Agreement as summarised below;

(g) if the Security Trustee serves a Notes Acceleration Notice on the Issuer pursuant to the Conditions of the Notes; and

(h) if there is a redemption of the Notes in certain circumstances.

Upon an early termination of a transaction under the Swap Agreement, the Issuer or the Swap Counterparty may be liable to make a termination payment to the other. This termination payment will generally be calculated and made in euro. The amount of any termination payment will generally be based on the market value of the Swap Agreement. The market value will be based on market quotations of the cost of entering into a transaction with the same terms and conditions and that would have the effect of preserving the respective full payment obligations of the parties (or based upon the calculation of the loss of the non-defaulting party (calculated in

accordance with the Swap Agreement) in the event that no market quotation can be obtained or where the Issuer is the defaulting party or affected party).

*Transfer and gross-up*

The Swap Counterparty may, subject to certain conditions specified in the Swap Agreement, including (without limitation) the satisfaction of certain requirements of the Rating Agencies and prior written consent of the Issuer, transfer its obligations under the Swap Agreement to another entity with the Swap Required Ratings.

The Issuer is not obliged under the Swap Agreement to gross up payments made by it if a withholding or deduction for or on account of tax is imposed on payments made under the Swap Agreement. The Swap Counterparty will generally be obliged to gross up payments made by it to the Issuer if a withholding or deduction for or on account of tax is imposed on payments made by it under the Swap Agreement.

*Downgrade of Back-Up Swap Counterparty*

If at any time,

(i) (i) the long-term unsecured, unsubordinated and unguaranteed debt obligations of the Back-Up Swap Counterparty (or its successor) cease to be rated at least as high as either (x) A1 by Moody's (if the Back-Up Swap Counterparty (or its successor) is not assigned a short-term rating by Moody's) or (y) A2 by Moody's (if the Back-Up Swap Counterparty (or its successor) is also rated at least as high as P-1 by Moody's) (or such other rating from time to time notified by Moody's); or

(ii) the long-term unsecured, unsubordinated and unguaranteed debt obligations of the Back-Up Swap Counterparty (or its successor) cease to be rated at least as high as either (x) A by S&P (if the short-term unsecured, unsubordinated and unguaranteed debt obligations of the Back-Up Swap Counterparty (or its successor) are also rated at least as high as A-1 by S&P) or (y) A+ by S&P (if the short-term unsecured, unsubordinated and unguaranteed debt obligations of the Back-Up Swap Counterparty (or its successor) are not rated, or are rated below A-1 by S&P) (or such other rating from time to time notified by S&P),

(the ratings referred to under items (i) and (ii) together, the "**Swap Required Ratings**"); or

(iii) any such rating is withdrawn by Moody's or S&P,

the Swap Counterparty will be required to take certain remedial measures which may include the provision of collateral for its obligations under the Swap Agreement, arranging for the obligations of the Swap Counterparty under the Swap Agreement to be transferred to an entity with the Swap Required Ratings, procuring another entity with at least the Swap Required Ratings to become co-obligor or guarantor in respect of the obligations of the Swap Counterparty under the Swap Agreement, or the taking of such other suitable action as it may

then propose to the Rating Agencies. A failure to take such steps, subject to certain conditions, will give the Issuer the right to terminate the Swap Agreement.

*Credit Support*

On the Signing Date, the Issuer, the Swap Counterparty and the Security Trustee will enter into a Credit Support Annex to the Swap Agreement on the basis of standard ISDA documentation (the "**Credit Support Annex**"), which provides for requirements relating to the providing of collateral by the Swap Counterparty if the Back-Up Swap Counterparty (or its successor) ceases to have at least the Swap Required Ratings.

If the long-term and/or the short term unsecured, unsubordinated and unguaranteed debt obligations of the Back-Up Swap Counterparty (or its successor) cease to be rated at least as high as the Swap Required Ratings or (ii) any such rating is withdrawn by Moody's or S&P, the Issuer will establish one or more separate accounts (each a "**Swap Collateral Account**") with an entity having at least the Account Bank Required Ratings into which any collateral required to be transferred by the Swap Counterparty in accordance with the provisions set out above will be deposited. Any collateral transferred by the Swap Counterparty which is in excess of its obligations to the Issuer under the Swap Agreement (the "**Excess Swap Collateral**") will be returned to the Swap Counterparty (separate from, and not subject to the applicable Priority of Payments) prior to the distribution of any amounts due to the Noteholders or the other Secured Creditors.

*Applicable law and Jurisdiction*

The Swap Agreement, and any non-contractual obligations arising of or in connection with it, will be governed by and construed in accordance with the laws of England and Wales. The courts of England and Wales have exclusive jurisdiction to hear any disputes that may arise out of or in connection with the Swap Agreement.

**RV GUARANTEE AGREEMENT**

The RV Guarantor may, pursuant to the terms of the residual value guarantee agreement entered into on or about the Signing Date between the Issuer, the RV Guarantor and the Security Trustee (the "**RV Guarantee Agreement**"), unless the relevant Purchased Vehicle is associated with a Defaulted Lease Agreement, be required to make certain payments to the Issuer if a Lease Termination Date occurs and the Call Option Buyer does not exercise the relevant Repurchase Option.

If a Lease Termination Date occurs in relation to a Lease Agreement (other than a Defaulted Lease Agreement) and the Call Option Buyer does not exercise the relevant Repurchase Option and the Vehicle Realisation Proceeds realised in respect of the relevant Purchased Vehicle are less than the Estimated Residual Value or, as the case may be, the Book Value outstanding on the first day of the Collection Period within which the relevant Lease Early Termination Date falls, the RV Guarantor will be obliged to pay to the Issuer an amount equal to:

(i) (a) in case of a Matured Lease, the Estimated Residual Value or (b) in case of a Lease Agreement Early Termination, the Book Value, both as outstanding on the first day of the Collection Period within which the relevant Lease Termination Date falls, *minus*

(ii) the Vehicle Realisation Proceeds of a relevant Purchased Vehicle,

(such amount being the "**RV Shortfall Amount**" ).

In addition, the Seller will be obliged to pay to the Issuer any Lease Incidental Shortfall if and when such Lease Incidental Shortfall occurs. Provided the RV Guarantor has paid the relevant RV Shortfall Amount to the Issuer, the Issuer will be obliged to pay to the RV Guarantor any Lease Agreement Early Termination Amounts received by it in relation to a Lease Agreement which has been subject to a Lease Agreement Early Termination after the relevant Lease Early Termination Date up to an amount equal to such RV Shortfall Amount.

If a Lease Termination Date occurs in relation to a Lease Agreement (other than a Defaulted Lease Agreement) and the Call Option Buyer does not exercise the Repurchase Option and the Vehicle Realisation Proceeds realised in respect of the relevant Purchased Vehicle exceeds the Estimated Residual Value or, as the case may be, the Book Value outstanding on the first day of the Collection Period within which the relevant Lease Early Termination Date falls, the Issuer will be obliged, provided that the RV Guarantor is not in default with its obligations under the RV Guarantee Agreement, to pay to the RV Guarantor an amount equal to:

(i) the Vehicle Realisation Proceeds of a relevant Purchased Vehicle, *minus*

(ii) (a) in case of a Matured Lease, the Estimated Residual Value or (b) in case of a Lease Agreement Early Termination, the Book Value, both as outstanding on the first day of the Collection Period within which the relevant Lease Termination Date falls,

(such amount being the "**RV Excess Amount**").

**SUBORDINATED LOAN FACILITY**

On the Signing Date, the Issuer, the Security Trustee, the Issuer Administrator and the Subordinated Lender will enter into a subordinated loan facility (the "**Subordinated Loan Facility**") to enable the Issuer to draw, subject to the terms and conditions of the Subordinated Loan Facility, (i) the Initial Subordinated Loan Advance, (ii) the Required Commingling Reserve Amount and (iii) the Required Maintenance Reserve Amount .

*Subordinated Loan Advances*

On the Closing Date, the Subordinated Lender will make available to the Issuer (i) the Initial Subordinated Loan Advance to enable the Issuer to make a deposit into the Reserve Account up to the Required General Reserve Amount and (ii) the Maintenance Reserve Advance to enable the Issuer to make a deposit into the Transaction Account up to the Required Maintenance Reserve Amount with a corresponding credit to the Maintenance Reserve Ledger. Upon the occurrence of a Commingling Reserve Trigger Event and for as long as a Commingling Reserve Trigger Event is continuing, the Subordinated Lender will make available

to the Issuer the Commingling Reserve Advance. The Commingling Reserve Guarantor will guarantee the obligation of the Subordinated Lender to make the Commingling Reserve Advance available to the Issuer pursuant to the terms of the Commingling Reserve Guarantee.

*Further Reserve Advances*

On each Payment Date, the Subordinated Lender will advance to the Issuer further advances, in the amount equal to (if such amount is greater than zero) the Required Maintenance Reserve Amount minus the amount standing to the credit of the Maintenance Reserve Ledger (a "**Further Maintenance Reserve Advance**").

Following the occurrence of a Commingling Reserve Trigger Event and for as long as a Commingling Reserve Trigger Event is continuing, on each Payment Date, the Subordinated Lender will advance to the Issuer further advances, in the amount equal to (if such amount is greater than zero) the Required Commingling Reserve Amount minus the amount standing to the credit of the Commingling Reserve Ledger (a "**Further Commingling Reserve Advance**" and together with the Further Maintenance Reserve Advance, the "**Further Reserve Advances**"). If following the remedy of a Commingling Reserve Trigger Event such that a Commingling Reserve Trigger Event is no longer continuing a subsequent Commingling Reserve Trigger Event occurs, the Subordinated Lender shall advance to the Issuer Further Commingling Reserve Advances in accordance with the terms of the Subordinated Loan Facility.

If applicable, the Issuer (or the Issuer Administrator on its behalf) will on or prior to the Calculation Date immediately preceding a Payment Date deliver to the Subordinated Lender a drawdown notice specifying the amount of any Further Reserve Advance and requesting that such Further Reserve Advance be made to the Issuer. Each Further Reserve Advance will be paid to the Transaction Account and on the same day be recorded to the credit of the relevant Transaction Account Ledger.

The Commingling Reserve Guarantor will guarantee the obligation of the Subordinated Lender to make the Commingling Reserve Advance available to the Issuer pursuant to the terms of the Commingling Reserve Guarantee. The Commingling Reserve Guarantor is required to have at least the Commingling Reserve Guarantor Required Ratings (unless its obligations under the Commingling Reserve Guarantee are guaranteed by an entity with the Commingling Reserve Guarantor Required Ratings). If the Commingling Reserve Guarantor ceases to have the Commingling Guarantor Required Ratings, the Commingling Reserve Guarantor will be required within thirty (30) days of such downgrading or any withdrawal to (i) replace itself with an alternative commingling reserve guarantor having at least the Commingling Reserve Guarantor Required Ratings, or (ii) procure that a third party having at least the Commingling Reserve Guarantor Required Ratings guarantees the obligations of the Commingling Reserve Guarantor, or (iii) find another solution which is suitable in order to maintain the then current ratings assigned to the Class A Notes.

*Repayment of Subordinated Loan Advances*

The Initial Subordinated Loan Advance will only be repaid subject to and in accordance with the relevant Priority of Payments if and to the extent the Notes including any interest accrued but unpaid have been redeemed in full.

If at any Payment Date prior to the service of a Notes Acceleration Notice, the amounts recorded to the credit of the Maintenance Reserve Ledger or the Commingling Reserve Ledger, as the case may be, as calculated on the immediately preceding Calculation Date, exceeds, respectively, the Required Maintenance Reserve Amount and/or Required Commingling Reserve Amount, as the case may be, such excess shall not form part of the Available Distribution Amounts but shall instead be applied towards repayment (in part) of the Maintenance Reserve Advance and/or the Commingling Reserve Ledger, as the case may be, in accordance with the terms of the Subordinated Loan Facility.

If at any Payment Date prior to the service of a Notes Acceleration Notice, the Notes including any interest accrued but unpaid will be redeemed in full on such Payment Date, the Issuer (or the Issuer Administrator on its behalf) shall on the same Payment Date apply the amounts standing to the credit of the Maintenance Reserve Ledger towards repayment of the Maintenance Reserve Advance. If on such Payment Date the Maintenance Reserve Advance will not be repaid in full from amounts standing to the credit of the Maintenance Reserve Ledger, the Maintenance Reserve Advance will be repaid from Available Distribution Amounts, such Available Distribution Amounts to be applied *pro rata* and *pari passu* amongst themselves to repay the Subordinated Loan Advances in accordance with the relevant Priority of Payments.

If following the remedy of a Commingling Reserve Trigger Event such that a Commingling Reserve Trigger Event is no longer continuing and no Notes Acceleration Notice has been served, the Issuer (or the Issuer Administrator on its behalf) shall on the next following Business Day apply amounts standing to the credit of the Commingling Reserve Ledger towards repayment of the Commingling Reserve Advance. Any Commingling Reserve Advance not repaid in full from amounts standing to the credit of the Commingling Reserve Ledger will be repaid from Available Distribution Amounts, such Available Distribution Amounts to be applied *pro rata* and *pari passu* amongst themselves to repay the Subordinated Loan Advances in accordance with the relevant Priority of Payments.

Following the service of a Notes Acceleration Notice, the Issuer shall repay the Subordinated Loan Advances in accordance with the Accelerated Amortisation Priority of Payments.

*Interest on the Subordinated Loan*

Subject to the applicable Priority of Payment, the rate of interest payable in respect of each Subordinated Loan Advance for each interest period pursuant to the Subordinated Loan Facility (the "**Subordinated Loan Interest Period**") shall be one-month EURIBOR as of the first day of such Subordinated Loan Interest Period or, with respect to the first Subordinated Loan Interest Period, the rate which represents the linear interpolation of EURIBOR for one-month and two-month deposits, rounded, if necessary, to the fifth decimal place with 0.000005 being rounded upwards.

**ISSUER FACILITY AGREEMENT**

On the Signing Date, Athlon, the Issuer and the Security Trustee will enter into a facility agreement (the "**Issuer Facility Agreement**"). On the Closing Date, the Issuer will make available to Athlon an Initial Issuer Advance in respect of each Purchased Vehicle together with the associated Lease Receivables forming part of the Initial Portfolio, each for an amount equal to the Book Value of such Purchased Vehicle as calculated as at the Initial Purchase Cut-Off Date.

After the Closing Date, further Issuer Advances will be made during the Revolving Period on each Purchase Date, each such Issuer Advance in an amount equal to the Book Value of the relevant Additional Leased Vehicle as calculated as at the relevant Additional Purchase Cut-Off Date, provided that the sum of such Issuer Advances for the relevant Additional Leased Vehicles shall not exceed the Replenishment Amount available at such time.

*Interest and scheduled principal on the Issuer Advance; scheduled set-off*

Interest on each outstanding Issuer Advance (i) shall be payable on (a) each Payment Date, other than the Payment Date on which the relevant Final Purchase Instalment is due, in respect of the immediately preceding Collection Period and (b) the Payment Date on which the relevant Final Purchase Instalment is due, in respect of both the immediately preceding and the then current Collection Period and (ii) shall be equal to the Lease Interest Component included in the Lease Instalment as calculated in respect of the relevant Collection Period per the relevant Purchase Cut-Off Date with respect to the Purchased Vehicle associated with the relevant Issuer Advance.

Each outstanding Issuer Advance shall be prepaid or repaid, as the case may be:

(a) on each Payment Date on which a Regular Purchase Instalment in respect of the associated Purchase Vehicle is due, for an amount equal to the Lease Principal Component included in the Lease Instalment as calculated in respect of the immediately preceding Collection Period per the relevant Purchase Cut-Off Date with respect to such Purchased Vehicle; *plus* (if applicable)

(b) on the Payment Date on which the Final Purchase Instalment in respect of the associated Purchase Vehicle is due, for an amount equal to (i) in case of a Matured Lease, the Estimated Residual Value of the relevant Purchased Vehicle and (ii) in case of a Lease Agreement Early Termination, the Book Value outstanding on the first day of the Collection Period within which the relevant Lease Early Termination Date falls, each as calculated as per the associated Purchase Cut-Off Date; and

(c) for the remainder, if any, on the Issuer Facility Final Maturity Date.

The Issuer Facility Agreement provides that all interest payments and repayments and prepayments of principal in respect of any Issuer Advance, will be made by way of set-off in accordance with the terms and conditions of the Issuer Facility Agreement.

Pursuant to the Issuer Facility Agreement, the Issuer shall have exclusive authority to set-off (i) any Purchase Instalment it owes to Seller against (ii) any receivable it has vis-à-vis the Seller under or in respect of the associated Issuer Advance. Such set-off shall automatically occur on each Payment Date save to the extent such set-off is accelerated by or on behalf of the Issuer in accordance with the relevant Hire Purchase Contract and the Issuer Facility Agreement.

*Termination of Hire Purchase Agreement; repayment of Issuer Advance*

Pursuant to the Issuer Facility Agreement, each time a Hire Purchase Contract is terminated, the Seller will repay to the Issuer the relevant Issuer Advance in full.

The Issuer shall have exclusive authority to set-off (i) any Purchase Instalment it owes to the Seller against (ii) any receivable it has vis-à-vis the Seller under or in respect of the associated Issuer Advance. Such set-off shall automatically occur on each Payment Date save to the extent such set-off is accelerated by or on behalf of the Issuer in accordance with Clause 7.3 (*Prepayment*) of the Master Hire Purchase Agreement or Clause 7.2 (*Prepayments relating to Hire Purchase Contract Termination*) or Clause 9 (*Acceleration*) of the Issuer Facility Agreement.

*Seller Event of Default, prepayment of Purchase Price and illegality*

The Issuer Facility Agreement provides that upon the occurrence (and continuation) of a Seller Event of Default, the Issuer shall no longer be obliged to make any Purchase Instalments and may (i) declare any Issuer Advances immediately due and payable (together with any accrued interest thereon) by the Seller and/or (iii) waive such Seller Event of Default under such terms it deems fit.

The Issuer Facility Agreement furthermore provides that (i) upon the Issuer expressing a desire to prepay any Purchase Price or (ii) if it is or will become unlawful for the Issuer to make, fund or allow to remain outstanding all or part of the Issuer Advances, the associated Issuer Advances shall be immediately due and payable together with accrued interest thereon.

**ISSUER ADMINISTRATION AGREEMENT**

On the Signing Date, ATC Financial Services B.V. as issuer administrator (the "**Issuer Administrator**")), the Issuer and the Security Trustee will enter into an issuer administration agreement (the "**Issuer Administration Agreement**") pursuant to which the Issuer Administrator will provide certain cash management and bank account operation services (collectively the "**Administration Services**") in respect of the Portfolio to the Issuer.

The Administration Services in respect of the transaction contemplated by the Transaction Documents include but are not limited to:

(a) operating the Issuer Accounts and ensure that payments are made into and from the Issuer Accounts in accordance with the Issuer Administration Agreement, the Trust Deed, the Security Documents, the Servicing Agreement, the Account Agreement and any other relevant Transaction Documents;

(b) administering each Priority of Payments including calculating amounts payable by the Issuer, including the Available Distribution Amounts, and providing the reports relating thereto on each Calculation Date;

(c) on behalf of the Issuer calculating and determining amounts required to be drawn or repaid by the Issuer in respect of the Subordinated Loan Advances outstanding under the Subordinated Loan Facility, drawing and arranging for repayment of all Subordinated Loan Advances in accordance with the terms of the Subordinated Loan Facility;

(d) on behalf of the Issuer calculating and determining amounts required to be advanced to Athlon pursuant to the Issuer Facility Agreement and arranging for repayment of any and all required amounts by Athlon in accordance with the terms of the Issuer Facility Agreement;

(e) opening and maintaining each Transaction Account Ledger, the Interest Shortfall Ledger and the Principal Deficiency Ledger and keeping adequate record of any and all amounts to be recorded to the debit and credit of the relevant Transaction Account Ledger, the Interest Shortfall Ledger or the Principal Deficiency Ledger in accordance with the Transaction Documents;

(f) assisting the auditors of the Issuer and provide such information to them as they may reasonably request for the purpose of carrying out their duties as auditors;

(g) making all filings, give all notices and make all registrations and other notifications required in the day-to-day operation of the business of the Issuer or required to be given by the Issuer pursuant to the Notes and the relevant Transaction Documents; and

(h) arranging for, and determining the amount of, all payments due to be made by the Issuer under the Notes and/or any of the relevant Transaction Documents (including under each relevant Priority of Payments).

The Administration Services are subject to the amounts which are payable by the Issuer Administrator on behalf of the Issuer and being available to the Issuer and do not constitute a guarantee by the Issuer Administrator of all or any of the obligations of the Issuer under any of the Transaction Documents.

*Fee, Costs and Expenses*

The Issuer shall pay to the Issuer Administrator on each Payment Date in accordance with the relevant Priority of Payments in arrear a fee to be agreed between the Issuer, the Issuer Administrator and the Security Trustee from time to time, for its Administration Services under the Issuer Administration Agreement and indemnify the Issuer Administrator for out-of-pocket costs, expenses and charges, incurred by the Issuer Administrator in the performance of the Issuer Administration Services.

*Termination*

If an Issuer Administrator Termination Event occurs, then the Issuer and/or the Security Trustee may at once or at any time thereafter while such Termination Event is continuing, terminate the Issuer Administration Agreement with effect from a date specified by the Issuer and/or the Security Trustee. Upon the termination of the Issuer Administration Agreement, the Issuer or, following an Issuer Event of Default, the Security Trustee shall use its best endeavours to appoint a substitute issuer administrator that satisfies the conditions set forth in the Issuer Administration Agreement.

*Obligations of Issuer Administrator*

Upon termination of the appointment of the Issuer Administrator under the Issuer Administration Agreement, the Issuer Administrator shall forthwith and subject to all applicable laws, deliver to the Issuer or the Security Trustee, as the case may be, or to such other person as the Issuer or the Security Trustee, as the case may be, shall direct, the files, including all legal and financial files, all books of account, papers, records, registers, correspondence and documents in its possession pursuant to the Issuer Administration Agreement and take such further action as the Issuer and/or the Security Trustee may reasonably direct at the expense of the Issuer Administrator.

**HIGHWAY 2012-I B.V.**

The Issuer was incorporated as a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) under Dutch law on 31 October 2011 under number B.V. 53863003. The official seat (*statutaire zetel)* of the Issuer is in Amsterdam, the Netherlands and its registered office is at Frederik Roeskestraat 123, 1076 EE Amsterdam, the Netherlands and its telephone number is +31 20 577 11 77. The Issuer is registered with the Trade Register under number 53863003.

The objectives of the Issuer are (a) to acquire, purchase, hire purchase, conduct the management of, dispose of and encumber assets and receivables and to exercise any rights connected to such receivables, (b) to take up loans by way of the issue of securities or by entering into loan agreements to acquire the assets and receivables mentioned under (a), (c) to invest and on-lend any funds held by the Issuer, (d) to hedge interest rate risks and other financial risks amongst others by entering into derivative agreements, such as swaps and options, (e) if incidental to the foregoing, (i) to perform the obligations under the securities mentioned under (b), and (ii) to grant security rights and (f) to perform all activities which are incidental to or which may be conducive to any of the foregoing.

The Issuer was established for the limited purposes of the issue of the Notes, the acquisition of leased vehicles together with any associated lease receivables and rights and claims relating to the relevant lease agreements and certain related transactions described elsewhere in this Prospectus. The Issuer operates under Dutch law, provided that it may enter into contracts which are governed by the laws of another jurisdiction than the Netherlands.

The Issuer has an authorised share capital of EUR 18,000 of which EUR 18,000 has been issued and fully paid. All shares of the Issuer are held by the Shareholder.

Upon incorporation the Issuer was named HIGHWAY 2011 B.V. Pursuant to a deed of amendment of the articles of association dated 29 March 2012 the Issuer has changed its name into HIGHWAY 2012-I B.V.

The Shareholder is a foundation *(stichting)* established under Dutch law on 23 September 2011. The Shareholder is registered with the Trade Register under number 53614399. The objects of the Shareholder are to, *inter alia*, acquire and hold shares in the share capital of the Issuer and to exercise all rights attached to such shares, to dispose of and encumber such shares. Pursuant to the articles of association of the Shareholder an amendment of the articles of association of the Shareholder requires the prior written consent of the Security Trustee. Moreover, the Director shall only be authorised to dissolve the Shareholder after (i) receiving the prior written consent of the Security Trustee and (ii) the Issuer has been fully discharged for all its obligations by virtue of the Transaction Documents.

The sole managing director of each of the Issuer and the Shareholder is ATC Management B.V. ATC Management B.V. has elected domicile at the registered office of the Issuer at Frederik Roeskestraat 123, 1076 EE Amsterdam, telephone number +31 20 577 11 77. The managing directors of ATC Management B.V. are J.H. Scholts, R. Posthumus, R. Langelaar, R. Rosenboom and A.R. van der Veen.

The objectives of ATC Management B.V. are (a) advising of and mediation by financial and related transactions, (b) acting as finance company, and (c) management of legal entities.

There are no potential conflicts of interest between any duties to the Issuer of ATC Management B.V. and its private interests and or other duties.

ATC Management B.V. belongs to the same group of companies as the Issuer Administrator.

The Issuer has the corporate power and capacity to issue the Notes, to acquire the relevant Leased Vehicles and the associated Lease Receivables and to enter into and perform the obligations under the Transaction Documents.

**Statement of the managing director of HIGHWAY 2012-I B.V.**

HIGHWAY 2012-I B.V. was incorporated on 31 October 2011 under number B.V. 53863003 with an issued share capital of EUR 18,000. Since its incorporation there has been no material adverse change in the financial position or prospects of the Issuer, nor has there been any significant change in the financial or trading position of the Issuer and the Issuer has not (i) commenced operations, no profits and losses have been made or incurred and it has not declared or paid any dividends nor made any distributions, save for the activities related to its establishment and the securitisation transaction included in this Prospectus nor (ii) prepared any financial statements. There are no legal, arbitration or governmental proceedings which may have, or have had, significant effects on the Issuer's financial position or profitability nor, so far as the Issuer is aware, are any such proceedings pending or threatened against the Issuer.

The financial year of the Issuer coincides with the calendar year. The first financial year shall end on 31 December 2012.

**Capitalisation**

The following table shows the capitalisation of the Issuer as of 31 October 2011 as adjusted to give effect to the issue of the Notes. Copies of the deed of incorporation and the articles of association of the Issuer may be obtained at the specified offices of the Issuer and at the specified offices of the Paying Agent during normal business hours.

**Share Capital**

| | |
|---|---|
| Authorised Share Capital | EUR 18,000 |
| Issued Share Capital | EUR 18,000 |

**Borrowings**

| | | |
|---|---|---|
| Class A Notes | EUR | 450,000,000 |
| Class B Notes | EUR | 242,400,000 |
| Initial Subordinated Loan Advance | EUR | 13,848,000 |
| Maintenance Reserve Advance | EUR | 10,386,000 |

**Act on the Financial Supervision**

The Issuer is not subject to any licence requirement under section 2:11 of the Act on the Financial Supervision (*Wet op het financieel toezicht*) as amended, due to the fact that the Notes will be offered solely to professional market parties (*professionele marktpartijen*) within the meaning of section 1:1 of the Act on the financial supervision (*Wet op het financieel toezicht*), as amended from time to time and section 3 of the Decree Definitions Act on the Financial Supervision (*Besluit Definitiebepalingen Wet op het financieel toezicht*) (each a "**PMP**").

## ISSUER ADMINISTRATOR

ATC Financial Services B.V. will be appointed as Issuer Administrator in accordance with and under the terms of the Issuer Administration Agreement. ATC Financial Services B.V. is a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) incorporated under Dutch law on 4 May 1995. It has its corporate seat (*statutaire zetel*) in Amsterdam, the Netherlands and its registered office at Frederik Roeskestraat 123, 1076 EE Amsterdam, the Netherlands. The Issuer Administrator is registered with the Trade Register under number 33210270.

The objects of the Issuer Administrator are (a) to represent financial, economic and administrative interests in the Netherlands and other countries; (b) to act as trust company, as well as to participate in, manage and administer other enterprises, companies and legal entities, and (c) to perform any and all acts which are related, incidental or which may be conducive to the above.

The managing directors of the Issuer Administrator are J.H. Scholts, F.E.M. Kuijpers, R. Posthumus and R. Rosenboom. The sole shareholder of the Issuer Administrator is ATC Group B.V., a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) incorporated under Dutch law and having its corporate seat (*statutaire zetel*) in Amsterdam, the Netherlands.

ATC Financial Services B.V. belongs to the same group of companies as ATC Management B.V. being the sole Director of the Issuer and the Shareholder.

## USE OF PROCEEDS

The gross proceeds of the Notes will be used on the Closing Date by the Issuer to advance the Initial Issuer Advances subject to and in accordance with the Issuer Facility Agreement.

## DESCRIPTION OF SECURITY

### Trust Deed

The Notes will be secured indirectly, through the Security Trustee, by the Issuer entering into the Trust Deed on the Signing Date with the Shareholder and the Security Trustee, acting as security trustee for (i) the Servicer, (ii) the Directors, (iii) the Issuer Administrator, (iv) the Back-Up Servicer, (v) the Paying Agent, (vi) the Reference Agent, (vii) the Account Bank, (viii) the Swap Counterparty, (ix) the Back-Up Swap Counterparty, (x) the Seller, (xi) the Subordinated Lender, (xii) the Liquidity Facility Provider and (xiii) the Noteholders (together the "**Secured Creditors**"). In the Trust Deed the Issuer will agree, to the extent necessary in advance, to pay to the Security Trustee an amount equal to the aggregate of all its liabilities to all the Secured Creditors from time to time due in accordance with the terms and conditions of the relevant Transaction Documents, including, without limitation, the Notes (the "**Principal Obligations**"), which payment undertaking and the obligations and liabilities resulting therefrom is herein referred to as the "**Parallel Debt**". The Parallel Debt is secured by the Pledge Agreements as further described below. The Principal Obligations do not include the Issuer's obligations pursuant to the Parallel Debt. In this respect the Issuer and the Security Trustee acknowledge that (i) the Parallel Debt constitutes undertakings, obligations and liabilities of the Issuer to the Security Trustee which are separate and independent from and without prejudice to the Principal Obligations of the Issuer to any Secured Creditor, and (ii) the Parallel Debt represents the Security Trustee's own claim (*vordering*) to receive payment of the Parallel Debt from the Issuer, provided that the aggregate amount that may become due under the Parallel Debt will never exceed the aggregate amount that may become due under all of the Principal Obligations to the Secured Creditors, including, but not limited to, the Noteholders. The total amount due and payable by the Issuer under the Parallel Debt shall be decreased to the extent that the Issuer shall have paid any amounts to any Secured Creditor to reduce the Principal Obligations and the total amount due and payable by the Issuer under the Principal Obligations shall be decreased to the extent that the Issuer shall have paid any amounts to the Security Trustee under the Parallel Debt.

### Pledge Agreements

*Issuer Vehicles Pledge Agreement*

On the Signing Date, the Issuer and the Security Trustee will enter into a pledge agreement (the "**Issuer Vehicles Pledge Agreement**") pursuant to which the Issuer will create, or create in advance (*bij voorbaat*), as the case may be, a first priority non-possessory right of pledge (*bezitloos pandrecht, eerste in rang*) over the Purchased Vehicles owned by it.

The right of pledge to be created pursuant to the Issuer Vehicles Pledge Agreement will be granted in favour of the Security Trustee for the benefit of the Secured Creditors to secure and provide for the payment of the Secured Obligations.

Upon the occurrence of a default of the Issuer with respect to the Secured Obligations, the Security Trustee is entitled to foreclose on the Purchased Vehicles or part thereof over which a right of pledge is created pursuant to the Issuer Vehicles Pledge Agreement and to apply all monies received or recovered by the Security Trustee towards satisfaction of the Secured Obligations subject to and in accordance with the provisions of the Trust Deed.

The Issuer Vehicles Pledge Agreement will be governed by Dutch law.

*Seller Vehicles Pledge Agreement*

On the Signing Date, the Seller, the Issuer and the Security Trustee will enter into a pledge agreement (the "**Seller Vehicles Pledge Agreement**") pursuant to which the Seller will create, or create in advance (*bij voorbaat*), as the case may be, a first priority non-possessory right of pledge (*bezitloos pandrecht, eerste in rang*) over the Purchased Vehicles owned by it.

The rights of pledge to be created pursuant to the Seller Vehicles Pledge Agreement will be granted in favour of the Security Trustee for the benefit of the Secured Creditors to secure and provide for the payment of the Secured Obligations.

Upon the occurrence of a default of the Seller with respect to the Secured Obligations, the Security Trustee is entitled to foreclose on the Purchased Vehicles or part thereof over which a right of pledge is created pursuant to the Seller Vehicles Pledge Agreement and to apply all monies received or recovered by the Security Trustee towards satisfaction of the Secured Obligations subject to and in accordance with the provisions of the Trust Deed.

The Seller Vehicles Pledge Agreement will be governed by Dutch law.

*Lease Receivables Pledge Agreement*

On the Signing Date, the Issuer and the Security Trustee will enter into a pledge agreement (the "**Lease Receivables Pledge Agreement**") pursuant to which the Issuer will create, or create in advance (*bij voorbaat*), as the case may be, an undisclosed first priority right of pledge (*stil pandrecht, eerste in rang*) over all of the Issuer's rights (*vorderingen*) within the meaning of section 3:239 of the Dutch Civil Code against the Lessees under or in connection with the Lease Agreements relating to the Purchased Vehicles.

The right of pledge to be created pursuant to the Lease Receivables Pledge Agreement will be granted in favour of the Security Trustee for the benefit of the Secured Creditors to secure and provide for the payment of the Secured Obligations.

The pledge over the Lease Receivables provided in the Lease Receivables Pledge Agreement will not be notified to the Lessees except in the case of certain notification events. These notification events will, to a large extent, be similar to a Seller Event of Default as described in the Master Hire Purchase Agreement. Prior to notification of the pledge to the Lessees, the pledge will be an undisclosed right of pledge (*stil pandrecht*) within the meaning of section 3:239 of the Dutch Civil Code. Upon notification the Security Trustee becomes entitled to collect the claims which become due and payable by the Lessees under the Lease Agreements. Upon the occurrence of a default of the Issuer with respect to the Secured Obligations, provided notice of the right of pledge has been given to the respective Lessees, the Security Trustee is entitled to foreclose the right of pledge created pursuant to the Lease Receivables Pledge Agreement and to apply all monies received or recovered by the Security Trustee towards satisfaction of the Secured Obligations subject to and in accordance with the provisions of the Trust Deed.

The Lease Receivables Pledge Agreement will be governed by Dutch law.

*Accounts Pledge Agreement*

On the Signing Date, the Issuer, the Issuer Security Trustee and the Account Bank will enter into a pledge agreement (the "**Accounts Pledge Agreement**") pursuant to which the Issuer will create a disclosed first priority right of pledge (*openbaar pandrecht, eerste in rang*) over all of the Issuer's monetary claims and rights vis-à-vis the Account Bank in respect of the Account Agreement and in respect of the Issuer Accounts.

The right of pledge to be created pursuant to the Accounts Pledge Agreement will be granted in favour of the Security Trustee for the benefit of the Secured Creditors to secure and provide for the payment of the Secured Obligations.

Although on the basis of section 3:246 of the Dutch Civil Code the Security Trustee will be entitled to collect the claims and to exercise the rights pledged pursuant to the Accounts Pledge Agreement, the parties will agree that the Issuer will remain authorised to collect these claims, to exercise these rights and to give payment orders with respect to the Transaction Account, until further notice has been given by the Security Trustee. The authorisation to collect, to exercise and to give payment orders may be terminated by the Security Trustee, *inter alia*, upon the Issuer being in default with respect to one or more of the Secured Obligations or when it is likely in the opinion of the Security Trustee that the Issuer will be in default with respect to one or more of the Secured Obligations. Upon the occurrence of a default of the Issuer with respect to the Secured Obligations, provided notice of termination of the authorisation to collect has been given, the Security Trustee shall be entitled to collect all monies standing to the credit of the Transaction Account or to foreclose the right of pledge created pursuant to the Account Agreement in accordance with section 3:248 of the Dutch Civil Code. Any monies received or recovered by the Security Trustee under the Accounts Pledge Agreement will be applied towards satisfaction of the Secured Obligations and will be applied by the Security Trustee subject to and in accordance with the provisions of the Trust Deed.

The Accounts Pledge Agreement will be governed by Dutch law.

*Issuer Rights Pledge Agreement*

On the Signing Date, the Issuer, the Security Trustee, Athlon (in its capacity as Seller, Servicer, Call Option Buyer, Swap Counterparty, RV Guarantor, Subordinated Lender and borrower under the Issuer Facility Agreement), Rabobank International (in its capacity as Liquidity Facility Provider and Back-Up Swap Counterparty), the Commingling Reserve Guarantor and the Back-Up Servicer will enter into a pledge agreement (the "**Issuer Rights Pledge Agreement**") pursuant to which the Issuer will create a disclosed first priority right of pledge (*openbaar pandrecht, eerste in rang*) over any and all existing and future rights and claims that are made and will be owed to the Issuer (the "**Issuer Rights**") under (i) the Master Hire Purchase Agreement, (ii) the Servicing Agreement (iii) the Liquidity Facility Agreement, (iv) the Swap Agreement, (v) the Conditional Deed of Novation, (vii) the RV Guarantee Agreement, (vii) the Subordinated Loan Facility, (viii) the Commingling Reserve Guarantee and (ix) the Issuer Facility Agreement.

The rights of pledge to be created pursuant to the Issuer Rights Pledge Agreement shall be granted in favour of the Security Trustee for the benefit of the Secured Creditors and secure and provide for the payment of the Secured Obligations.

Since the rights of pledge created pursuant to the Issuer Rights Pledge Agreement has been notified to the relevant obligors (i.e. the Seller, the Servicer, the Liquidity Facility Provider, the Back-Up Servicer, the Call Option Buyer, the RV Guarantor, the Subordinated Lender, the borrower under the Issuer Facility Agreement, the Commingling Reserve Guarantor, the Swap Counterparty and the Back-Up Swap Counterparty) the Security Trustee will be entitled to collect the claims pledged thereunder in accordance with section 3:246 of the Dutch Civil Code. However, under the Issuer Rights Pledge Agreement the Issuer and the Security Trustee will agree that the Issuer will nevertheless remain authorised to collect the pledged claims and exercise the rights subject to the pledge, until further notice has been given by the Security Trustee. The authorisation to collect and exercise may be terminated by the Security Trustee, *inter alia*, upon the Issuer being in default with respect to one or more of the Secured Obligations or when it is likely in the opinion of the Security Trustee that the Issuer will be in default with respect to one or more of the Secured Obligations. Upon the occurrence of a default of the Issuer with respect to the Secured Obligations, provided notice of termination of the authorisation to collect and exercise has been given, the Security Trustee shall be entitled to foreclose the relevant rights of pledge and to apply any monies received or recovered by the Security Trustee under the Issuer Rights Pledge Agreement towards satisfaction of the Issuer Secured Obligations. The Security Trustee will apply the amounts received by it in accordance with the provisions of the Trust Deed.

The Issuer Rights Pledge Agreement will be governed by Dutch law.

The security provided pursuant to the provisions of the Seller Vehicles Pledge Agreement, the Issuer Vehicles Pledge Agreement, the Lease Receivables Pledge Agreement, the Accounts Pledge Agreement and the Issuer Rights Pledge Agreement (collectively, the "**Pledge Agreements**" and the Pledge Agreements together with the Trust Deed, the "**Security Documents**") , shall indirectly, through the Security Trustee, serve as security for the benefit of the Secured Creditors, including, without limitation, each of the holders of the Class A Notes (the "**Class A Noteholders**") and the holders of the Class B Notes (the "**Class B Noteholders**"), but amounts owing to the Class B Noteholders will rank junior to the Class A Noteholders (see the section entitled "*Credit Structure*" above and "*Terms and Conditions of the Notes*" below).

## SECURITY TRUSTEE

Stichting Security Trustee HIGHWAY 2012-I (the "**Security Trustee**") is a foundation (*stichting)* established under Dutch law on 3 October 2011. It has its official seat (*statutaire zetel*) in Amsterdam, the Netherlands and its registered office at Claude Debussylaan 24, 1082 MD, Amsterdam, the Netherlands. The Security Trustee is registered with the Trade Register under number 53680782.

The objects of the Security Trustee are (a) to act as agent and/or trustee of the Noteholders and certain other creditors of the Issuer; (b) to acquire security rights as agent and/or trustee and/or for itself; (c) to hold, administer and enforce the security rights mentioned under (b) for the benefit of the Noteholders and certain other creditors of the Issuer and to perform acts and legal acts (including the acceptance of a parallel debt obligation from, *inter alia*, the Issuer) which are or may be related, incidental or conducive to the holding of the above security rights and (d) to perform any and all acts which are related, incidental or which may be conducive to the above.

The sole managing director of the Security Trustee is ANT Securitisation Services B.V., a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) incorporated and existing under Dutch law and having its official seat (*statutaire zetel*) in Amsterdam, the Netherlands. The managing directors of ANT Securitisation Services B.V. are Mr. A.G.M. Nagelmaker and Mr. H.M. van Dijk.

## TERMS AND CONDITIONS OF THE NOTES

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

The issue of the EUR 450,000,000 class A floating rate notes due 2024 (the "**Class A Notes**") and the EUR 242,400,000 class B floating rate notes due 2024 (the "**Class B Notes**" and together with the Class A Notes, the "**Notes**") was authorised by a resolution of the managing director of HIGHWAY 2012-I B.V. (the "**Issuer**") passed on 8 May 2012. The Notes have been issued under a trust deed (the "**Trust Deed**") dated 10 May 2012 (the "**Signing Date**") between the Issuer, the Shareholder and Stichting Security Trustee HIGHWAY 2012-I (the "**Security Trustee**"). Any reference in these terms and conditions of the Notes (the "**Conditions**") to a class of Notes or of Noteholders shall be a reference to the Class A Notes or the Class B Notes, as the case may be, or to the respective holders thereof.

Under a paying agency agreement (the "**Paying Agency Agreement**") dated the Signing Date by and between the Issuer, the Security Trustee, Deutsche Bank AG, London Branch as principal paying agent (the "**Principal Paying Agent**"), Deutsche Bank AG, Amsterdam Branch as paying agent (the "**Paying Agent**" and, together with the Principal Paying Agent, the "**Paying Agents**") and Deutsche Bank AG, London Branch as reference agent (the "**Reference Agent**" and, together with the Principal Paying Agent and the Paying Agent, the "**Agents**") provision is made for, among other things, the payment of principal and interest in respect of the Notes.

The statements in these Conditions include summaries of, and are subject to, the detailed provisions of (i) the Paying Agency Agreement, (ii) the Trust Deed, which will include the form of the Notes and the interest coupons appertaining to the Notes (the "**Coupons**"), the forms of the Temporary Global Notes and the Permanent Global Notes, (iii) a master hire purchase agreement (the "**Master Hire Purchase Agreement**") dated the Signing Date between Athlon Car Lease Nederland B.V. ("**Athlon**") as seller (the "**Seller**"), the Issuer and the Security Trustee, (iv) a servicing agreement (the "**Servicing Agreement**") dated the Signing Date between the Issuer, Athlon as servicer (the "**Servicer**") and the Security Trustee, (v) an issuer administration agreement (the "**Issuer Administration Agreement**") dated the Signing Date between the Issuer, ATC Financial Services B.V., as Issuer administrator (the "**Issuer Administrator**") and the Security Trustee, (vi) a liquidity facility agreement (the "**Liquidity Facility Agreement**") dated the Signing Date between the Issuer, the Liquidity Facility Provider and the Security Trustee, (vii) a residual value guarantee agreement (the "**RV Guarantee Agreement**") dated the Signing Date between Athlon as residual value guarantor (the "**RV Guarantor**"), the Issuer and the Security Trustee, (viii) a seller vehicles pledge agreement (the "**Seller Vehicles Pledge Agreement**") dated the Signing Date between the Seller, the Issuer and the Security Trustee, (ix) an issuer vehicles pledge agreement (the "**Issuer Vehicles Pledge Agreement**") between the Issuer and the Security Trustee, (x) a lease receivables pledge agreement (the "**Lease Receivables Pledge Agreement**") dated the Signing Date between the Issuer and the Security Trustee, (xi) an issuer rights pledge agreement (the "**Issuer Rights Pledge Agreement**") dated the Signing Date between, *inter alios*, Athlon, the Issuer and the Security Trustee and (xii) an accounts pledge agreement (the "**Accounts Pledge**

**Agreement**") dated the Signing Date between, *inter alios*, the Issuer and the Security Trustee (jointly with the pledge agreements referred to under (viii), (ix), (x), (xi) and (xii), the "**Pledge Agreements**" and the Pledge Agreements together with the Trust Deed, the "**Security Documents**" and together with certain other agreements, including all aforementioned agreements and the Notes, the "**Transaction Documents**").

A reference to a Transaction Document shall be construed as a reference to such Transaction Document as the same may have been, or may from time to time be, replaced, amended or supplemented and a reference to any party to a Transaction Document shall include references to its permitted successors, assigns and any person deriving title under or through it subject to and in accordance with the relevant Transaction Document. As used herein, "**Class**" means the Class A Notes or the Class B Notes, as the case may be.

Certain words and expressions used below are defined in a master definitions and common terms agreement (the "**Master Definitions and Common Terms Agreement**") dated the Signing Date and signed by the Issuer, the Security Trustee, the Seller and certain other parties. Such words and expressions shall, except where the context requires otherwise, have the same meanings in these Conditions.

Copies of the Master Hire Purchase Agreement, the Trust Deed, the Agency Agreement, the Servicing Agreement, the Pledge Agreements, the Master Definitions and Common Terms Agreement and certain other agreements are available for inspection free of charge by holders of the Notes at the specified office of the Paying Agent and the current office of the Security Trustee, being at the date hereof: Claude Debussylaan 24, 1082 MD, Amsterdam, the Netherlands. The Noteholders are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Transaction Documents.

## 1. Form, Denomination and Title

1.1 *Global Notes*

Each Class of the Notes is initially represented by a temporary global note (each, a "**Temporary Global Note**") in bearer form in the aggregate principal amount on issue of EUR 450,000,000 for the Class A Notes and EUR 242,400,000 for the Class B Notes. Each Temporary Global Note has been deposited on behalf of the subscribers of the relevant Class of Notes with a common safekeeper (the "**Common Safekeeper**") for Clearstream Banking, société anonyme ("**Clearstream, Luxembourg**") and Euroclear Bank S.A/N.V. ("**Euroclear**") and together with Clearstream, Luxembourg, the "**Clearing Systems**") on the Closing Date. Upon deposit of the Temporary Global Notes, the Clearing Systems credited each subscriber of Notes with the principal amount of Notes of the relevant Class equal to the aggregate principal amount thereof for which it had subscribed and paid. Interests in each Temporary Global Note are exchangeable on and after the date which is 40 calendar days after the Closing Date, upon certification of non-U.S. beneficial ownership by the relevant Noteholder, for interests recorded in the records of the Clearing Systems in a permanent global note (each, a "**Permanent Global Note**") representing the same Class of Notes (the expressions Global Notes and Global Note meaning, respectively, (i) all the Temporary Global Notes and the Permanent Global

Notes or the Temporary Global Note and the Permanent Global Note of a particular Class, or (ii) any of the Temporary Global Notes or Permanent Global Notes, as the context may require). The Permanent Global Notes have also been deposited with the Common Safekeeper for the Clearing Systems. Title to the Global Notes will pass by delivery.

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

1.2 *Definitive Notes*

If, while any of the Notes are represented by a Permanent Global Note (i) the Notes become immediately due and payable by reason of accelerated maturity following an Issuer Event of Default, or (ii) either of the Clearing Systems is closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so and no other clearing system acceptable to the Security Trustee is then in existence or (iii) as a result of any amendment to, or change in, the laws or regulations of the Netherlands (or of any political sub-division thereof) or of any authority therein or thereof having power to tax or in the interpretation or administration of such laws or regulations which becomes effective on or after the Closing Date, the Issuer or the Paying Agent is or will on the next Payment Date (as defined below) be required to make any deduction or withholding from any payment in respect of such Notes which would not be required were such Notes in definitive form, then the Issuer will issue Notes of the relevant Class in definitive form ("**Definitive Notes**") in exchange for such Permanent Global Note (free of charge to the persons entitled to them) within 30 days of the occurrence of the relevant event. These Conditions and the Transaction Documents will be amended in such manner as the Security Trustee require to take account of the issue of Definitive Notes.

1.3 *Title*

Under Dutch law, the valid transfer of Notes requires, *inter alia*, delivery *(levering)* thereof.

1.4 *Denomination Definitive Notes*

The Notes will be issued in denominations of EUR 100,000 each and will be in bearer form. Such Notes will be serially numbered and will be issued in bearer form with, if issued as Definitive Notes (at the date of issue) interest coupons, principal coupons and, if necessary, talons attached.

1.5 *Definitions for the purpose of these Conditions*

The term "**Noteholders**" means each person (other than the Clearing Systems themselves) who is for the time being shown in the records of the Clearing Systems as the holder of a particular Principal Amount Outstanding (as defined in Condition 6.1 (*Definitions*) of the Notes of any Class (in which regard any certificate or other document issued by Clearstream, Luxembourg or Euroclear as to the Principal Amount Outstanding of the Notes standing to the account of any person shall be conclusive and binding for all

purposes) and such person shall be treated by the Issuer, the Security Trustee and all other persons as the holder of such Principal Amount Outstanding of such Notes for all purposes (including for the purposes of any quorum or voting requirements, or the rights to demand a poll at meetings of Noteholders), other than for the purpose of payments in respect thereof, the right to which shall be vested, as against the Issuer, the Security Trustee and all other persons, solely in the bearer of the relevant Global Note in accordance with and subject to the terms of the Global Note and the Trust Deed and for which purpose Noteholders means the bearer of the relevant Global Note; and related expressions shall be construed accordingly.

"**Class A Noteholder**" means a Noteholder in respect of the Class A Notes; and

"**Class B Noteholder**" means a Noteholder in respect of the Class B Notes.

**2. Status, relationship between the Notes and Security**

2.1 *Status*

The Notes of each Class are direct and unconditional obligations of the Issuer and rank *pari passu* and rateably without any preference or priority among Notes of the same Class.

In accordance with the provisions of Conditions 4, 6 and 9 and the Trust Deed (i) payments of principal and interest on the Class B Notes are subordinated to, *inter alia*, payments of principal and interest on the Class A Notes. Prior to enforcement of the Security, payments of principal on the Class A Notes will be made after payment of interest on the Class B Notes, but in priority to payments of principal on the Class B Notes. In the event of the Security being enforced, payments of principal and interest on the Class A Notes will be made in priority to payments of interest and principal on the Class B Notes.

2.2 *Security*

The Secured Creditors, including, *inter alia*, the Noteholders, benefit from the security for the obligations of the Issuer towards the Security Trustee (the "**Security**"), which will be created pursuant to, and on the terms set out in, the Trust Deed and the Pledge Agreements. The Class A Notes will rank in priority senior to the Class B Notes (save as set out in Condition 2.1).

The Trust Deed contains provisions requiring the Security Trustee to have regard to the interests of the Class A Noteholders and the Class B Noteholders equally as regards all rights, powers, trusts, authorities, duties and discretions of the Security Trustee (except where expressly provided otherwise), but requiring the Security Trustee in any such case to have regard only to the interests of the Class A Noteholders if, in the Security Trustee's opinion, there is a conflict between the interests of the Class A Noteholders and the Class B Noteholders.

The Trust Deed contains provisions limiting the powers of the Class B Noteholders to request or direct the Security Trustee to take any action or to pass an effective Extraordinary Resolution according to the effect thereof on the interests of the Class A Noteholders except in certain circumstances. The Trust Deed contains no such limitation on the powers of the Class A Noteholders the exercise of which will be binding on the Class B Noteholders irrespective of the effect thereof on their interests. In addition, the Security Trustee shall have regard to the interests of the other Secured Creditors, provided that, in the case of a conflict of interest between the other Secured Creditors, the relevant priority of payments set forth in the Trust Deed (each a "**Priority of Payments**") determines which interest of which other Secured Creditor prevails.

**3. Covenants of the Issuer**

As long as any of the Notes remains outstanding, the Issuer shall carry out its business in accordance with proper and prudent Dutch business practice and in accordance with the requirements of Dutch law and accounting practice and shall not, except to the extent permitted by the Transaction Documents or with the prior written consent of the Security Trustee:

(a) carry out any business other than as described in the Prospectus issued in relation to the Notes dated 10 May 2012 and as contemplated in the Transaction Documents;

(b) incur or permit to subsist any indebtedness in respect of borrowed money whatsoever or give any guarantee or indemnity in respect of any indebtedness, except as contemplated in the Transaction Documents;

(c) create, promise to create or permit to subsist any mortgage, charge, pledge, lien or other security interest whatsoever over any of its assets, or use, invest, sell, transfer or otherwise dispose of any part of its assets, except as contemplated in the Transaction Documents;

(d) consolidate or merge with any other person or convey or transfer its assets substantially or as an entirety to one or more persons;

(e) permit the validity or effectiveness of the Security Documents, and the priority of the security created thereby or pursuant thereto to be amended, terminated, postponed or discharged, or permit any person whose obligations form part of such security rights to be released from such obligations except as contemplated in the Transaction Documents;

(f) have any employees or premises or have any subsidiary or subsidiary undertaking;

(g) have an interest in any bank account other than the Issuer Accounts, any Swap Collateral Account and the Liquidity Facility Account, unless all rights in relation to such accounts will have been pledged to the Security Trustee as provided in Condition 2;

(h) amend, supplement or otherwise modify its articles of association or other constitutive documents;

(i) pay any dividend or make any other distribution to its shareholder(s) (other than out of the amount carved out from the Available Distribution Amounts as the amount representing taxable income for corporate income tax purposes in the Netherlands) or issue any further shares; or

(j) engage in any activity whatsoever which is not incidental to or necessary in connection with, any of the activities which the Transaction Documents provide or envisage that the Issuer will engage in.

**4. Interest**

4.1 *Period of accrual*

The Notes shall bear interest on their Principal Amount Outstanding (as defined in Condition 6 (*Redemption*) from and including the date the Notes are issued (the "**Closing Date**").

Each Note (or, in the case of the redemption of only part of a Note, that part only of such Note) shall cease to bear interest from its due date for redemption unless, upon due presentation, payment of the relevant amount of principal or any part thereof is improperly withheld or refused. In such event, interest will continue to accrue thereon (before and after any judgment) at the rate applicable to such Note up to but excluding the date on which, on presentation of such Note, payment in full of the relevant amount of principal is made or (if earlier) the seventh day after notice is duly given by the Paying Agent to the holder thereof (in accordance with Condition 14 (*Notice to Noteholders*) that upon presentation thereof, such payments will be made, provided that upon such presentation payment is in fact made. Whenever it is necessary to compute an amount of interest in respect of any Note for any period, such interest shall be calculated on the basis of the actual number of days elapsed in the Interest Period divided by 360 days.

4.2 *Interest Periods and Payment Dates*

Interest on the Notes shall be payable by reference to successive interest periods (each a "**Interest Period**") and will be payable in arrear in euro in respect of the Principal Amount Outstanding (as defined in Condition 6 (*Redemption*) of the Notes, respectively, on the 26th day of each calendar month in each year, or if such day is not a Business Day (as defined below), the next succeeding Business Day, unless such Business Day falls in the next succeeding calendar month in which event the Business Day immediately preceding such 26$^{th}$ day is the relevant Business Day (each such day being a "**Payment Date**").

A "**Business Day**" means a day on which banks are open for business in Amsterdam, the Netherlands and London, United Kingdom, provided that such day is also a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer 2 System (the "**TARGET 2 System**") or any successor thereto is operating credit or transfer instructions in respect of payments in euro. Each successive Interest Period will commence on (and include) a Payment Date and end on (but exclude) the next succeeding Payment Date, except for the first Interest Period which will commence on

(and include) the Closing Date and end on (but exclude) the Payment Date falling in June 2012.

4.3 *Rate of interest on the Notes*

Interest on the Notes for the first Interest Period will accrue from (and include) the Closing Date at an annual rate equal to the linear interpolation EURIBOR for one-month deposits in euro and the EURIBOR for two-months deposits in euro plus a margin for the Class A Notes which will be 1.10% per annum.

The interest rate applicable for each successive Interest Period to the Class A Notes shall be one-month EURIBOR plus 1.10% per annum (the "**Class A Notes Interest Rate**"). The interest rate applicable for each Interest Period to the Class B Notes shall be one-month EURIBOR (the "**Class B Notes Interest Rate**" and together with the Class A Notes Interest Rate, the "**Notes Interest Rates**").

4.4 *EURIBOR*

For the purpose of these conditions EURIBOR will be determined by the Reference Agent on the following basis:

(a) at or about 11.00 a.m. (CET) on the second TARGET 2 Settlement Day prior to the commencement of each Interest Period (each such day, an "**Interest Determination Date**"), the Reference Agent will determine the offered quotation to leading banks in the Eurozone interbank market ("**EURIBOR**") for one month euro deposits (rounded to three decimal places with the mid-point rounded up) by reference rate determined and published by the European Banking Federation and ACI - The Financial Market Association and which appears for information purposes on the Telerate Page 248 (the "**EURIBOR Screen Rate**"). If the agreed page is replaced or service ceases to be available, the Reference Agent may specify another page or service displaying the appropriate rate after consultation with the Security Trustee and the Paying Agent; or

(b) If, on the relevant Interest Determination Date, such EURIBOR rate is not determined and published jointly by the European Banking Association and ACI - The Financial Market Association, or if it is not otherwise reasonably practicable to calculate the rate under (i) above, the Reference Agent will:

(i) request the principal Euro-zone office of each of four major banks in the Euro-zone interbank market (the "**Reference Banks**") to provide a quotation for the rate at which one month euro deposits are offered by it in the Euro-zone interbank mark at approximately 11.00 am (Central European time) on the relevant Notes Interest Determination Date to prime the Euro-zone interbank market in an amount that is representative for a single transaction at that time; and

(ii) determine the arithmetic mean (rounded, if necessary, to the fifth decimal place with 0.000005 being rounded upward) of such quotation as is provided; and

(c) if fewer than two (2) such quotations are provided as requested, the Reference Agent will determine the arithmetic mean (rounded, if necessary, to the fifth decimal place with 0.000005 being rounded upwards) of the rates quoted by major banks, of which there shall be at least two in number, in the Euro-zone, selected by the Reference Agent, at approximately 11.00 am (Central European time) on the relevant Notes Interest Determination Date for one-month deposits to leading Euro-zone banks in an amount that is representative for a single transaction at that time, and EURIBOR for such Interest Period shall be the rate per annum equal to (a) the Euro interbank offered rate for euro deposits as determined in accordance with this paragraph (c), provided that if the Reference Agent is unable to determine EURIBOR in accordance with the above provision in relation to any Notes Interest Period, EURIBOR applicable to the relevant Class of Notes during such Interest Period will be EURIBOR last determined in relation thereto.

4.5 *Determination Notes Interest Rates and Interest Amounts*

The amount of interest payable in respect of each Class of Notes on any Payment Date shall be calculated not later than on the first day of the Interest Period by applying the relevant Notes Interest Rate for the relevant Interest Period to the Principal Amount Outstanding of the relevant Class of Notes immediately prior to the relevant Payment Date and multiplying the result by the actual number of days in the relevant Interest Period divided by 360 and rounding the result to the nearest full cent, all as determined by the Reference Agent ("**Euro Day Count Faction**")

The Reference Agent will, as soon as practicable after the Interest Determination Date in relation to each Interest Period, calculate the amount of interest (the "**Interest Amount**") payable in respect of each Class of Notes for such Interest Period:

The Interest Amount in respect of the Class A Notes (the "**Class A Notes Interest Amount**") will be calculated by applying the Class A Notes Interest Rate for such Interest Period to the Principal Amount Outstanding of such Class A Notes multiplying the product by the Euro Day Count Fraction and rounding the resulting figure to the nearest €0.01 (half of €0.01 being rounded upwards).

The Interest Amount in respect of the Class B Notes (the "**Class B Notes Interest Amount**") will be calculated by applying the Class B Notes Interest Rate for such Interest Period to the Principal Amount Outstanding of such Class B Notes multiplying the product by the actual number of days in such Interest Period divided by 360 and rounding the resulting figure to the nearest €0.01 (half of €0.01 being rounded upwards).

4.6 *Publication of the Notes Interest Rates and Interest Amounts*

The Reference Agent will cause the relevant Notes Interest Rates, the Interest Amounts applicable to each relevant Class of Notes for the relevant Interest Period and the immediately succeeding Payment Date to be notified to the Issuer, the Security Trustee, the Paying Agent, the Issuer Administrator and to the holders of such Class of Notes. As long as the Notes are admitted to listing, trading and/or quotation on Euronext Amsterdam by NYSE Euronext ("**Euronext Amsterdam**") or by any other competent

authority, stock exchange and/or quotation system, notice shall also be published in such other place as may be required by the rules and regulations of such competent authority, stock exchange and/or quotation system, as soon as possible after the determination. The Interest Amounts and Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period.

4.7 *Determination or calculation by Security Trustee*

If the Reference Agent at any time for any reason does not determine the relevant Notes Interest Rates or fails to calculate the relevant Interest Amounts in accordance with paragraph 4.5 above, the Security Trustee shall determine the relevant Notes Interest Rates at such rate as, in its absolute discretion (having such regard as it shall think fit to the procedure described in paragraph 4.5 above), it shall deem fair and reasonable under the circumstances, or, as the case may be, the Security Trustee shall calculate the Interest Amounts in accordance with paragraph 4.5 above, and each such determination or calculation shall be final and binding on all parties.

4.8 *Notifications to be final*

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 4, whether by the Reference Agent, the Reference Banks (or any of them) or the Security Trustee, will (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Security Trustee, the Reference Agent, the Paying Agent and all Noteholders and (in the absence of wilful default, bad faith or manifest error) no liability to the Issuer or the Noteholders shall attach to the Reference Banks (or any of them), the Reference Agent or, if applicable, the Security Trustee in connection with the exercise or non-exercise by any of them of their powers, duties and discretions under this Condition 4.

4.9 *Reference Agent*

The Issuer will procure that, as long as any of the Notes remains outstanding, there will at all times be a Reference Agent. The Issuer has, subject to obtaining the prior written consent of the Security Trustee, the right to terminate the appointment of the Reference Agent by giving at least sixty (60) days' notice in writing to that effect. Notice of any such termination will be given to the holders of the relevant Class of Notes in accordance with Condition 14 (*Notice to Noteholders*). If any person shall be unable or unwilling to continue to act as the Reference Agent or if the appointment of the Reference Agent shall be terminated, the Issuer will, with the prior written consent of the Security Trustee, appoint a successor Reference Agent to act in its place, provided that neither the resignation nor removal of the Reference Agent shall take effect until a successor approved in writing by the Security Trustee has been appointed.

## 5. Payment

5.1 *Payments in respect of the Notes*

Payments in respect of principal and interest in respect of any Global Note will be made only against presentation of such Global Note to or to the order of the Paying Agent or such other Paying Agent as shall have been notified to the Noteholders in accordance with Condition 14 (*Notice to Noteholders*) for such purpose, subject, in the case of any Temporary Global Note, to certification of non-US beneficial ownership as provided in such Temporary Global Note. Each payment of principal, premium or interest made in respect of a Global Note will be recorded by the Clearing Systems in their records (which records are the records each relevant Clearing System holds for its customers which reflect such customers' interest in the Notes) and such records shall be prima facie evidence that the payment in question has been made. No person appearing from time to time in the records of either of the Clearing Systems as the holder of a Note shall have any claim directly against the Issuer in respect of payments due on such Note whilst such Note is represented by a Global Note and the Issuer shall be discharged by payment of the relevant amount to the bearer of the relevant Global Note. The Issuer shall procure that each payment shall be entered *pro rata* in the records of the relevant Clearing Systems but any failure to make such entries shall not affect the discharge referred to above.

5.2 *Method of Payment*

Upon presentation of the Definitive Note and against surrender of the relevant Coupon appertaining thereto, at any specified office of the Paying Agent payment of principal and interest will be made in cash or by transfer to a euro account maintained by the payee with a bank in the Netherlands, as the holder may specify.

5.3 *Payments subject to applicable laws*

All such payments are subject to any fiscal or other laws and regulations applicable in the place of payment.

5.4 *Payment only on a Presentation Date*

A holder shall be entitled to present a Global Note or Definitive Note for payment only on a Presentation Date and shall not, except as provided in Condition 4 (*Interest*), be entitled to any further interest or other payment if a Presentation Date is after the due date.

"**Presentation Date**" means a day which (subject to Condition 8 (*Prescription*)):

(a) is or falls after the relevant due date;

(b) is a Business Day in the place of the specified office of the Paying Agent at which the Global Note or Definitive Note is presented for payment; and

(c) is a TARGET 2 Settlement Day.

5.5 *Local Business Day*

If the relevant Payment Date is not a day on which banks are open for business in the place of presentation of the relevant Note or Coupon ("**Local Business Day**"), the holder thereof shall not be entitled to payment until the next following Local Business Day, or to any interest or other payment in respect of such delay, provided that in the case of payment by transfer to an euro account as referred to above, the Paying Agent shall not be obliged to credit such account until the Local Business Day immediately following the day on which banks are open for business in the Netherlands.

5.6 *Paying Agent*

The name of the Paying Agent and its initial specified office are set out at the end of these Conditions. The Issuer reserves the right, subject to the prior written approval of the Security Trustee, at any time to vary or terminate the appointment of the Paying Agent and to appoint an additional or other Paying Agent provided that:

(a) there will at all times be a person appointed to perform the obligations of the Paying Agent;

(b) there will at all times be at least one Paying Agent (which may be the Paying Agent) having its specified office in such place as may be required by the rules and regulations of relevant stock exchange and competent authority; and

(c) the Issuer undertakes that it will ensure that it maintains a Paying Agent in a Member State of the European Union that will not be obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, such Directive.

Notice of any termination or appointment and of any changes in specified offices will be given to the Noteholders promptly by the Issuer in accordance with Condition 14 (*Notice to Noteholders*).

**6. Redemption**

6.1 *Definitions*

For the purposes of these Conditions the following terms shall have the following meanings:

"**Calculation Date**" means, in relation to a Payment Date, the third Business Day prior to such Payment Date.

"**Collection Period**" means the period commencing on (and including) the first day of a calendar month and ending on (but excluding) the first day of the next calendar month, excluding the first collection period which commences on (and includes) the first day of May 2012 and ends on (but excludes) the first day of June 2012.

"**Principal Amount Outstanding**" on any Calculation Date of any Note shall be the principal amount of that Note upon issue *less* the aggregate amount of all principal payments in respect of such Note which has become due and payable by the Issuer and which has been paid to the relevant Noteholder since the Closing Date, except if and to the extent that any such payment has been improperly withheld or refused.

"**Principal Redemption Amount**" means on any Payment Date after termination or expiry of the Revolving Period an amount equal to the Available Distribution Amounts remaining after the payment of items (a) up to and including (i) of the Normal Amortisation Priority of Payments.

6.2 *Final Redemption*

Unless previously redeemed as provided below, the Issuer will redeem any remaining Notes at their Principal Amount Outstanding on the Payment Date falling in March 2024 (the "**Final Maturity Date**").

6.3 *Mandatory redemption in part*

On each Payment Date following the termination of the Revolving Period and prior to the service of a Notes Acceleration Notice by the Security Trustee, the Issuer shall subject to and in accordance with the Normal Amortisation Priority of Payments apply the Available Distribution Amounts, towards redemption, at their respective Principal Amount Outstanding, of (i) *firstly*, Class A Notes until fully redeemed and (ii) *secondly*, the Class B Notes until fully redeemed.

On and after the service of a Notes Acceleration Notice by the Security Trustee, the Issuer shall redeem the Notes in accordance with the Accelerated Amortisation Priority of Payments.

For the avoidance of doubt the Notes will be redeemed, subject to and in accordance with the relevant Priority of Payments, on each Payment Date, provided that no amount shall be applied to redeem the Notes during the Revolving Period.

6.4 *Optional redemption in whole for taxation*

If by reason of a change in tax law (or the application or official interpretation thereof), which change becomes effective on or after the Closing Date, on the next Payment Date, the Issuer or the Paying Agent would be required to deduct or withhold from any payment of principal or interest on any Class of the Notes any amount for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by the Netherlands or any authority thereof or therein having power to tax then the Issuer shall, if the same would avoid the effect of the relevant event described above, appoint a Paying Agent in another jurisdiction or use its reasonable endeavours to arrange the substitution of a company incorporated and/or tax resident in another jurisdiction, in each case approved in writing by the Security Trustee as principal debtor under the Notes.

If the Issuer satisfies the Security Trustee immediately before giving the notice referred to below that one or more of the events described above is continuing and that the appointment of a Paying Agent or a substitution as referred to above would not avoid the effect of the relevant event or that, having used its reasonable endeavours, the Issuer is unable to arrange such a substitution, then the Issuer may, on any Payment Date and having given not more than 60 nor less than 30 days' notice (or, in the case of an event described above, such shorter period expiring on or before the latest date permitted by relevant law) to the Noteholders in accordance with Condition 14 (*Notice to Noteholders*) and to the Security Trustee, redeem all, but not some only, of the Notes at their respective Principal Amount Outstanding together with accrued but unpaid interest up to but excluding the date of redemption (which shall be a Payment Date), provided that it has the necessary funds to pay all principal and interest due in respect of the Notes on the relevant Payment Date and to discharge all other amounts ranking higher and required to be paid by it on the relevant Payment Date.

Prior to the publication of any notice of redemption pursuant to this Condition 6.4, the Issuer shall deliver to the Security Trustee a certificate signed by the Issuer stating that (i) the relevant event described above is continuing and that the appointment of a Paying Agent or a substitution as referred to above would not avoid the effect of the relevant event or that, having used its reasonable endeavours, the Issuer is unable to arrange such a substitution; and (ii) the Issuer will have the necessary funds to pay all principal and interest due in respect of the Notes on the relevant Payment Date and to discharge all other amounts ranking higher and required to be paid by it on the relevant Payment Date, and the Security Trustee shall be entitled to accept the certificate as sufficient evidence of the satisfaction of the conditions precedent set out above and such certification shall vis-à-vis the Noteholders be *prima facie* evidence.

6.5 *Redemption following Seller Clean-Up Call*

The Seller has the option to terminate all Hire Purchase Contracts and repay all Issuer Advances on any Payment Date on which the Aggregate Portfolio Balance is less than 10% of the Aggregate Portfolio Balance as of the Initial Purchase Cut-Off Date (the "**Seller Clean-Up Call**"), provided that the Issuer has the necessary funds to pay all principal and interest due in respect of the Notes on the relevant Payment Date and to discharge all other amounts ranking higher and required to be paid by it on the relevant Payment Date. On the Payment Date following the exercise by the Seller of its Seller Clean-Up Call, the Issuer shall redeem, all (but not only part of) the Notes at their Principal Amount Outstanding plus accrued but unpaid interest thereon, after payment of the amounts to be paid in priority to redemption of the Notes.

6.6 *Determination of Principal Redemption Amount and Principal Amount Outstanding*:

On each Calculation Date, the Issuer shall determine (or cause the Issuer Administrator to determine) (a) the Principal Redemption Amount, (b) the Available Distribution Amounts and (c) the Principal Amount Outstanding of the relevant Note on the first day following the relevant Payment Date. Each determination by or on behalf of the Issuer of any Principal Redemption Amount, Available Distribution Amounts or the Principal

Amount Outstanding of a Note shall in each case (in the absence of manifest error) be final and binding on all persons.

6.7 *Notice of redemption*

The Issuer will cause each determination of any amount applied towards redemption of the Notes, including the Principal Redemption Amount and Principal Amount Outstanding of Notes to be notified forthwith to the Security Trustee, the Paying Agent, the Reference Agent, Euroclear, Clearstream, Luxembourg, Euronext Amsterdam and to the Noteholders. As long as the Notes are admitted to listing, trading and/or quotation on Euronext Amsterdam or by any other competent authority, stock exchange and/or quotation system, notice shall also be published in such other place as may be required by the rules and regulations of such competent authority, stock exchange and/or quotation system, as soon as possible after the determination. If no Principal Redemption Amount is due to be made on the Notes on any applicable Payment Date a notice to this effect will be given to the Noteholders in accordance with Condition 14 (*Notice to the Noteholders*).

Any such notice shall be irrevocable and, upon the expiry of such notice, the Issuer shall be bound to redeem the relevant Notes at the applicable amounts specified above

6.8 *Cancellation*

All Notes redeemed in full will be cancelled upon redemption and may not be resold or re-issued.

**7. Taxation**

All payments of, or in respect of, principal and interest on the Notes will be made without withholding of, or deduction for, or on account of any present or future taxes, duties, assessments or charges of whatsoever nature ("**Taxes**") imposed or levied by or on behalf of the Netherlands, any authority therein or thereof having power to tax unless the withholding or deduction of such Taxes is required by law. In that event, the Issuer will make the required withholding or deduction of such Taxes for the account of the Noteholders, as the case may be, and shall not be obliged to pay any additional amounts to such Noteholders.

**8. Prescription**

Claims against the Issuer for payment in respect of the Notes and Coupons shall become prescribed unless made within five (5) years from the Relevant Date in respect of the relevant payments.

In this Condition 8 (*Prescription*), the "**Relevant Date**", in respect of a payment, is the date on which such payment first becomes due or (if the full amount of the moneys payable on that date has not been duly received by the Paying Agent or the Security Trustee on or prior to such date) the date on which, the full amount of such moneys

having been received, notice to that effect is duly given to the relevant Noteholders in accordance with Condition 14 (*Notice to Noteholders*).

**9. Issuer Events of Default**

9.1 The Security Trustee at its discretion may or, if so directed by an Extraordinary Resolution of the holders of the Class A Notes while they remain outstanding and thereafter if so directed by an Extraordinary Resolution of the holders of the Class B Notes while they remain outstanding (the "**Most Senior Class Outstanding**") (subject, in each case, to being indemnified and/or secured and/or pre-funded to its satisfaction against all liabilities to which it may become liable or which it may incur by so doing and subject as further provided in the Trust Deed) shall give notice (a "**Notes Acceleration Notice**") to the Issuer that each Class of the Notes is immediately due and repayable at their respective Principal Amount Outstanding, together with accrued interest as provided in the Trust Deed, in any of the following events (each, an "**Issuer Event of Default**"):

(a) an Insolvency Event occurs with respect to the Issuer;

(b) the Issuer defaults in the payment of any interest on the Class A Notes or the Class B Notes when the same, subject to Condition 15 (*Subordination of Interest by deferral*) becomes due and payable, and such default continues for a period of ten (10) Business Days; or

(c) the Issuer defaults in the payment of principal on any Note of the Most Senior Class Outstanding when the same becomes due and payable, and such default continues for a period of ten (10) Business Days; or

(d) the Issuer fails to perform or observe any of its other obligations under the Conditions or any Transaction Document to which it is a party and (except in any case where the Security Trustee considers the failure to be incapable of remedy, when no continuation or notice as is hereinafter mentioned will be required) the failure continues for a period of thirty (30) days (or such longer period as the Security Trustee may permit) following the service by the Security Trustee on the Issuer of notice requiring the same to be remedied.

9.2 *General*

Upon the service of a Notes Acceleration Notice by the Security Trustee in accordance with Condition 9.1, each Class of Notes then outstanding shall thereby immediately become due and repayable at their respective Principal Amount Outstanding, together with accrued interest as provided in the Trust Deed and the security constituted by the Security Documents will become immediately enforceable.

9.3 *Restriction*

Except in the case of an Issuer Event of Default referred to in Condition 9.1(b) the Security Trustee will not be entitled to direct the Issuer to dispose of any of the assets comprised in the Security unless a financial adviser selected by the Security Trustee (and if the Security Trustee is unable to obtain such advice having made reasonable efforts to do so this Condition 9.3 will not apply) has confirmed that, in its opinion, either (i) a

sufficient amount would be realised from such disposal to allow discharge in full of all amounts owing to the Noteholders or (ii) a sufficient amount would not be so realised, but the resulting shortfall would be less than the shortfall that would result from not disposing of such assets in accordance with the Accelerated Amortisation Priority of Payments.

**10. Enforcement**

10.1 *Enforcement*

At any time after the Notes of any Class become due and payable, the Security Trustee may, at its discretion and without further notice, take such steps and/or institute such proceedings as it may think fit to enforce the Security pursuant to the terms of the Trust Deed and the Pledge Agreements, including the making of a demand for payment thereunder, but it need not take any such proceedings unless (i) in the case of the giving of a Notes Acceleration Notice, it shall have been directed by an Extraordinary Resolution of the Most Senior Class Outstanding and (ii) it shall have been indemnified to its satisfaction.

The Security Trustee will enforce the security created by the Issuer or the Seller in favour of the Security Trustee pursuant to the terms of the Trust Deed and the Pledge Agreements for the benefit of all Secured Creditors, including, but not limited to, the Noteholders, and will apply the net proceeds received or recovered towards satisfaction of the Parallel Debt. The Security Trustee shall distribute such net proceeds to the Secured Creditors in accordance with the Accelerated Amortisation Priority of Payments set forth in the Trust Deed.

10.2 *No Action against Issuer by Noteholders*

No Noteholder shall be entitled to proceed directly against the Issuer or any other party to any of the Transaction Documents to enforce the performance of any of the provisions of the Transaction Documents and/or to take any other proceedings (including lodging an appeal in any proceedings) in respect of or concerning the Issuer unless the Security Trustee, having become bound so to proceed, fails to do so within a reasonable time and such failure is continuing.

10.3 *Undertaking Noteholders and Security Trustee*

The Noteholders and the Security Trustee may not institute against, or join any person in instituting against, the Issuer any bankruptcy, winding-up, reorganisation, arrangement, insolvency or liquidation proceeding until the expiry of a period of at least two (2) years after the last maturing Note is paid in full.

10.4 *Limitation of Recourse*

The Noteholders accept and agree that the only remedy of the Security Trustee against the Issuer after any of the Notes have become due and payable pursuant to Condition 9 (*Issuer Events of Default*) above is to enforce the Security.

Notwithstanding any other Condition or any provision of any Transaction Document all obligations of the Issuer to the Noteholders are limited in recourse (*verhaalsrecht*) in accordance with this Condition 10 to the property, assets and undertakings of the Issuer the subject of any security created by the Pledge Agreements. If:

(a) there are no Secured Assets remaining which are capable of being realised or otherwise converted into cash;

(b) all amounts available from the Secured Assets have been applied to meet or provide for the relevant obligations specified in, and in accordance with, the provision of the Trust Deed; and

(c) there are insufficient amounts available from the Secured Assets to pay in full, in accordance with the provisions of the Trust Deed, amounts outstanding under the Notes (including payments of principal and interest),

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

**11. Meetings of Noteholders; Modification; Consents; Waiver**

11.1 The Trust Deed contains provisions for convening meetings of Noteholders of any Class or one or more Classes jointly to consider matters affecting the interests, including the sanctioning by Extraordinary Resolution, of such Noteholders of the relevant Class of a change of any of these Conditions or any provisions of the Transaction Documents. A meeting of Noteholders (or any Class thereof) may be convened by the Security Trustee or the Issuer at any time and must be convened by the Security Trustee (subject to it being indemnified and/or secured and/or prefunded to its satisfaction) upon the request in writing of Noteholders of a particular Class holding not less than 10% of the aggregate Principal Amount Outstanding of the outstanding Notes of that Class.

11.2 No change of certain terms by the Noteholders of any Class, including the date of maturity of the Notes of the relevant Class or a modification of the date of maturity of any Notes or which would have the effect of:

(a) a reduction or cancellation of the amount payable in respect of the Notes or, where applicable, modification, except where such modification is in the opinion of the Security Trustee bound to result in an increase, of the method of calculating the amount payable or modification of the date of payment or, where applicable, of the method of calculating the date of payment in respect of any principal or interest in respect of the Notes;

(b) an alteration of the date of maturity of any Notes or any action which would have the effect of postponing any day for payment of interest thereon, reducing or cancelling the amount of principal or the rate of interest payable in respect of such Notes;

(c) an alteration of the currency in which payments under the Notes are to be made;

(d) an alteration of the majority required to pass an Extraordinary Resolution;

(e) the sanctioning of (i) any scheme or proposal for the exchange or sale of the Notes for or the conversion of the Notes into or the cancellation of the Notes in consideration of shares, stock, notes, bonds, debentures, debenture stock and/or other obligations and/or securities of the Issuer or any other company formed or to be formed, or for or into or in consideration of cash, or partly for or into or in consideration of such shares, stock, notes, bonds, debentures, debenture stock and/or other obligations and/or securities as aforesaid and partly for or into or in consideration of cash, or (ii) approve the substitution of any entity for the Issuer (or any previous substitute) as principal debtor under the Trust Deed and the Notes;

(f) an alteration of any of the Priority of Payments; or

(g) altering the quorum or majority required in relation to the exception set out in Condition 11.3,

(each such change a "**Basic Terms Modification**") shall be effective unless such Basic Terms Modification is sanctioned by Extraordinary Resolution of the Noteholders of the other Class of Notes, except that, if the Security Trustee is of the opinion that such a Basic Terms Modification is being proposed by the Issuer as a result of, or in order to avoid, an Issuer Event of Default, no such Extraordinary Resolution of the Noteholders of the other Class of Notes is required.

11.3 The quorum for any meeting convened to consider an Extraordinary Resolution for any Class of Notes will be two-thirds of the Principal Amount Outstanding of the Notes of the relevant Class, as the case may be, and at such a meeting an Extraordinary Resolution is adopted with not less than a two-thirds majority of the validly cast votes, except that the quorum required for an Extraordinary Resolution including the sanctioning of a Basic Terms Modification shall be at least 75 per cent. of the Principal Amount Outstanding of the Notes of the relevant Class and the majority required shall be at least 75 per cent. of the amount of the validly cast votes at such meeting relating to an Extraordinary Resolution. If at such meeting the aforesaid quorum is not represented, a second meeting of Noteholders will be held within one month, with due observance of the same formalities for convening the meeting which governed the convening of the first meeting; at such second meeting an Extraordinary Resolution is adopted with not less than a two-thirds majority of the validly cast votes, except that for an Extraordinary Resolution including a sanctioning of a Basic Terms Modification, the majority required shall be 75 per cent. of the validly cast votes, regardless of the Principal Amount Outstanding of the Notes of the relevant Class then represented.

11.4 No Extraordinary Resolution passed at any meeting of the Class A Noteholders to sanction a change which would have the effect of accelerating (other than pursuant to Condition 9 (*Issuer Events of Default*)) or extending the maturity of a Class of Notes, or any date for payment of interest thereon, increasing the amount of principal or the rate of interest payable in respect of a Class of Notes, shall take effect unless (i) for the avoidance of doubt, the Issuer has agreed thereto, and (ii) it shall have been sanctioned by an Extraordinary Resolution of the holders of the Class B Notes.

11.5 Except as provided in Condition 11.2 and Condition 11.4 and unless: (i) either the Security Trustee is of the opinion that it would not be materially prejudicial to the interests of the Class B Noteholders or (ii) it shall have been sanctioned by an Extraordinary Resolution of the Class B Noteholders, an Extraordinary Resolution passed at any meeting of the Class A Noteholders shall be binding on the Class B Noteholders irrespective of the effect upon them.

11.6 An Extraordinary Resolution (other than an Extraordinary Resolution referred to in Condition 11.2, Condition 11.4 or Condition 11.5) passed at any meeting of the Class B Noteholders shall not be effective for any purpose unless either (i) the Security Trustee is of the opinion that it would not be materially prejudicial to the interests of the Class A Noteholders or (ii) it is sanctioned by an Extraordinary Resolution of the Class A Noteholders.

11.7 The Noteholders of any Class may adopt a resolution without the formalities for convening a meeting set out in the Trust Deed being observed, including an Extraordinary Resolution and/or an Extraordinary Resolution relating to a Basic Term Modification, provided that such resolution is unanimously adopted in writing - including by e-mail, facsimile or electronic transmission, or in the form of a message transmitted by any accepted means of communication and received or capable of being produced in writing by all Noteholders of the relevant Class having the right to cast votes.

11.8 In connection with any substitution of principal debtor referred to in Condition 6.4 (*Optional redemption in whole for taxation*), the Security Trustee may also agree, without the consent of the Noteholders or any other Secured Creditors, to a change of the laws governing the Notes, these Conditions and/or any of the Transaction Documents, provided that such change would not, in the opinion of the Security Trustee, be materially prejudicial to the interests of the Most Senior Class Outstanding.

11.9 The Security Trustee shall be entitled to take into account, for the purpose of exercising or performing any right, power, trust, authority, duty or discretion under or in relation to these Conditions or any of the Transaction Documents, among other things, to the extent that it considers, in its sole and absolute discretion, it is necessary and/or appropriate and/or relevant, any confirmation by the Rating Agency (whether or not such confirmation is addressed to, or provides that it may be relied upon by, the Security Trustee and irrespective of the method by which such confirmation is conveyed) that the then current rating by it of the Class A Notes would not be downgraded, withdrawn or qualified by such exercise or performance and/or (b) if the original rating of the Class A Notes has been downgraded previously, that such exercise or performance will not prevent the restoration of such original rating of the Class A Notes.

*Resolution not in the interest of Noteholders*

11.10 If a resolution passed by a meeting of Noteholders is, in the opinion of the Security Trustee, contrary to the interests of the Noteholders of the relevant Class, the Security Trustee may suspend the implementation of that resolution and convene another meeting of the Noteholders of the relevant Class, for which notice shall be given within two (2) weeks after the previous meeting. Such a meeting shall take place within one month of the previous meeting.

11.11 At the second meeting of the Noteholders of the relevant Class referred to in Condition 11.10, a resolution on the subject matter covered by the resolution of the previous meeting may be passed by a majority of at least two-thirds of the validly cast votes, regardless of the principal amount of the Notes of the relevant Class or the number of votes represented at the meeting.

11.12 The resolution shall become final if the Security Trustee does not exercise its rights under Condition 11.10 within 14 days of the relevant meeting, or if earlier, confirms that it does not intend to exercise such rights.

*No Indemnification for individual Noteholders*

11.13 Where, in connection with the exercise or performance by each it of any right, power, trust, authority, duty or discretion under or in relation to these Conditions or any of the Transaction *Documents* (including, without limitation, in relation to any modification, waiver, authorisation, determination or substitution as referred to above), the Security Trustee is required to have regard to the interests of the Noteholders of any class, it shall have regard to the general interests of the Noteholders of such class as a class but shall not have regard to any interests arising from circumstances particular to individual Noteholders (whatever their number) and, in particular but without limitation, shall not have regard to the consequences of any such exercise or performance for individual Noteholders (whatever their number) resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory or any political sub-division thereof and the Security Trustee shall not be entitled to require, nor shall any Noteholder be entitled to claim from the Issuer, the Security Trustee or any other person any indemnification or payment in respect of any tax consequences of any such exercise upon individual Noteholders.

11.14 The Security Trustee shall not be required to have regard to the interests of any other Secured Creditors other than to ensure application of the Issuer's funds in accordance with the relevant Priority of Payments.

11.15 *Voting*

Each Note carries one vote. The Issuer and its affiliates may not vote on any Notes held by them directly or indirectly. Such Notes will not be taken into account in calculating the aggregate outstanding amount of the Notes.

*Modification, authorisation and waiver without consent of Noteholders*

11.16 The Security Trustee may agree, without the consent of the Noteholders, to:

(a) any modification of any of the provisions of the Transaction Documents which is of a formal, minor or technical nature or is made to correct a manifest error and is notified to the Rating Agencies, and

(b) any other modification (except if prohibited in the Transaction Documents), and any waiver or authorisation of any breach or proposed breach of any of the provisions of the Transaction Documents, which in the opinion of the Security Trustee is not materially prejudicial to the interests of the Noteholders, subject to each Rating

Agency either (i) having provided a Rating Agency Confirmation in respect of the relevant event or matter or (ii) by the 15th day after it was notified of such event or matter not having indicated (a) which conditions are to be met before it is in a position to grant a Rating Agency Confirmation or (b) that the then current ratings assigned by it to the Class A Notes will be adversely affected by or withdrawn as a result of the relevant event or matters.

Any such modification, authorisation or waiver shall be binding on the Noteholders and, if the Security Trustee so requires, such modification shall be notified to the Noteholders as soon as practicable thereafter in accordance with Condition 14 *(Notice to Noteholders*).

**12. Indemnification of the Security Trustee**

The Trust Deed contains provisions for the indemnification of the Security Trustee and for its relief from responsibility. The Security Trustee is entitled to enter into commercial transactions with the Issuer and/or any other party to the Transaction Documents without accounting for any profit resulting from such transaction.

**13. Replacements of Notes and Coupons**

Should any Note or Coupon be lost, stolen, mutilated, defaced or destroyed, it may be replaced at the office of the Principal Paying Agent or Paying Agent upon payment by the claimant of the expenses incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer may reasonably require. Mutilated or defaced Notes or Coupons must be surrendered, in the case of Notes together with all unmatured Coupons appertaining thereto, and in the case of Coupons together with the Note and all unmatured Coupons to which they appertain *(mantel en blad),* before replacements will be issued.

**14. Notice to Noteholders**

14.1 *General*

With the exception of the publications of the Reference Agent in Condition 4 (*Interest*) and of the Issuer in Condition 6 (*Redemption*), all notices to the Noteholders will only be valid if published in at least one daily newspaper of wide circulation in the Netherlands, or, if all such newspapers shall cease to be published or timely publication therein shall not be practicable, in such newspaper as the Security Trustee shall approve having a general circulation in Europe, and as long as the Notes are admitted to listing, trading and/or quotation on Euronext Amsterdam or by any other competent authority, stock exchange and/or quotation system, notice shall also be published in such other place as may be required by the rules and regulations of such competent authority, stock exchange and/or quotation system. Any notice shall be deemed to have been given on the first date of such publication.

14.2 *Global Notes*

For as long as all of the Notes are represented by the Global Notes and such Global Notes are held on behalf of Euroclear and/or Clearstream, Luxembourg, notices to

Noteholders may be given by delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg (as the case may be) for communication to the relevant accountholders (provided that, in the case of any publication required by a stock exchange, that stock exchange agrees or, as the case may be, any other publication requirement of such stock exchange will be met). Any such notice shall be deemed to have been given to the Noteholders on the seventh day after the day on which such notice is delivered to Euroclear and/or Clearstream, Luxembourg (as the case may be) as aforesaid.

**15. Subordination of Interest by deferral**

15.1 *Interest*

Interest on the Class A Notes and the Class B Notes shall be payable in accordance with the provisions of Conditions 4 (*Interest*) and 5 (*Payment*), subject to the terms of this Condition and subject to the provisions of the Trust Deed.

Except in the event that the Class B Notes are the Most Senior Class Outstanding (i) if on any Calculation Date the Available Distribution Amounts are insufficient to satisfy the interest obligations in respect of the Class B Notes (including any amounts previously deferred under this Condition 15 (*Subordination of Interest by deferral*) and accrued interest thereon) on the next Payment Date, the amount available (if any) shall be applied *pro rata* to the amount of interest on such Payment Date to the holders of Class B Notes, (ii) in the event of a shortfall, the Issuer shall create a provision in the Transaction Account (the "**Interest Shortfall Ledger**") in which it shall record the shortfall equal to the amount by which the aggregate amount of interest paid on the Class B Notes (including any amounts previously deferred under this Condition 15 (*Subordination of Interest by deferral*) and accrued interest thereon) on the relevant Payment Date falls short of the aggregate amount of interest payable on the Class B Notes on that Payment Date pursuant to Condition 4 (*Interest*), (iii) such shortfall shall not be treated as due on that date for the purposes of Condition 4 (*Interest*) but shall be payable together with any accrued interest on the following Payment Dates, subject to the provisions of this Condition and (iv) such shortfall shall itself accrue interest at the same rate as that payable in respect of the Class B Notes and shall be payable together with such accrued interest on the following Payment Dates, subject to the provisions of this Condition.

15.2 *Principal*

Until the date on which the Principal Amount Outstanding of all Class A Notes is reduced to zero, the holders of the Class B Notes will not be entitled to any repayment of principal in respect of the Class B Notes. As from that date the Principal Amount Outstanding of the Class B Notes will be redeemed in accordance with the provisions of Condition 6 (*Redemption*). The Class B Noteholders shall have no further claim against the Issuer for the Principal Amount Outstanding on the Class B Notes after the earlier of (i) the Final Maturity Date and (ii) the date on which the Issuer no longer holds any Purchased Vehicles and there are no balances standing to the credit of the Issuer Accounts.

## 16. Governing Law

The Notes and Coupons, and any non-contractual obligations arising out of or in relation to the Notes and Coupons, are governed by, and will be construed in accordance with, Dutch law. In relation to any legal action or proceedings arising out of or in connection with the Notes and Coupons the Issuer irrevocably submits to the jurisdiction of the Court of first instance (*rechtbank*) in Amsterdam, the Netherlands. This submission is made for the exclusive benefit of the holders of the Notes and the Security Trustee and shall not affect their right to take such action or bring such proceedings in any other courts of competent jurisdiction.

## THE GLOBAL NOTES

Each Class of the Notes shall be initially represented by (i) in the case of the Class A Notes, a Temporary Global Note in bearer form, without coupons attached, in the principal amount of EUR 450,000,000 and (ii) in the case of the Class B Notes, a Temporary Global Note in bearer form, without coupons attached, in the principal amount of EUR 242,400,000. The Temporary Global Notes representing the Notes will be deposited with a Common Safekeeper for Euroclear Bank S.A./N.V., as operator of the Euroclear System ("**Euroclear**") and Clearstream Banking, société anonyme ("**Clearstream, Luxembourg**") on or about 15 May 2012. Upon deposit of each such Temporary Global Note, Euroclear and Clearstream, Luxembourg will credit each subscriber of Notes represented by such Temporary Global Note with the amount of the relevant Class of Notes equal to the amount thereof for which it has subscribed and paid. Interests in each Temporary Global Note will be exchangeable (provided certification of non-U.S. beneficial ownership by the Noteholders has been received) not earlier than forty (40) calendar days after the issue date of the Notes (the "**Exchange Date**") for interests in a permanent global note (each a "**Permanent Global Note**"), in bearer form, without coupons attached, in the amount of the Notes of the relevant Class (the expression "**Global Notes**" meaning the Temporary Global Notes of each Class and the Permanent Global Notes of each Class and the expression "Global Note" means any of them, as the context may require). On the exchange of a Temporary Global Note for a Permanent Global Note of the relevant Class, the Permanent Global Note will remain deposited with the relevant Common Safekeeper.

The Class A Notes are intended to be held in a manner which will allow Eurosystem eligibility. This means that the Class A Notes are intended upon issue to be deposited with one of the ICSDs and/or CSDs that fulfils the minimum standard established by the European Central Bank, as common safekeeper and does not necessarily mean that the Class A Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria. The Class B Notes are not intended to be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem.

The Global Notes will be transferable by delivery in accordance with the rules and procedures for the time being of Euroclear or Clearstream, Luxembourg, as appropriate. Each Permanent Global Note will be exchangeable for definitive notes to bearer (the "**Definitive Notes**") only in the circumstances described below. Each of the persons shown in the records of Euroclear or Clearstream, Luxembourg as the holder of a Note will be entitled to receive any payment made in respect of that Note in accordance with the respective rules and procedures of Euroclear or, as the case may be, Clearstream, Luxembourg. Such persons shall have no claim directly against the Issuer in respect of payments due on the Notes, which must be made by the holder of a Global Note, for as long as such Global Note is outstanding. Each person must give a certificate as to non-U.S. beneficial ownership as of the date on which the Issuer is obliged to exchange a Temporary Global Note for a Permanent Global Note, which date shall be no earlier than the Exchange Date, in order to obtain any payment due on the Notes.

For as long as a Class of the Notes is represented by a Global Note, each person who is for the time being shown in the records of Euroclear or of Clearstream, Luxembourg as the holder of a

particular principal amount of that Class of Notes will be treated by the Issuer and the Security Trustee as a holder of such amount of that Class of Notes and the expression 'Noteholder' shall be construed accordingly, but without prejudice to the entitlement of the bearer of the relevant Global Note to be paid on the principal amount thereof and interest with respect thereto in accordance with and subject to its terms. Any statement in writing issued by Euroclear or Clearstream, Luxembourg as to the persons shown in its records as being entitled to such Notes and the respective principal amount of such Notes held by them shall be conclusive for all purposes.

If after the Exchange Date (i) either Euroclear or Clearstream, Luxembourg is closed for business for a continuous period of fourteen (14) days (other than by reason of holiday, statutory or otherwise) or announces an intention permanently to cease business and no alternative clearance system satisfactory to the Security Trustee is available, or (ii) as a result of any amendment to, or change in the laws or regulations of the Netherlands (or of any political sub-division thereof) or of any authority therein or thereof having power to tax, or in the interpretation or administration of such laws or regulations, which becomes effective on or after the Closing Date, the Issuer or the Principal Paying Agent or the Paying Agent is or will be required to make any deduction or withholding 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 at its sole cost and expense, issue:

(i) Class A Notes in definitive form in exchange for the whole outstanding interest in the Permanent Global Note in respect of the Class A Notes; and

(ii) Class B Notes in definitive form in exchange for the whole outstanding interest in the Permanent Global Note in respect of the Class B Notes,

in each case within thirty (30) days of the occurrence of the relevant event, subject in each case to certification as to non-U.S. beneficial ownership.

The Definitive Notes and the Coupons will bear the following legend:

"*Any United States Person (as defined in the Internal Revenue Code), who holds this obligation will be subject to the limitations under the United States income tax laws, including limitations provided in section 165(j) and 1287(a) of the Internal Revenue Code*".

The sections referred to in the legend provide that such a United States Person will not, with certain exceptions, be permitted to deduct any loss, and will not be eligible for favourable capital gains treatment with respect to any gain, realised on a sale, exchange or redemption of a Definitive Note or Coupon.

## TAXATION

*The following is a general summary and the tax consequences as described here may not apply to a Holder of Notes (as defined below). Any potential investor should consult his tax adviser for more information about the tax consequences of acquiring, owning and disposing of Notes in his particular circumstances.*

### Dutch taxation

This Dutch taxation paragraph solely addresses the principal Dutch tax consequences of the acquisition, ownership and disposal of Notes. It does not consider every aspect of taxation that may be relevant to a particular Holder of Notes under special circumstances or who is subject to special treatment under applicable law. Where in this summary English terms and expressions are used to refer to Dutch concepts, the meaning to be attributed to such terms and expressions shall be the meaning to be attributed to the equivalent Dutch concepts under Dutch tax law. This summary assumes that the Issuer is organised, and that its business will be conducted, in the manner outlined in this Prospectus. A change to such organisational structure or to the manner in which the Issuer conducts its business may invalidate the contents of this summary, which will not be updated to reflect any such change.

This Dutch taxation paragraph is based on the tax law of the Netherlands (unpublished case law not included) as it stands at the date of this Prospectus. Where in this Dutch taxation paragraph the terms “the Netherlands” and “Dutch” are used, these refer solely to the European part of the Kingdom of the Netherlands. The law upon which this summary is based is subject to change, perhaps with retroactive effect. Any such change may invalidate the contents of this summary, which will not be updated to reflect such change. This summary assumes that each transaction with respect to Notes is at arm's length.

Where in this Dutch taxation paragraph reference is made to a "Holder of Notes", that concept includes, without limitation:

1. an owner of one or more Notes who in addition to the title to such Notes has an economic interest in such Notes;
2. a person who or an entity that holds the entire economic interest in one or more Notes;
3. a person who or an entity that holds an interest in an entity, such as a partnership or a mutual fund, that is transparent for Dutch tax purposes, the assets of which comprise one or more Notes, within the meaning of 1. or 2. above; or
4. a person who is deemed to hold an interest in Notes, as referred to under 1. to 3., pursuant to the attribution rules of article 2.14a, of the Dutch Income Tax Act 2001 (*Wet inkomstenbelasting 2001*), with respect to property that has been segregated, for instance in a trust or a foundation.

#### *Withholding tax*

All payments under the Notes may be made free from withholding or deduction of or for any taxes of whatever nature imposed, levied, withheld or assessed by the Netherlands or any political subdivision or taxing authority of or in the Netherlands.

***Taxes on income and capital gains***

The summary set out in this section "*Taxes on income and capital gains*" applies only to a Holder of Notes who is neither resident nor deemed to be resident in the Netherlands for the purposes of Dutch income tax or corporation tax, as the case may be, and who, in the case of an individual, has not elected to be treated as a resident of the Netherlands for Dutch income tax purposes (a "**Non-Resident Holder of Notes**").

*Individuals*

A Non-Resident Holder of Notes who is an individual will not be subject to any Dutch taxes on income or capital gains in respect of any benefits derived or deemed to be derived from Notes, including any payment under Notes and any gain realised on the disposal of Notes, except if:

1. he derives profits from an enterprise, whether as an entrepreneur (*ondernemer*) or pursuant to a co-entitlement to the net value of such enterprise, other than as a shareholder, such enterprise either being managed in the Netherlands or carried on, in whole or in part, through a permanent establishment or a permanent representative in the Netherlands, and his Notes are attributable to such enterprise; or
2. he derives benefits or is deemed to derive benefits from Notes that are taxable as benefits from miscellaneous activities in the Netherlands (*resultaat uit overige werkzaamheden in Nederland*).

If a Non-Resident Holder of Notes is an individual who does not come under exception 1. above, and if he derives or is deemed to derive benefits from Notes, including any payment under such Notes and any gain realised on the disposal thereof, such benefits are taxable as benefits from miscellaneous activities in the Netherlands if he, or an individual who is a connected person in relation to him as meant by article 3.91, paragraph 2, letter b, or c, of the Dutch Income Tax Act 2001 (*Wet inkomstenbelasting 2001*), has a substantial interest (*aanmerkelijk belang*) in the Issuer and/or Seller.

Generally, a person has a substantial interest in the Issuer and/or Seller if such person – either alone or, in the case of an individual, together with his partner (*partner*), if any, or pursuant to article 2.14a, of the Dutch Income Tax Act 2001 (*Wet inkomstenbelasting 2001*) – owns or is deemed to own, directly or indirectly, either a number of shares representing five per cent or more of the total issued and outstanding capital (or the issued and outstanding capital of any class of shares) of the Issuer and/or Seller, or rights to acquire, directly or indirectly, shares, whether or not already issued, representing five per cent or more of the total issued and outstanding capital (or the issued and outstanding capital of any class of shares) of the Issuer and/or Seller, or profit participating certificates (*winstbewijzen*) relating to five per cent or more of the annual profit of the Issuer and/or Seller or to five per cent or more of the liquidation proceeds of the Issuer and/or Seller.

A person who is entitled to the benefits from shares or profit participating certificates (for instance a holder of a right of usufruct) is deemed to be a holder of shares or profit participating certificates, as the case may be, and such person's entitlement to such benefits is considered a share or a profit participating certificate, as the case may be.

Furthermore, a Non-Resident Holder of Notes who is an individual and who does not come under exception 1. above may, *inter alia*, derive, or be deemed to derive, benefits from Notes that are taxable as benefits from miscellaneous activities in the following circumstances, if such activities are performed or deemed to be performed in the Netherlands:

a. if his investment activities go beyond the activities of an active portfolio investor, for instance in the case of use of insider knowledge (*voorkennis*) or comparable forms of special knowledge;
b. if he makes Notes available or is deemed to make Notes available, legally or in fact, directly or indirectly, to certain parties as meant by articles 3.91 and 3.92 of the Dutch Income Tax Act 2001 (*Wet inkomstenbelasting 2001*) under circumstances described there; or
c. if he holds Notes, whether directly or indirectly, and any benefits to be derived from such Notes are intended, in whole or in part, as remuneration for activities performed or deemed to be performed in the Netherlands by him or by a person who is a connected person in relation to him as meant by article 3.92b, paragraph 5, of the Dutch Income Tax Act 2001 (*Wet inkomstenbelasting 2001*).

*Attribution rule*

Benefits derived or deemed to be derived from certain miscellaneous activities by a child or a foster child who is under eighteen years of age are attributed to the parent who exercises, or the parents who exercise, authority over the child, irrespective of the country of residence of the child.

*Entities*

A Non-Resident Holder of Notes other than an individual will not be subject to any Dutch taxes on income or capital gains in respect of any benefits derived or deemed to be derived from Notes, including any payment under Notes and any gain realised on the disposal of Notes, except if:

(a) such Non-Resident Holder of Notes derives profits from an enterprise directly, or pursuant to a co-entitlement to the net value of such enterprise, other than as a holder of securities, such enterprise either being managed in the Netherlands or carried on, in whole or in part, through a permanent establishment or a permanent representative in the Netherlands, and its Notes are attributable to such enterprise; or

(b) such Non-Resident Holder of Notes has a substantial interest (as described above under Individuals) or a deemed substantial interest in the Issuer and/or Seller.

A deemed substantial interest may be present if shares, profit participating certificates or rights to acquire shares in the Issuer and/or Seller are held or deemed to be held following the application of a non-recognition provision.

*General*

Subject to the above, a Non-Resident Holder of Notes will not be subject to income taxation in

the Netherlands by reason only of the execution (*ondertekening*), delivery (*overhandiging*) and/or enforcement of the documents relating to the issue of Notes or the performance by the Issuer of its obligations under such documents or under the Notes.

***Gift and inheritance taxes***

If a Holder of Notes disposes Notes by way of gift, in form or in substance, or if a Holder of Notes who is an individual, dies, no Dutch gift tax or Dutch inheritance tax, as applicable, will be due, unless:

(i) the donor is, or the deceased was resident or deemed to be resident in the Netherlands for purposes of Dutch gift tax or Dutch inheritance tax, as applicable; or

(ii) the donor made a gift of Notes, then became a resident or deemed resident of the Netherlands, and died as a resident or deemed resident of the Netherlands within 180 days of the date of the gift.

For purposes of the above, a gift of Notes made under a condition precedent (o*pschortende voorwaarde*) is deemed to be made at the time the condition precedent is satisfied.

***Other taxes and duties***

No Dutch registration tax, transfer tax, stamp duty or any other similar documentary tax or duty, other than court fees, is payable in the Netherlands in respect of or in connection with (i) the execution, delivery and/or enforcement by legal proceedings (including the enforcement of any foreign judgment in the courts of the Netherlands) of the documents relating to the issue of Notes, (ii) the performance by the Issuer of its obligations under such documents or under the Notes, or (iii) the transfer of Notes.

**United States Federal Taxation – FATCA withholding**

On March 18, 2010, the Hiring Incentives to Restore Employment Act was enacted, containing provisions ("**FATCA**") from the former Foreign Account Tax Compliance Act of 2009. FATCA imposes a withholding tax of 30 per cent. on certain U.S. source payments and any gross proceeds from the sale or other disposition of any property of a type that can produce interest or dividends from sources within the United States, as well as a portion of certain payments by non-U.S. entities, to persons that fail to meet requirements under FATCA. This withholding tax may be imposed on (i) payments to the Issuer if it does not enter into or comply with an agreement with the IRS (an "**IRS Agreement**") to obtain and report information about the investors in the Notes, or (ii) a portion of payments to investors or beneficial owners of Notes, if the Issuer does enter into an IRS Agreement and is unable to obtain the necessary information from those investors or beneficial owners. Withholding would be imposed from (x) 1 January 2014 in respect of certain U.S. source payments made on or after that date and (y) 1 January 2015 in respect of any gross proceeds from the sale or other disposition of any property of a type that can produce interest or dividends from sources within the United States. Withholding should not be required with respect to payments on the Notes before 1 January 2017 and then only on Notes issued after 31 December 2012.

The future application of FATCA to the Issuer and the investors in the Notes is uncertain, and it is not clear at this time what actions, if any, will be required to minimize any adverse impact of

FATCA on the Issuer and the investors in the Notes. The Issuer may enter into an IRS Agreement. However, if the Issuer does not enter into the IRS Agreement or fails to comply with the IRS Agreement, and is therefore subject to the 30 per cent. withholding tax, the Issuer may have less cash to make interest and principal payments on the Notes.

If the Issuer does enter into the IRS Agreement, and Notes are issued after 31 December 2012, then to the extent payments are not otherwise excluded from the FATCA regime, an investor that is not a financial institution may be required to provide the information described below or be subject to U.S. withholding tax on a portion of interest and principal on the Notes and the proceeds from their sale. Investors that (a) are financial institutions, or financial institutions that receive payments on behalf of another person, and (b) have not entered an agreement with the IRS regarding compliance with (or otherwise established an exemption from) FATCA would also be subject to this U.S. withholding tax. Each investor or beneficial owner of Notes may be required to provide satisfactory documentation (i) to establish that it is not a U.S. person, or (ii) if it is a U.S. person, that indicate its name, address and U.S. taxpayer identification number, or (iii) if it is a non-financial foreign entity, that indicate the name, address and U.S. taxpayer identification number of any of its substantial United States owners. Each investor or beneficial owner of Notes that is required to provide such information and fails to do so will generally be subject to a U.S. withholding tax on any payments made to that investor. An investor or beneficial owner of Notes who fails to provide the necessary information or whose account information cannot be reported to the IRS due to a non-U.S. law prohibiting the provision of this information must execute a valid waiver of the relevant non-U.S. law or dispose of the Notes or its interest therein within a reasonable period of time.

If US withholding referred to in this paragraph (*United States Federal Taxation – FATCA withholding*) is required, there will be no gross-up (or any other additional amount) payable by way of compensation to the investor in the Notes for the amount of tax deducted. Furthermore, it is uncertain at this time how the reporting mechanism will operate. In particular, certain changes will likely have to occur with the operation of DTC, Euroclear, Clearstream, Luxembourg and other similar clearing systems. In particular, at this time it is not entirely clear whether the reporting obligations will apply to the Issuer, the relevant clearing system or the financial institution with which the beneficial owner has an account.

FATCA is particularly complex and its application to the Issuer is uncertain at this time. Each potential investor in the Notes should consult its own tax advisor to obtain a more detailed explanation of FATCA and to learn how it might affect such investor.

## SUBSCRIPTION AND SALE

### Subscription for the Notes

The Managers have, pursuant to a subscription agreement dated on or about the Closing Date between the Managers, the Seller and the Issuer (the "**Subscription Agreement**") agreed with the Issuer, subject to certain conditions, to subscribe for the Class A Notes at their issue price. Pursuant to a notes purchase agreement dated on or about the Closing Date between Athlon and the Issuer (the "**Class B Notes Purchase Agreement**") Athlon will, subject to certain conditions, on the Closing Date purchase the Class B Notes at their issue price. Athlon and the Issuer have agreed to indemnify and reimburse the Managers against certain liabilities and expenses in connection with the issue of the Class A Notes.

### European Economic Area

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**"), each of the Managers and Athlon has represented and agreed that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "**Relevant Implementation Date**") it has not made and will not make an offer of the Class A Notes or Class B Notes, respectively, which are the subject of the offering contemplated by this Prospectus to the public in that Relevant Member State other than:

(a) to any legal entity which is a qualified investor as defined in the Prospectus Directive;

(b) to fewer than 100, or if the Relevant Member State has implemented the relevant provisions of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the relevant dealer or dealers nominated by the Issuer for any such offer; or

(c) in any other circumstances falling within Article 3(2) of the Prospectus Directive;

provided that no such offer of Class A Notes or Class B Notes, respectively, shall require the Issuer or the Managers to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an "offer of Notes to the public" in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State.

### The Netherlands

Each of the Managers and Athlon has represented, warranted and agreed that it has not and will not make an offer of the Class A Notes or Class B Notes, respectively, which are the subject of this Prospectus, to the public in The Netherlands unless in reliance on Article 3(2) of the Prospectus Directive and provided:

(i) such offer is made exclusively to legal entities which are qualified investors (as defined in the Prospectus Directive and which includes authorised discretionary asset managers acting for the account of retail investors under a discretionary investment management contract) in The Netherlands; or

(ii) standard logo and exemption wording is disclosed, as required by article 5:20(5) of the Dutch Financial Supervision Act (*Wet op het financieel toezicht*, the "**FSA**"); or

(iii) such offer is otherwise made in circumstances in which article 5:20(5) of the FSA is not applicable.

For the purposes of the above, the expression an "offer of Notes to the public" in relation to any Notes in The Netherlands have the meaning given to it in the above paragraph headed with "European Economic Area".

**United Kingdom**

Each of the Managers and Athlon has represented, warranted and agreed that:

(i) it has complied and will comply with all applicable provisions of the Financial Services and Markets Act 2000 (the "**FSMA**") with respect to anything done by it in relation to the Class A Notes or Class B Notes, respectively, in, from or otherwise involving the United Kingdom; and

(ii) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Class A Notes or Class B Notes, respectively, in circumstances in which Section 21 (1) of the FSMA does not apply to the Issuer.

**Ireland**

Each of the Managers and Athlon has represented, warranted and agreed that:

(i) it has not underwritten and it will not underwrite the issue of, or placed, and will not place the Class A Notes or Class B Notes, respectively, otherwise than in conformity with the provisions of the European Communities (Markets in Financial Instruments) Regulations 2007 (Nos. 1 to 3) including, without limitation, Regulations 7 and 152 thereof or any codes of conduct issued in connection therewith, and the provisions of the Investor Compensation Act 1998;

(ii) it has not underwritten and it will not underwrite the issue of, or placed, and will not place, the Class A Notes or Class B Notes, respectively, otherwise than in conformity with the provisions of the Central Banks Acts 1942 to 2010 (as

amended) and any codes of conduct rules made under Section 117(1) of the Central Bank Act 1998;

(iii) it has not underwritten and it will not underwrite the issue of, or placed, and will not place, or do anything in Ireland in respect of the Class A Notes or Class B Notes, respectively, otherwise than in conformity with the provisions of the Prospectus (Directive 2003/71/EC) Regulations 2005 and any rules issued under Section 51 of the Investment Funds, Companies and Miscellaneous Provisions Act 2005 by the Central Bank of Ireland (the "**Central Bank**"); and

(iv) it has not underwritten and it will not underwrite the issue of, or placed, and will not place, or otherwise act in Ireland in respect of the Class A Notes or Class B Notes, respectively, otherwise than in conformity with the provisions of the Market Abuse (Directive 2003/6/EC) Regulations 2005 and any rules issued under Section 34 of the Investment Funds, Companies and Miscellaneous Provisions Act 2005 by the Central Bank.

**France**

Each of the Managers and Athlon has represented and agreed that it has not offered or sold and will not offer or sell, directly or indirectly, any Class A Notes or Class B Notes, respectively, to the public in France and it has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France, this Prospectus or any other offering material relating to the Class A Notes or Class B Notes, respectively, and such offers, sales and distributions have been and will be made in France only to:

(a) persons providing investment services relating to portfolio management for the account of third parties (personnes fournissant le service d'investissement de gestion de portefeuille pour compte de tiers); and/or

(b) qualified investors (investisseurs qualifiés) acting for their own account, as defined in, and in accordance with, Articles L.411-1, L.411-2 and D.411-1 to D.411-3 of the French Code monétaire et financier.

**Italy**

The offering of the Notes has not been registered with the Commissione Nazionale per le Società e la Borsa ("**CONSOB**") pursuant to Italian securities legislation and, accordingly, each of the Managers and Athlon has represented and agreed that it has not offered, sold or distributed, and will not offer, sell or distribute any Class A Notes or Class B Notes, respectively, or any copy of this Prospectus or any other offer document relating to the Class A Notes or Class B Notes, respectively, in the Republic of Italy ("**Italy**") except:

(a) to qualified investors (investitori qualificati), as defined pursuant to Article 100 of Legislative Decree no. 58 of 24 February 1998 (the "**Consolidated Financial Services Act**") and Article 34-ter, paragraph 1, letter (b) of CONSOB Regulation No. 11971 of 14 May 1999 (the "**CONSOB Regulation**"), all as amended; or

(b) in any other circumstances where an express exemption from compliance with the restrictions on offers to the public applies, as provided under Article 100 of the Consolidated Financial Services Act and Article 34-ter of the CONSOB Regulation,.

Moreover, and subject to the foregoing, any offer, sale or delivery of the Class A Notes or Class B Notes, respectively, or distribution of copies of this Prospectus or any other document relating to the Class A Notes or Class B Notes, respectively, in Italy under (a) or (b) above must be:

(a) made by an investment firm, bank or financial intermediary permitted to conduct such activities in Italy in accordance with the Consolidated Financial Services Act, Legislative Decree No. 385 of 1 September 1993 (the "**Banking Act**"), CONSOB Regulation No. 16190 of 29 October 2007, all as amended;

(b) in compliance with Article 129 of the Banking Act and the implementing guidelines, pursuant to which the Bank of Italy may request post-offering information on the offering or issue of securities in Italy; and

(c) in compliance with any securities, tax, exchange control and any other applicable laws and regulations, including any limitation or requirement which may be imposed from time to time, inter alia, by CONSOB or the Bank of Italy.

Any investor purchasing the Notes in this offering is solely responsible for ensuring that any offer or resale of the Notes it purchased in this offering occurs in compliance with applicable laws and regulations.

**United States**

The Notes have not been and will not be registered under the Securities Act and the Notes are subject to United States tax law requirements. Subject to certain exceptions, the Notes may not be offered, sold or delivered within the United States or to U.S. persons. Each of the Managers and Athlon has agreed that it will not offer, sell or deliver any Class A Notes or Class B Notes, respectively, within the United States or to U.S. persons, except as permitted by the Subscription Agreement or the Class B Notes Purchase Agreement, respectively.

In addition, until 40 days after the commencement of the offering of the Notes, an offer or sale of Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

**Because of the foregoing restrictions, purchasers of Notes are advised to consult legal counsel prior to making any offer, resale, pledge or transfer of such securities offered and sold.**

**General**

Because of the foregoing restrictions, purchasers of Notes are advised to consult legal counsel prior to making any offer, resale, pledge or transfer of such securities offered and sold.

The distribution of this Prospectus and the offering and sale of the Notes in certain jurisdictions may be restricted by law; persons into whose possession this Prospectus comes are required by the Issuer to inform themselves about and to observe any such restrictions.

This Prospectus does not constitute an offer, or an invitation to subscribe for or purchase, any Notes.

**IMPORTANT INFORMATION**

The Issuer is responsible for the information contained in this Prospectus except for the information for which Athlon is responsible. To the best of its knowledge and belief (having taken all reasonable care to ensure that such is the case) the information contained in this Prospectus, except for the information for which Athlon is responsible, as referred to in the following paragraph, is in accordance with the facts and does not omit anything likely to affect the import of such information. Any information from third-parties contained and specified as such in this Prospectus, except for the information for which Athlon is responsible, as referred to in the following paragraphs, has been accurately reproduced and as far as the Issuer is aware and is able to ascertain from information published by that third-party, no facts have been omitted which would render the reproduced information inaccurate or misleading. The Issuer accepts responsibility accordingly.

Athlon as Seller and Servicer is solely responsible for the information relating to the Purchased Vehicles, the Lease Agreements and Athlon, which is set out in the section entitled "*Risk Factors*" and for the information set out in the sections entitled "*Description of the Purchased Vehicles*", "*Origination and Underwriting"*, "*Collection of Lease Receivables by Athlon"*, *"Overview of the Dutch Car Lease Market"*, *"Lease Vehicles Sales Procedures"*, "*Athlon Car Lease Nederland B.V."*, "*Athlon Car Lease International B.V.*", "*Rabobank*" and "*Weighted Average Life of the Notes*" (collectively the "**Athlon Information**") of this Prospectus. To the best of Athlon's knowledge and belief (having taken all reasonable care to ensure that such is the case) the Athlon Information is in accordance with the facts and does not omit anything likely to affect the import of such information. Any information from third-parties contained and specified as such in these paragraphs has been accurately reproduced and as far as Athlon is aware and is able to ascertain from information published by that third-party, no facts have been omitted which would render the reproduced information inaccurate or misleading. Athlon accepts responsibility accordingly. No representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Seller and the Servicer as to the accuracy or completeness of any information (other than the Athlon Information).

To the fullest extent permitted by law, neither the Arranger nor the Managers accept any responsibility for the contents of this Prospectus or for any statement or information contained in or consistent with this Prospectus. The Arranger and the Managers accordingly disclaim all and any liability whether arising in tort or contract or otherwise which it might otherwise have in respect of this Prospectus or any such statement or 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 and 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, Athlon, the Arranger or the Managers. Neither the delivery of this Prospectus nor any sale of any Notes shall, under any circumstances, create any implication that the information contained in this Prospectus is correct as of any time subsequent to the date hereof.

This Prospectus is to be read in conjunction with the articles of association of the Issuer included in the deed of incorporation of the Issuer dated 31 October 2011, which are deemed to

be incorporated herein by reference (see section entitled "*General Information"* below). This Prospectus shall be read and construed on the basis that such document is incorporated in, and forms part of, this Prospectus.

This Prospectus does not constitute an offer to sell or a solicitation of an offer to buy Notes in any jurisdiction to any person to whom it is unlawful to make such an offer or solicitation in such jurisdiction. The distribution of this document and the offering of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Prospectus (or any part thereof) comes are required to inform themselves about, and to observe, any such restrictions. A fuller description of the restrictions on offers, sales and deliveries of the Notes and on the distribution of this Prospectus is set out in the section entitled "*Subscription and Sale"* below.

In particular, the Notes have not been, and will not be, registered under the United States Securities Act of 1933 (the "**Securities Act**"). The Notes are in bearer form and are subject to United States tax law requirements. The Notes are being offered outside the United States by the Issuer in accordance with Regulation S under the Securities Act, and may, subject to certain exceptions not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons.

Neither the Arranger nor the Managers have independently verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by or on behalf of the Arranger or the Managers as to the accuracy, reasonableness or completeness of the information contained in this Prospectus. In making an investment decision, investors must rely on their own examination of the terms of this offering, including the merits and risks involved. The contents of this Prospectus should not be construed as providing legal, business, accounting or tax advice. Each prospective investor should consult its own legal, business, accounting and tax advisers prior to making a decision to invest in the Notes. Investment in the Notes may not be suitable for all recipients of this Prospectus. Any investor in the Notes should be able to bear the economic risk of an investment in the Notes for an indefinite period of time.

Neither the delivery of this Prospectus at any time nor any sale made in connection with the offering of the Notes shall imply that the information contained herein is correct at any time subsequent to the date of this Prospectus. The Issuer does not have the obligation to update this Prospectus, except when required by the listing and issuing rules of Euronext Amsterdam or any other regulation.

The Managers, the Arranger and Athlon expressly do not undertake to review the financial condition or affairs of the Issuer during the life of the Notes.

Forecasts and estimates in this Prospectus are forward looking statements. Such projections are speculative in nature and it can be expected that some or all of the assumptions underlying the projections will not prove to be correct or will vary from actual results. Consequently, the actual result might differ from the projections and such differences might be significant.

Athlon has undertaken to retain a material net economic interest of not less than 5% in the securitisation in accordance with Article 122a of the Capital Requirements Directive. As at the

Closing Date, such interest will in accordance with Article 122a paragraph (1) sub d) consist of an interest in the Initial Subordinated Loan Advance, which interest in accordance with Article 122a paragraph (1) sub d) comprises a first loss tranche having the same or a more severe risk profile than those sold to investors. Any changes in the manner in which this interest is held will be notified to the investors. Athlon has provided a corresponding undertaking to procure that it will retain the required interest during the period wherein the Notes are outstanding to the Managers and to the Issuer in the Subscription Agreement.

In addition to the information set out herein and forming part of this Prospectus, the Seller has undertaken to make available materially relevant data with a view to complying with Article 122a paragraph (7) of the Capital Requirements Directive, which can be obtained from Athlon upon request.

After the Closing Date, the Issuer will prepare monthly investor reports wherein relevant information with regard to the Purchased Vehicles and associated Lease Receivables will, together with a confirmation of the retention of the material net economic interest by Athlon, be publicly disclosed.

Each prospective investor is required to independently assess and determine the sufficiency of the information described above for the purpose of complying with Article 122a of the Capital Requirements Directive and none of the Issuer, Athlon, the Issuer Administrator nor the Managers make any representation that the information described in relation to Article 122a in this Prospectus is sufficient in all circumstances for such purpose. The Seller accepts responsibility for the information set out in this Prospectus in relation to Article 122a of the Capital Requirement Directive. In addition, each prospective Noteholder should ensure that they comply with the implementing provisions in respect of Article 122a of the Capital Requirements Directive 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.

In connection with the issue of the Notes, Rabobank International may over-allot or effect transactions that stabilise or maintain the market price of the Notes at a level that might not otherwise prevail. However, there is no obligation on Rabobank International to undertake these actions. Any stabilisation action may be discontinued at any time but will, in accordance with the rules of Euronext Amsterdam, in any event be discontinued at the earlier of thirty (30) days after the issue date of the Notes and sixty (60) days after the date of allotment of the Notes. Stabilisation transactions will be conducted in compliance with all applicable laws and regulations, as amended from time to time.

All references in this Prospectus to "€", "EUR" and "euro" refer to the single currency which was introduced at the start of the third stage of the European Economic and Monetary Union pursuant to the Treaty establishing the European Community (as amended by the Treaty on European Union).

In this Prospectus, save where the context otherwise requires, words importing the singular number include the plural and vice versa.

## WEIGHTED AVERAGE LIFE OF THE NOTES

The average life of each Class of Notes cannot be accurately predicted as the actual rate at which the Lease Receivables and Estimated Residual Value will be repaid and a number of other relevant factors are unknown.

Calculations of estimated weighted average lives of the Class A Notes can be made given certain assumptions.

Based on the assumptions that:

(a) there will be no delinquencies, losses or defaults on the Purchased Vehicles and the associated Lease Receivables, and principal payments on the Purchased Vehicles and the associated Lease Receivables will be received on a timely basis together with prepayments, if any, at the CPR set out in the table below;
(b) the Purchased Vehicles and the associated Lease Receivables are not subject to any enforcement proceedings;
(c) the Purchased Vehicles and the associated Lease Receivables are subject to a constant annual rate of principal prepayments shown in the table below;
(d) no Hire Purchase Contracts are terminated by the Seller;
(e) the scheduled monthly instalments for each Purchased Vehicle and the associated Lease Receivables have been based on such Purchased Vehicles, interest rate and remaining term to maturity, such that it will amortise in amounts sufficient for its repayment over its remaining term to maturity;
(f) the Purchased Vehicles are sold on the Lease Maturity Date for a price equal to the Estimated Residual Value;
(g) there will be no Lease Agreement Recalculations;
(h) interest payments on the Notes will be made on each Payment Date, commencing on the Payment Date falling in June 2012 and principal payments will be made as from the Payment Date falling in June 2013;
(i) the Notes will be issued on 15 May 2012;
(j) the Revolving Period is assumed to end on (but excluding) the Payment Date falling in June 2013 and the amortisation profile of the Additional Portfolio from such date is identical to the amortisation profile of the most recent originated Lease Receivables prior to the Initial Purchase Cut-Off Date; and
(k) during the Revolving Period the Aggregate Portfolio Balance is equal to the sum of the Principal Amount Outstanding of the Notes on the Closing Date.

the estimated weighted average lives of the Class A Notes, at various assumed rates of prepayment of the Lease Receivables, would be as follows (with "**CPR**" being the constant prepayment rate and "**WAL**" being the weighted average life):

In respect of the Class A Notes[2]

| | Class A Notes | | |
|---|---|---|---|
| **CPR** | **Weighted Average Life (in years)** | **First Principal Payment Date** | **Expected Maturity Date** |
| 0% | 2.06 | Payment Date falling in June 2013 | Payment Date falling in July 2015 |
| 2% | 2.00 | Payment Date falling in June 2013 | Payment Date falling in May 2015 |
| 3% | 1.97 | Payment Date falling in June 2013 | Payment Date falling in April 2015 |
| 4% | 1.94 | Payment Date falling in June 2013 | Payment Date falling in April 2015 |
| 5% | 1.91 | Payment Date falling in June 2013 | Payment Date falling in March 2015 |
| 6% | 1.89 | Payment Date falling in June 2013 | Payment Date falling in February 2015 |
| 8% | 1.84 | Payment Date falling in June 2013 | Payment Date falling in January 2015 |
| 10% | 1.80 | Payment Date falling in June 2013 | Payment Date falling in December 2014 |

An exercise of the Seller Clean-Up Call will have no impact on the estimated weighted average lives of the Class A Notes given the above assumptions.

Assumptions (a) through (k) (inclusive) relate to circumstances which are not predictable.

The actual characteristics and performance of the assigned receivables will differ from these assumptions.

The weighted average life of the Class A Notes is hypothetical in nature and is provided only to give a general sense of how the principal cash flows might behave under various prepayment scenarios. For example, it is unlikely that the Lease Receivables will prepay at a constant rate until maturity, that all of the Lease Receivables will prepay at the same rate, that there will be no delinquencies or losses on the Lease Receivables and that the Vehicle Realisation Proceeds will be equal to the amount of the Estimated Residual Value. Any difference between such assumptions and the actual characteristics and performance of the assigned receivables, or actual prepayment or loss experience, will affect the percentages of the initial amount outstanding of the Class A Notes which are outstanding over time and the weighted average life of the Class A Notes. As a result, the average life of the Class A Notes is subject to factors largely outside the control of the Issuer and consequently no assurance can be given that the assumptions and the estimates above will prove in any way to be realistic and they must therefore be viewed with considerable caution.

This amortisation scenario is based on the assumptions listed above under Weighted Average Life of the Notes. It should be noted that the actual amortisation of the Notes may differ substantially from the amortisation scenario indicated above.

[2] *For the avoidance of doubt, data shown in the table are unaudited.*

## GENERAL INFORMATION

### Authorisation

The issue of the Notes has been duly authorised by resolutions of the board of managing directors (*bestuur*) of the Issuer dated 8 May 2012. All authorisations consents, approvals, authorisations or other orders of all regulatory authorities required by the Issuer under Dutch law have been given for the issue of the Notes and for the Issuer to undertake and perform its obligations under the relevant Transaction Documents and the Notes.

### Listing of the Notes

Application has been made to list the Notes on the official list of Euronext Amsterdam by the Issuer through the Listing Agent. The Issuer expects the total expenses relating to the admission to trading on the Euronext Amsterdam and the issuance of the Notes to amount to approximately 0.003% of the proceeds of the Notes. There are no costs deducted by the Issuer from any investment made by any Noteholder.

### Clearance

The Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg. The ISIN and the common codes are as follows:

| | Common Code | ISIN |
|---|---|---|
| **Class A** | 070770547 | XS0707705470 |
| **Class B** | 070770571 | XS0707705710 |

### No litigation or proceedings

The Issuer is not and has not been involved in any legal or arbitration proceedings (including any proceedings which are pending or threatened of which the Issuer is aware) which may have or have had in the 12 months preceding the date of this document a significant effect on the financial position or profitability of the Issuer.

### No action since incorporation

Save as disclosed in this Prospectus, since 31 October 2011 (being the date of incorporation of the Issuer), the Issuer has not:

(a) commenced operations;

(b) made up annual financial accounts as at the date of this Prospectus; or

(c) entered into any contracts or arrangements not being in its ordinary course of business.

### Documents available

Copies of the following documents will, when published, be available for inspection at the registered office of the Paying Agent and any office of the Issuer Director or its affiliates:

(a) this Prospectus (a free copy of the Prospectus can also be obtained at https://www.atcgroup.com/ > Capital Markets > Transactions Reporting > Offering Circular.);

(b) an English translation of the most recent articles of association (*statuten*) of the Security Trustee;

(c) the latest annual financial reports of the Issuer (which will be prepared in accordance with statutory requirements) will be available on or about June in each year in respect of the preceding financial year (the first such report in respect of the period from the date of the Issuer's incorporation to 31 December 2012 being available on or around 30 June 2013);

(d) any supplements to this Prospectus; and

(e) the following agreements entered into in connection with the transactions set out in this Prospectus, being:

(i) the Master Definitions and Common Terms Agreement;

(ii) the Paying Agency Agreement;

(iii) the Issuer Facility Agreement;

(iv) the Swap Agreement;

(v) the Conditional Deed of Novation;

(vi) the Account Agreement;

(vii) the Issuer Administration Agreement;

(viii) the Subordinated Loan Facility;

(ix) the Trust Deed;

(x) the Management Agreements;

(xi) the Master Hire Purchase Agreement;

(xii) the Pledge Agreements;

(xiii) the Servicing Agreement;

(xiv) the RV Guarantee Agreement;

(xv) the Commingling Reserve Guarantee; and

(xvi) the Liquidity Facility Agreement.

**Post-issuance information**

The Issuer does not intend to provide any post-issuance information in relation to the Notes.

**Incorporation by reference**

The deed of incorporation dated 31 October 2011 and the articles of association (as amended on 29 March 2012) of the Issuer are incorporated by reference, a free copy of which is available at the office of the Issuer located: Frederik Roeskestraat 123, 1076 EE Amsterdam, the Netherlands.

**Reports**

For so long as the Notes are admitted to listing on Euronext Amsterdam, the most recently published relevant reports of the Issuer will be available at the specified offices of the Paying Agent and at any office of the Issuer Director free of charge.

**Estimated upfront costs**

There are no upfront costs of the transaction. There are no costs deducted by the Issuer from any investment made by any Noteholder in respect of the subscription or purchase of the Notes.

**Miscellaneous**

No website referred to herein forms part of this Prospectus.

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

**US Taxes**

The Notes will bear a legend to the following effect: "Any United States Person (as defined in the Internal Revenue Code), who holds this obligation will be subject to the limitations under the United States income tax laws, including limitations provided in section 165(j) and 1287(a) of the Internal Revenue Code".

The sections referred to in such legend provide that a United States person who holds a Note will generally not be allowed to deduct any loss realised on the sale, exchange or redemption of such Note and any gain (which might otherwise be characterised as capital gain) recognised on such sale, exchange or redemption will be treated as ordinary income.

**Limited recourse**

Each Transaction Party has agreed with the Issuer that notwithstanding any other provision of any Transaction Document, all obligations of the Issuer, respectively, to such Transaction Party are limited in recourse as set out in the relevant Transaction Documents.

**Governing law**

All Transaction Documents other than the Swap Agreement and the Conditional Deed of Novation will be governed by Dutch law. The Swap Agreement and the Conditional Deed of Novation will be governed by English law.

## GLOSSARY OF CERTAIN DEFINED TERMS

Some of the capitalised terms used in this Prospectus are defined in this section "*Glossary of Certain Defined Terms".* In this Prospectus, save where the context otherwise requires, words importing the singular number include the plural and vice versa.

"**Account Bank Required Ratings**" means:

(a) P-1 by Moody's with respect to the short-term unsecured, unsubordinated and unguaranteed debt obligations of the Account Bank; and

(b) the S&P Counterparty Required Rating,

or such other rating from time to time notified or published by any of the Rating Agencies replacing any of the above ratings or implementing a rating requirement.

"**Additional Issuer Advance**" means any advance made available by the Issuer to the Seller on any Additional Purchase Date under Clause 3.2 (*Additional Issuer Advances*) of the Issuer Facility Agreement in respect of a Leased Vehicle, or the principal amount outstanding from time to time of such advance.

"**Additional Leased Vehicle**" means a Leased Vehicle in respect of which a Hire Purchase Contract is entered into by and between the Seller and the Issuer pursuant to the Master Hire Purchase Agreement after the Closing Date.

"**Additional Portfolio**" means a portfolio consisting of Additional Leased Vehicles together with the associated Lease Receivables purchased by the Issuer from the Seller on an Additional Purchase Date.

"**Additional Purchase Cut-Off Date**" means the last day of the Collection Period immediately preceding the relevant Additional Purchase Date.

"**Additional Purchase Date**" means any Payment Date during the Revolving Period excluding the Initial Purchase Date on which a Hire Purchase Contract is concluded.

"**Adverse Claim**" means any encumbrance, attachment, right or other claim in, over or on any person's assets or properties in favour of any other parties.

"**Book Value**" means at any date the book value of a Purchased Vehicle as calculated by the Servicer in accordance with the Servicer's standard guidelines being equal to the sum of the aggregate Lease Principal Components included in the Lease Instalments that will become due and payable as of the relevant date and the Estimated Residual Value of such Purchased Vehicle as at the relevant date.

"**BOVAG General Conditions**" means the BOVAG general terms and conditions of the ABA Commercial Market Department (*Afdeling ABA Zakelijke Markt*) as published by BOVAG from time to time.

"**Calculation Date**" means, in relation to a Payment Date, the third Business Day prior to such Payment Date.

"**Client Sector**" means any of the industry sectors used by the Servicer to classify a Lessee.

"**Collection Account**" means any account maintained by Athlon with Rabobank and/or such other bank account into which the relevant Lessees are instructed to pay any amount due under or pursuant to the relevant Lease Agreement.

"**Collection Period Cut-Off Date**" means in respect of any termination of a Hire Purchase Contract or the calculation of the Aggregate Portfolio Balance, the last date of the Collection Period immediately preceding the date on which such termination or calculation takes place.

"**Combined Transfer Deed**" means a deed substantially in the form of Schedule 3 (*Combined Transfer Deed*) to the Master Hire Purchase Agreement which is entered into in respect of the Leased Vehicles and the associated Lease Receivables by the Seller, the Issuer and the Security Trustee on any Purchase Date.

"**Commingling Transfer Date**" means, if pursuant to the Subordinated Loan Facility, the Subordinated Lender is obliged to make available the Required Commingling Reserve Amount, either:

(a) for as long as the Commingling Reserve Ledger is credited with an amount equal to the Required Commingling Reserve Amount as determined in accordance with paragraph (c) (i) of the definition of Required Commingling Reserve Amount, each Twice Weekly Payment Date; or

(b) for as long as the Commingling Reserve Ledger is credited with an amount equal to the Required Commingling Reserve Amount as determined in accordance with paragraph (c) (ii) of the definition of Required Commingling Reserve Amount, the Payment Date following the last day of the relevant Collection Period.

"**Commingling Reserve Guarantor Required Ratings**" means:

(a) P-2 by Moody's with respect to the short-term unsecured, unsubordinated and unguaranteed debt obligations of the Commingling Reserve Guarantor; and

(b) A-2 by S&P with respect to the short-term unsecured, unsubordinated and unguaranteed debt obligations of the Commingling Reserve Guarantor,

or such other rating from time to time notified or published by any of the Rating Agencies replacing any of the above ratings or implementing a rating requirement.

"**Commingling Reserve Trigger Event**" means the occurrence of any of the following events:

(a) an Insolvency Event in respect of Athlon;

(b) a default is made by Athlon in the payment on the due date of any amount due and payable by it under any Transaction Document to which it is party and such default is not remedied within three (3) Business Days after notice thereof has been given to Athlon;

(c) Athlon fails to perform or comply with any of its obligations under any Transaction Document to which it is a party, such failure has a Material Adverse Effect, and if such failure is capable of being remedied, such failure is not remedied within fifteen (15) Business Days after the earlier of (i) notice thereof has been given by the Issuer or the Security Trustee to Athlon or (ii) otherwise becoming aware of such failure; or

(d) the long-term unsecured, unsubordinated and unguaranteed debt obligations of Rabobank cease to be rated (i) Baa3 by Moody's or (ii) BBB by S&P in case and as long

as the short-term unsecured, unsubordinated and unguaranteed debt obligations of Rabobank are rated at least A-2 by S&P or BBB+ by S&P in case the short-term unsecured, unsubordinated and unguaranteed debt obligations of Rabobank are not rated at least A-2 by S&P.

"**Deemed Collections**" means in respect of any Payment Date, the aggregate of the following amounts which are deemed to be collected by the Servicer in respect of the Collection Period immediately preceding the relevant Payment Date in respect of a Purchased Vehicle and which are due by the Seller to the Issuer:

(a) any amounts incurred, paid or discharged by the relevant Lessee on behalf of Athlon that reduce the amount due by the relevant Lessee to Athlon; and

(b) an amount unpaid by the relevant Lessee under the associated Lease Receivables if the non-payment was caused by reasons other than circumstances relating exclusively to credit risk,

all as calculated on the relevant Calculation Date in respect of the immediately preceding Collection Period.

"**Default Ratio**" means in relation to a Payment Date and the Portfolio:

(a) the aggregate Book Value of the Purchased Vehicles which are subject to a Defaulted Lease Agreement as calculated as at the date the Lease Agreement first was determined a Defaulted Lease Agreement,

*divided by*

(b) the Aggregate Portfolio Balance on the relevant Calculation Date.

"**Defaulted Lease Agreement**" means:

(a) a Lease Agreement in respect of which the relevant Lessee is in arrears with respect to any Lease Instalment by more than 90 days from its due date;

(b) a Lease Agreement in respect of which the Servicer has made specific provisions in the relevant accounts or has written off the Lease Receivables resulting from such Lease Agreement in the relevant accounts in accordance with the applicable accounting principles; or

(c) a Lease Agreement in respect of which an Insolvency Event relating to the Lessee has occurred.

**"Defaulted Lease Recovery Receipts"** means in relation to a Defaulted Lease Agreement any payment received by the Issuer in respect of the Lease Receivables associated with such Defaulted Lease Agreement after the relevant Lease Early Termination Date.

"**Delinquency Ratio**" means in relation to a Payment Date and the Portfolio:

(a) the Lease Instalments in arrears for a period between 61 and 90 days (both included) on the relevant Calculation Date;

*divided by*

(b) the Aggregate Portfolio Balance on the relevant Calculation Date.

"**Estimated Residual Value**" means the estimated residual value of a Purchased Vehicle at the Lease Maturity Date as recalculated from time to time by the Servicer in accordance with the Servicer's standard guidelines and subject to the terms and conditions of the associated Lease Agreement.

"**Excess Collection Amount**" means on any Payment Date during the Revolving Period the amount, as calculated on the immediately preceding Calculation Date, by which the Replenishment Amount exceeds any Additional Issuer Advances to be disbursed by the Issuer on such Payment Date pursuant to the terms of the Issuer Facility Agreement.

"**Extraordinary Expenses**" means expenses relating to (i) the Insolvency of the Issuer, (ii) amendments to (a) the deed of incorporation of the Issuer, the Shareholder or the Security Trustee and (b) any Transaction Document, (iii) legal enforcement of Security Documents, (iv) extraordinary audit and legal counsel expenses and (v) any other extraordinary charges supported by the Issuer or the Issuer Director action on behalf of the Issuer or the Security Trustee or the Security Trustee Director.

"**Extraordinary Resolution**" means (i) a resolution of a Class of Noteholders passed with due observance of the formalities for convening a meeting set out in the Trust Deed by a majority consisting of not less than two-thirds of the Noteholders eligible to vote at a meeting of the relevant Class of Noteholders duly convened and held in accordance with the provisions of the Trust Deed, except that in respect of a Basic Terms Modification the majority required shall be at least three-fourths of the validly cast votes in respect of that Extraordinary Resolution, or (ii) a resolution unanimously adopted in writing by all Noteholders in accordance with Condition 11.7.

"**Final Purchase Instalment**" means the final Purchase Instalment to be paid by the Issuer to Seller pursuant to a Hire Purchase Contract.

"**FOCWA General Conditions**" means the general terms and conditions for enterprises enlisted with the Dutch Association of Enterprises in car body work (*Nederlandse Vereniging van Ondernemers in het Carrosseriebedrijf*) as published from time to time.

"**Initial Issuer Advance**" means an advance made available by the Issuer to the Seller on the Closing Date under the Issuer Facility Agreement in respect of an Initial Leased Vehicle, or the principal amount outstanding from time to time of such advance.

"**Initial Leased Vehicle**" means a Leased Vehicle in respect of which a Hire Purchase Contract is entered into by and between the Seller and the Issuer pursuant to the Master Hire Purchase Agreement on the Signing Date.

"**Initial Portfolio**" means the portfolio consisting of the Initial Leased Vehicles together with the associated Lease Receivables hire purchased by the Issuer from the Seller on the Initial Purchase Date.

"**Initial Purchase Cut-Off Date**" means 30 April 2012.

"**Initial Purchase Date**" means the Closing Date.

"**Initial Purchase Instalment**" means the first Regular Purchase Instalment payable in respect of a Purchased Vehicle.

"**Insolvency**" means, with respect to the Netherlands, a (preliminary) suspension of payment ((*voorlopige*) *surseance van betaling*), bankruptcy (*faillissement*) or special measures (*bijzondere voorzieningen*) within the meaning of chapter 3 of the Act on the financial supervision (*Wet op het financieel toezicht*), or with respect to any other jurisdiction, any similar proceedings.

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

(a) a conservatory attachment (*conservatoir beslag*) or an executory attachment (*executoriaal beslag*) on any major part of such company's assets which has not been discharged or released within a period of twenty (20) Business Days;

(b) if an order is made by any competent court or other authority or a resolution is passed for the dissolution (*ontbinding*) or winding-up of such company or for the appointment of an Insolvency Official of such company or of all or substantially all of its assets;

(c) an assignment for the benefit of, or the entering into of any general assignment (*akkoord*) with, its creditors; or

(d) Insolvency Proceedings are imposed on such company.

"**Insolvency Official**" means a bankruptcy trustee (*curator*), administrator (*bewindvoerder*) or other similar officer in respect of a company or in respect of any arrangement, compromise or composition with any creditors or any equivalent or analogous officer under the law of any jurisdiction.

"**Insolvency Proceedings**" means a petition of Insolvency that has been filed and which has not been discharged, stayed or dismissed within a period of twenty (20) Business Days after the date of filing.

"**Insolvent**" means, in relation to a person or legal entity, that Insolvency applies to such person or entity.

"**Investor Report**" means the monthly report prepared by the Issuer Administrator on behalf of the Issuer in accordance with the terms and conditions of the Issuer Administration Agreement and made available to, among others, the Noteholders.

"**Issuer Administrator Termination Event**" means the occurrence of any of the following events:

(a) a default is made by the Issuer Administrator in the performance or observance of any of its other covenants and obligations under the Issuer Administration Agreement, which (except where such default is incapable of remedy, when no such continuation and/or notice as is hereinafter mentioned shall be required) continues unremedied for a period of fifteen (15) Business Days after the date of the written notice from the Issuer to the Issuer Administrator requiring the same to be remedied;

(b) an Insolvency Event relating to the Issuer Administrator; or

(c) it becomes unlawful under Dutch law for the Issuer Administrator to perform any material part of the Administration Services.

"**Issuer Advance**" means any advance made available by the Issuer to the Seller under the Issuer Facility Agreement in respect of a Leased Vehicle, or the principal amount outstanding from time to time of such advance.

"**Issuer Event of Default**" has the meaning given to that term in Condition 9 (*Issuer Events of Default*).

"**Issuer Facility**" means the loan facility made available under the Issuer Facility Agreement.

"**Issuer Facility Agreement**" means a facility agreement dated on or around the Signing Date by and between Athlon (as borrower), the Issuer (as lender) and the Security Trustee.

"**Issuer Facility Final Maturity Date**" means the Legal Maturity Date.

"**Lease Agreement**" means in respect of a Purchased Vehicle, the operational lease agreement entered into between Athlon and the relevant Lessee (including under or pursuant to any master agreement and the relevant schedules thereto) under which Lease Receivables are generated.

"**Lease Agreement Early Termination**" means the termination of a Lease Agreement that takes place before the relevant Lease Maturity Date.

"**Lease Agreement Early Termination Amount**" means, following a Lease Agreement Early Termination, the amount payable by the relevant Lessee pursuant to the Lease Agreement as a result of the early termination of such Lease Agreement.

"**Lease Agreement Recalculation**" means the recalculation of the Estimated Residual Value of a Purchased Vehicle and the associated Lease Receivables to be performed by the Servicer from time to time in accordance with the Servicing Agreement in respect of the relevant Lease Agreement.

"**Lease Collections**" means with respect to any Lease Receivable, any amounts collected from a Lessee pursuant to the relevant Lease Agreement, for the avoidance of doubt, including any Lease Principal Collections, Lease Interest Collections, Lease Servicing Collections, Lease Management Fee Collections, Lease Incidental Collections, Lease VAT Collections and Lease Agreement Early Termination Amounts if applicable and any other amounts collected with respect to a Lease Receivable, relating to a Collection Period.

"**Lease Early Termination Date**" means the date on which a Lease Agreement Early Termination occurs.

"**Lease Incidental Collection**" means any amount actually collected under or in respect of any Lease Incidental Receivable.

"**Lease Incidental Debt**" means in respect of any Purchased Vehicle (i) any debt owed to a Lessee if following the occurrence of a Lease Termination Date the Repurchase Option is not exercised pursuant to (a) the year-end calculation amounts calculated in accordance with the relevant Lease Agreement in respect of which the "*open calculation concept"* applies and/or (b) any end of contract settlement (*nacalculatie*), (ii) any Lease Recalculation Debt and (iii) any other incidental debt arising out of the relevant Lease Agreement and payable in accordance with the relevant Lease Agreement.

"**Lease Incidental Receivable**" means in respect of any Purchased Vehicle any Lease Receivable with respect to the relevant Lessee during a Collection Period in excess of the Lease Interest Component, Lease Principal Component, Lease Servicing Component, Lease

VAT Component, Lease Management Fee Component and Lease Agreement Early Termination Amount payable by the relevant Lessee in such Collection Period, including, without limitation, any Lease Recalculation Receivable.

"**Lease Incidental Shortfall**" means on any Payment Date the amount (if any) by which the sum of any Lease Incidental Debts in respect of the immediately preceding Collection Period exceeds the sum of any Lease Incidental Collections in respect of such Collection Period.

"**Lease Incidental Surplus**" means on any Payment Date prior to the occurrence of an Insolvency Event relating to Athlon, the amount (if any) by which the sum of all Lease Incidental Receivables exceeds the sum of all Lease Incidental Debts payable in respect of the immediately preceding Collection Period.

"**Lease Instalment**" means the sum of (a) the Lease Principal Component, (b) the Lease Interest Component, (c) the Lease Servicing Component, (d) the Lease VAT Component, (e) Lease Management Fee Component, and (f) where applicable, the Lease Agreement Early Termination Amount, due under a Lease Agreement.

"**Lease Interest Collections**" means the sum of all Lease Interest Components actually received during the relevant Collection Period.

"**Lease Interest Component**" means the interest component included in any Lease Receivables periodically payable by a Lessee and calculated in accordance with the relevant Lease Agreement.

"**Lease Management Fee Collections**" means the sum of all Lease Management Fee Components actually received during the relevant Collection Period.

"**Lease Management Fee Component**" means the management fee component included in any Lease Receivables periodically payable by a Lessee and calculated in accordance with the relevant Lease Agreement.

"**Lease Maturity Date**" means in respect of a Lease Agreement, the termination date as agreed upon by and between the Originator (as lessor) and the Lessee upon the entering into the Lease Agreement and as amended from time to time in accordance with the Credit and Collection Procedures.

"**Lease Principal Collections**" means the sum of all Lease Principal Components actually received during the relevant Collection Period.

"**Lease Principal Component**" means the principal component included in any Lease Receivables periodically payable by a Lessee and calculated in accordance with the relevant Lease Agreement.

"**Lease Recalculation Debt**" means the amount, if any, that becomes due and payable by the Seller to the relevant Lessee as a result of a Lease Agreement Recalculation.

"**Lease Recalculation Receivable**" means the amount, if any, that becomes due and payable by the relevant Lessee to the Seller as a result of a Lease Agreement Recalculation.

"**Lease Servicing Collections**" means the sum of all Lease Servicing Components actually received during the relevant Collection Period.

"**Lease Servicing Component**" means the servicing component included in any Lease Receivables periodically payable by a Lessee and calculated in accordance with the relevant Lease Agreement.

"**Lease Termination Date**" means a Lease Maturity Date or a Lease Early Termination Date.

"**Lease VAT Collections**" means the sum of all Lease VAT Components actually received during the relevant Collection Period.

"**Lease VAT Component**" means the VAT component included in any Lease Receivables periodically payable by a Lessee, which is equal to x/(1+x) of such Lease Receivables, where x equals the rate of VAT (expressed in decimals which is zero in the case of a zero-rated or exempt supply) applicable to the supply made by Athlon to which such Lease Receivables are related.

"**Leased Vehicle**" means any Vehicle which is subject to an operational lease agreement originated between Athlon and the Lessee in respect of which a Hire Purchase Contract is entered into by and between the Seller and the Issuer pursuant to the Master Hire Purchase Agreement on the Purchase Date.

"**Lessee**" means each entity, corporation or person acting in its profession and trade (*handelend in de uitoefening van beroep op bedrijf*) who are the Lessees under the Lease Agreements.

"**Lessor**" means Athlon in its capacity as lessor in relation to Lease Agreements entered with Lessees, and following payment of the Final Purchase Instalment, the Issuer until the relevant Purchased Vehicle is sold to a buyer (which includes the Call Option Buyer).

"**Liquidity Facility Provider Required Ratings**" means:

(i) P-1 by Moody's with respect to the short-term unsecured, unsubordinated and unguaranteed debt obligations of the Liquidity Facility Provider; and

(ii) the S&P Counterparty Required Rating,

or such other rating from time to time notified or published by any of the Rating Agencies replacing any of the above ratings or implementing a rating requirement.

"**Maintenance Costs**" means the amounts paid to third party garages and service providers (including any VAT thereon) for the provision of maintenance services in relation to the Purchased Vehicles including any costs relating to an amendment of the vehicle registration (*kentekenbewijzen*) of the Purchased Vehicles and any insurance costs.

"**Material Adverse Effect**" means as the context requires:

(a) a material adverse effect on the validity or enforceability of any of the Transaction Documents;

(b) in respect of a Transaction Party, a material adverse effect on:

  (i) the ability of such Transaction Party to perform its obligations under any of the Transaction Documents;

  (ii) the rights or remedies of such Transaction Party under any relevant Transaction Document;

(c) in the context of the Purchased Vehicles or the associated Lease Receivables, a material adverse effect on the interest of the Issuer or the Security Trustee in the Purchased Vehicles, or on the ability of the Issuer (or the Servicer on the Issuer's behalf as the case may be) to collect the amounts due under the associated Lease Agreements;

(d) in the context of security granted, a material adverse effect on the ability of the Security Trustee to enforce the Security; or

(e) a material adverse effect on the validity or enforceability of any of the Notes.

"**Matured Lease**" means a Lease Agreement which has expired on its Lease Maturity Date.

"**Net RV Guarantee Payments**" means the higher of (i) zero and (ii) the sum of the aggregate RV Excess Amounts and the aggregate Lease Agreement Early Termination Amounts (to the extent received by it) due by the Issuer to the RV Guarantor *minus* the aggregate RV Shortfall Amounts due by the RV Guarantor to the Issuer under the RV Guarantee Agreement.

"**Net RV Guarantee Receipts**" means the higher of (i) zero and (ii) the aggregate RV Shortfall Amounts due by the RV Guarantor to the Issuer *minus* the sum of the aggregate RV Excess Amounts and the aggregate Lease Agreement Early Termination Amounts (to the extent received by it) due by the Issuer to the RV Guarantor under the RV Guarantee Agreement.

"**Net Swap Payments**" means the higher of (i) zero and (ii) the amounts due by the Issuer to the Swap Counterparty *minus* the amounts due by the Swap Counterparty to the Issuer under the Swap Agreement, other than any Subordinated Swap Amount.

"**Net Swap Receipts**" means the higher of (i) zero and (ii) the amounts due by the Swap Counterparty to the Issuer *minus* the amounts due by the Issuer to the Swap Counterparty under the Swap Agreement.

"**Noteholder**" means a holder of a Note.

"**Ordinary Expenses**" means any fees and expenses due and payable and not otherwise paid to (i) each Director under the Management Agreements, (ii) any Agent under the Paying Agency Agreement, (iii) the Servicer and the Back-Up Servicer under the Servicing Agreement, (iv) the Account Bank under the Account Agreement, (v) the Liquidity Facility Provider under the Liquidity Facility Agreement, (vi) the Issuer Administrator under the Issuer Administration Agreement, (vii) the Swap Counterparty under the Swap Agreement, (viii) the Back-Up Swap Counterparty under the Conditional Deed of Novation, (ix) the Commingling Reserve Guarantor under the Commingling Reserve Guarantee, (x) the Managers under the Subscription Agreement, (xi) the Rating Agencies to the extent relating to ongoing services and (xii) any expenses relating to the listing and the accounting registry of the Notes, (xiii) any other fees and expenses payable pursuant to the Transaction Documents and (xiv) any expenses or amounts due and payable (but not yet paid) to third parties under obligations incurred in the Issuer's business (other than under the relevant Transaction Documents), including any Maintenance Costs and any claims for damages under or in connection with the Lease Agreements.

"**Portfolio**" means the Initial Portfolio and each Additional Portfolio collectively, excluding any Purchased Vehicles which are retransferred, transferred or otherwise disposed of by or on behalf of the Issuer or the Hire Purchase Contract of which is terminated.

"**Prepayment Discount**" means in case of a prepayment by the Issuer of the remaining Purchase Instalments due under a Hire Purchase Contract an amount equal to the higher of (i) 5% of the aggregate Purchase Instalments that would have become due and payable under such Hire Purchase Contract if no prepayment would have occurred and (ii) the aggregate Lease Interest Components included in the Purchase Instalments which, assuming no Lease Agreement Early Termination would occur, would have become due and payable under such Hire Purchase Contract if no prepayment would have occurred, *plus*, in case the relevant associated Lease Agreement is a Defaulted Lease Agreement, the Book Value of the Purchased Vehicle subject to such Hire Purchase Contract as outstanding on the first day of the Collection Period within which the prepayment occurs.

"**Principal Redemption Amount**" means on any Payment Date after termination or expiry of the Revolving Period an amount equal to the Available Distribution Amounts remaining after the payment of items (a) up to and including (i) of the Normal Amortisation Priority of Payments.

"**Priority of Payments**" means the Revolving Period Priority of Payments, the Normal Amortisation Priority of Payments or the Accelerated Amortisation Priority of Payments.

"**Purchase Cut-Off Date**" means in respect of (i) the Initial Portfolio and each Initial Leased Vehicle, the Initial Purchase Cut-Off Date and (ii) any Additional Portfolio and each Additional Leased Vehicle, the relevant Additional Purchase Cut-Off Date.

"**Purchase Date**" means the Initial Purchase Date or any Additional Purchase Date.

"**Purchase Instalments**" means in respect of a Purchased Vehicle the instalments in which the Purchase Price in respect of the relevant Purchased Vehicle is to be paid pursuant to the relevant Hire Purchase Contract.

"**Purchase Price**" means in respect of a Purchased Vehicle together with the associated Lease Receivables, the purchase price agreed upon (and payable in instalments) pursuant to a Hire Purchase Contract, which is equal to the sum of (i) the Book Value of the Purchased Vehicle subject to the Hire Purchase Contract calculated as per the relevant Purchase Cut-Off Date and (ii) the aggregate of all Lease Interest Components included in the Lease Instalments relating to the associated Lease Agreement calculated as per the relevant Purchase Cut-Off Date to the extent such Lease Instalments will become due and payable.

"**Purchased Vehicle**" means a Leased Vehicle purchased by the Issuer from the Seller pursuant to a Hire Purchase Contract, to the extent not retransferred, transferred or otherwise disposed of by or on behalf of the Issuer, including following a termination of the relevant Hire Purchase Contract as contemplated by the Master Hire Purchase Agreement or to the Call Option Buyer following the exercise of the Repurchase Option.

"**Rabobank Group**" means Rabobank and each company with forms part of its group (within the meaning of section 2:24b of the Dutch Civil Code).

"**Rating Agency Confirmation**" means, if a Rating Agency is notified of a certain event or matter, a written confirmation from a Rating Agency that the then current ratings assigned by it to the Class A Notes will not be adversely affected by or withdrawn as a result of such an event or matter.

"**Records**" means in respect of the Seller and the Servicer, the Lease Agreements (including the associated master agreements) and all files, microfiches, correspondence, notes of dealing and other documents, books, books of account, registers, records and other information and all

computer tapes and discs relating to the Purchased Vehicles and the Lease Agreements are generated from which the Lease Receivables and relating to the Lessees in respect thereof.

"**Regular Purchase Instalments**" means any Purchase Instalment other than the Final Purchase Instalment.

"**Replenishment Amount** means on any Payment Date during the Revolving Period an amount equal to the higher of:

(a) zero; and

(b) the lower of:

(i) the Theoretical Principal Amount; and

(ii) the Available Distribution Amounts remaining after the payment of the items (a) up to and including (i) of the Revolving Period Priority of Payments on such Payment Date.

"**Replenishment Ledger** means the ledger of such name maintained in respect of the Transaction Account.

"**Required Commingling Reserve Amount**" means, at any Calculation Date, an amount equal to:

(a) as long as (i) no Commingling Reserve Trigger Event has occurred or (ii) following the occurrence of a Commingling Reserve Trigger Event no such Commingling Reserve Trigger Event is continuing and (iii) no Insolvency Event in respect of Athlon has occurred: zero;

(b) if a Commingling Reserve Trigger Event has occurred and is continuing and the Issuer has been informed by the Servicer that each Lessee and each buyer of the relevant Purchased Vehicles have been instructed to pay the relevant Lease Receivables and/or purchase price of the relevant Purchased Vehicles excluding VAT), as the case may be, to the Transaction Account: zero;

(c) if a Commingling Reserve Trigger Event has occurred and is continuing and the Issuer has not been informed by the Servicer that each Lessee and each buyer of the relevant Purchased Vehicles has been instructed to pay the relevant Lease Receivables and/or purchase price of the relevant Purchased Vehicles (excluding VAT), as the case may be, to the Transaction Account: an amount equal to the sum of:

(i) if the Servicer has elected to make payments on any Twice Weekly Payment Date to the Transaction Account: an amount equal to the sum of:

(x) 91% of the estimated Lease Interest Collections and Lease Principal Collections to be received by the Issuer which appears in the last available Servicer Monthly Report;

(y) 25% of the estimated income from the monthly sale of any Purchased Vehicles which appears in the last available Servicer Monthly Report; and

(z) 0.80% of the Aggregate Portfolio Balance on such Calculation Date,

*less*:

any amounts previously withdrawn from the Commingling Reserve Ledger and used as Available Distribution Amounts (other than any amount withdrawn from the Commingling Reserve Ledger to repay the Commingling Reserve Advance);

(ii) if the Servicer has elected to make payments on any Payment Date to the Transaction Account: an amount equal to the sum of:

(x) 175% of the estimated Lease Interest Collections and Lease Principal Collections to be received by the Issuer which appears in the last available Servicer Monthly Report;

(y) 125% of the estimated income from the monthly sale of any Purchased Vehicles which appears in the last available Servicer Monthly Report; and

(z) 1.50% of the Aggregate Portfolio Balance on such Calculation Date,

*less*:

any amounts previously withdrawn from the Commingling Reserve Ledger and used as Available Distribution Amounts (other than any amount withdrawn from the Commingling Reserve Ledger to repay the Commingling Reserve Advance); or

(d) following the Payment Date on which any and all amounts of interest and principal in respect of the Class A Notes have been redeemed in full: zero.

"**Required General Reserve Amount**" means at the Closing Date an amount equal to 2.00% of the Principal Amount Outstanding of the Class A Notes and Class B Notes and thereafter on any Calculation Date an amount equal to the higher of (i) 2.00% of the Principal Amount Outstanding of the Class A Notes and Class B Notes on such date and (ii) 0.50% of the Principal Amount Outstanding of the Class A Notes and Class B Notes on the Closing Date, provided that it shall be zero if (x) the Available Distribution Amounts (including, for the avoidance of doubt, the amounts standing to the credit of the Reserve Account) calculated on such Calculation Date would be sufficient to redeem all outstanding Class A Notes and/or (y) the Aggregate Portfolio Balance has reduced to zero.

"**Required Maintenance Reserve Amount**" means at any Calculation Date an amount equal to the higher of (i) 1.50% of the Aggregate Portfolio Balance on such date and (ii) 1.00% of the Aggregate Portfolio Balance on the Closing Date.

"**Required Reserve Amount**" means in respect of (i) the Reserve Account, the Required General Reserve Amount, (ii) the Commingling Reserve Ledger, the Required Commingling Reserve Amount and (ii) the Maintenance Reserve Ledger, the Required Maintenance Reserve Amount.

"**Reserve Ledger**" means the Commingling Reserve Ledger or the Maintenance Reserve Ledger.

"**Revolving Period Termination Event**" means the earlier of (i) (but excluding) the Payment Date falling in June 2013 and (ii) the occurrence of any of the following events:

(a) a Seller Event of Default;

(b) the Default Ratio exceeds 3% on any Payment Date;

(c) the Delinquency Ratio exceeds 0.40% on any Payment Date;

(d) the amount recorded to the credit of the Replenishment Ledger after the application of the Revolving Period Priority of Payments on two consecutive Payment Dates exceeds 10% of the Aggregate Portfolio Balance on the Closing Date;

(e) the Aggregate Portfolio Balance *plus* the amount standing to the credit of the Replenishment Ledger *plus* the amount standing to the credit of the Reserve Account is on any Payment Date lower than the sum of the Principal Amount Outstanding of the Class A Notes and Class B Notes;

(f) a Servicer Termination Event;

(g) the RV Guarantor defaults in its payment obligation in respect of any Net RV Guarantee Receipts;

(h) an Event of Default or Termination Event (each as defined in the Swap Agreement);

(i) any regulatory and/or tax issues occur which prevent the Issuer from purchasing the Leased Vehicles together with the associated Lease Receivables or makes it more onerous;

(j) the Subordinated Lender fails to fulfil its obligations under the Subordinated Loan Facility; or

(k) the service of a Notes Acceleration Notice by the Security Trustee.

"**S&P Counterparty Required Rating**" means, in respect of an entity, a rating assigned by S&P to its long-term unsecured, unsubordinated and unguaranteed debt obligations at least as high as either (x) A by S&P (if the short-term unsecured, unsubordinated and unguaranteed debt obligations of such entity are also rated at least as high as A-1 by S&P) or (y) A+ by S&P (if the short-term unsecured, unsubordinated and unguaranteed debt obligations of such entity are not rated, or are rated below A-1 by S&P) (or such other rating from time to time required by S&P).

"**Secured Assets**" means the assets of the Issuer which are the subject to any Security.

"**Secured Obligations**" means (i) any and all existing and future indebtedness and liabilities owed by the Issuer to the Security Trustee in connection with the Trust Deed, including the Parallel Debt and any of the other Transaction Documents, and (ii) if and to the extent that at the time of the creation of the relevant right of pledge, or at any time thereafter, a Principal Obligation owed to the Security Trustee cannot be validly secured through the Parallel Debt, such Principal Obligation itself.

"**Seller Event of Default**" means the occurrence of any of the following events:

(e) an Insolvency Event in respect of the Seller;

(f) a default is made by the Seller in the payment on the due date of any amount due and payable by it under any Transaction Document to which it is party and such default is not remedied within three (3) Business Days after notice thereof has been given to the Seller;

(g) the Seller fails to perform or comply with any of its obligations under any Transaction Document to which it is a party, such failure has a Material Adverse Effect, and if such

failure is capable of being remedied, such failure is not remedied within fifteen (15) Business Days after the earlier of (i) notice thereof has been given by the Issuer or the Security Trustee to the Seller or (ii) otherwise becoming aware of such failure;

(h) an Asset Warranty is breached and the Seller does not comply with its termination and repayment obligation pursuant to the Master Hire Purchase Agreement; or

(i) a default is made by the Seller in its capacity as borrower under the Issuer Facility Agreement and such default is not remedied within three (3) Business Days after notice thereof has been given to the Seller.

"**Servicer Monthly Report**" means the monthly report prepared by the Servicer in accordance with the terms and conditions of the Servicing Agreement and made available to, among others, the Issuer.

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

(a) an Insolvency Event relating to the Servicer

(b) a failure to pay by the Servicer that is not remedied within three (3) Business Days.

(c) a default (other than a failure to pay) by the Servicer in the performance or observance of any of its other covenants and obligations under the Servicing Agreement, which (except where such default is incapable of remedy, when no such continuation and/or notice as is hereinafter mentioned shall be required) default continues unremedied for a period of fifteen (15) Business Days after the date of the written notice from the Issuer or the Security Trustee to the Servicer requiring the same to be remedied;

(d) it becomes unlawful under Dutch law for the Servicer to perform any material part of the services under the Servicing Agreement.

"**Services**" has the meaning given to that term in the Servicing Agreement.

"**Subordinated Liquidity Facility Amount**" means, in the event a Liquidity Facility Stand-By Drawing is made, the sum of (i) an amount equal to the positive difference between (x) the interest due and payable to the Liquidity Facility Provider pursuant to the Liquidity Facility Agreement over that part of the balance standing to the debit of the Liquidity Facility Account which equals such Liquidity Facility Stand-By Drawing and (y) the interest received from the Account Bank over the balance standing to the credit of the Liquidity Facility Stand-By Drawing Account and (ii) any gross-up amounts or additional amounts due under the Liquidity Facility Agreement.

"**Subordinated Loan Facility**" means the facility agreement entered into by and between the Issuer, Athlon and the Security Trustee on the Signing Date pursuant to which Athlon agrees to (i) fund upon the occurrence of a Commingling Reserve Trigger Event, the Commingling Reserve Advance and (ii) to make available on or prior to the Closing Date, the Initial Subordinated Loan Advance and the Maintenance Reserve Advance subject to and in accordance with the terms thereof.

"**Subordinated Swap Amount**" means any termination payment (including a Settlement Amount (as defined in the Swap Agreement)) due and payable as a result of the occurrence of (i) an Event of Default (as defined in the Swap Agreement), where the Swap Counterparty is the Defaulting Party (as defined in the Swap Agreement) or (ii) an Additional Termination Event (as

defined in the Swap Agreement) relating to the credit rating of a Relevant Entity (as defined in the Swap Agreement);

"**Theoretical Principal Amount**" means on any Calculation Date the Principal Amount Outstanding of the Notes at the Closing Date *minus* the Aggregate Portfolio Balance as at the immediately preceding Collection Period Cut-Off Date.

"**Trade Register**" means the trade register of the Chambers of Commerce in the Netherlands.

"**Transaction Account**" means the bank account opened on the Closing Date or a later date on behalf of the Issuer with the Account Bank.

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

"**Twice Weekly Payment Date**" means each Tuesday and Thursday of each calendar week or, if such day is not a Business Day, the next succeeding Business Day.

"**Variable Success Fee**" means the variable success fee payable to the Seller and calculated in accordance with the Master Hire Purchase Agreement consisting of any excess of cash remaining from the Available Distribution Amounts after payment of items (a) up to and including item (o) of the Revolving Period Priority of Payments, the items (a) up to and including (p) of the Normal Amortisation Priority of Payments and the items (a) up to and including (n) of the Accelerated Amortisation Priority of Payments as applicable.

"**Vehicle**" means any passenger vehicle (*personenauto*), van (*bestelauto*) or commercial vehicle (*commercieel voertuig*).

"**Vehicle Realisation Proceeds**" means the sum of (i) any and all proceeds resulting from the realisation (e.g. a sale or other disposal, including a repurchase of a Purchased Vehicle by the Seller (in case of the exercise of the Repurchase Option by the Call Option Buyer) of any Purchased Vehicle by (or on behalf of) the Issuer (or the Security Trustee where applicable) *less* any realisation costs incurred in connection with such realisation (including, where relevant, any fees payable to the Servicer) and (ii) any compensation payments by insurance companies received in respect of a Purchased Vehicle and (iii) any other proceeds, if any, resulting from such Purchased Vehicle.

**INDEX OF DEFINED TERMS**

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**REGISTERED OFFICE**

**ISSUER**
HIGHWAY 2012-I B.V.
Frederik Roeskestraat 123
1077 EE Amsterdam
The Netherlands

**SELLER**
Athlon Car Lease Nederland B.V.
Vestdijk 51
5611CA Eindhoven
The Netherlands

**SERVICER**
Athlon Car Lease Nederland B.V.
Vestdijk 51
5611CA Eindhoven
The Netherlands

**ISSUER ADMINISTRATOR**
ATC Financial Services B.V.
Frederik Roeskestraat 123
1077 EE Amsterdam
The Netherlands

**SWAP COUNTERPARTY**
Athlon Car Lease Nederland B.V.
Vestdijk 51
5611CA Eindhoven
The Netherlands

**BACK-UP SWAP COUNTERPARTY**
Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A. (Rabobank International)
Thames Court
One Queenhithe
London EC4V 3RL
United Kingdom

**LIQUIDITY FACILITY PROVIDER**
Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A.
Croeselaan 18
3521 CB Utrecht
The Netherlands

**SECURITY TRUSTEE**

Stichting Trustee HIGHWAY 2012-I
Claude Debussylaan 24
1082 MD Amsterdam
The Netherlands

**LEGAL ADVISOR**

*To the Seller and the Issuer*
(as to Dutch law)
Loyens & Loeff N.V.
Frederik Roeskestraat 100
1076 ED Amsterdam
The Netherlands

(as to English law)
Mayer Brown International LLP
201 Bishopsgate
London EC2M 3AF
United Kingdom

**TAX ADVISOR**

*To the Seller and the Issuer*
Loyens & Loeff N.V.
Frederik Roeskestraat 100
1076 ED Amsterdam
The Netherlands

**PRINCIPAL PAYING AGENT AND REFERENCE AGENT**

Deutsche Bank AG, London Branch
Winchester House
1 Great Winchester Street
London EC2N 2DB
United Kingdom

**PAYING AGENT**

Deutsche Bank AG, Amsterdam Branch
Herengracht 450-454
1017 CA Amsterdam
The Netherlands

**LISTING AGENT**

Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A. (Rabobank International)
Croeselaan 18
3521 CB Utrecht
The Netherlands

**AUDITORS**

*To the Seller and the Issuer*

KPMG Accountants N.V.
Laan van Langerhuize 1
1186 DS Amstelveen
The Netherlands

**ARRANGER**

Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A. (Rabobank International)
Croeselaan 18
3521 CB Utrecht
The Netherlands

**MANAGERS**

Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A. (Rabobank International)
Croeselaan 18
3521 CB Utrecht
The Netherlands

HSBC Bank plc
8 Canada Square
London E14 5HQ
United Kingdom

**COMMON SAFEKEEPER**

*In respect of the Class A Notes*

Clearstream Banking, société anonyme
42 Avenue JF Kennedy
L-1855 Luxembourg

*in respect of the Class B Notes.*

Deutsche Bank AG, London Branch
Winchester House
1 Great Winchester Street
London EC2N 2DB
United Kingdom