

## IMPORTANT NOTICE

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A hard copy of the document will be made available to you only upon request to the Managers.

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Neither the Managers nor any of their respective affiliates accepts any responsibility whatsoever for the contents of this document or for any statement made or purported to be made by any of them, or on any of their behalf, in connection with the Issuer or the offer. The Managers and their respective affiliates accordingly disclaim all and any liability whether arising in tort, contract, or otherwise which they might otherwise have in respect of such document or any such statement. No representation or warranty express or implied, is made by any of the Managers or their respective affiliates as to the accuracy, completeness, verification or sufficiency of the information set out in this document.

The Managers are acting exclusively for the Issuer and the Seller and no one else in connection with the offer. They 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.

**You are responsible for protecting against viruses and other destructive items.** Your receipt of the electronic transmission is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.



**BUMPER 6 (NL) FINANCE B.V.**

*(incorporated with limited liability in the Netherlands with its statutory seat in Amsterdam)*

**€ 501,000,000 Class A Floating Rate Notes due 2029**

**€ 36,000,000 Class B Floating Rate Notes due 2029**

LeasePlan Nederland N.V. as Seller

Application has been made to list the EUR 501,000,000 Class A Floating Rate Notes due 2029 (the "**Class A Notes**") and the EUR 36,000,000 Class B Floating Rate Notes due 2029 (the "**Class B Notes**") and together with the Class A Notes, the "**Notes**") on Euronext Amsterdam ("**Euronext Amsterdam**"). The Notes are expected to be issued on or about 12 November 2014 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 LeasePlan Nederland N.V. ("**LPNL**") 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 (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State and the expression "2010 PD Amending Directive" means Directive 2010/73/EU (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 initially be 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., as operator of Euroclear System ("**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**") and serviced by a common service provider (the "**Common Service Provider**"), both appointed by the operator of 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 Class A Notes are expected to receive a rating of Aaa (sf) by Moody's Investors Service Limited ("**Moody's**"), AAA (sf) rating by Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc. ("**S&P**") and AAA (sf) by DBRS Ratings Limited ("**DBRS**"). The Class B are expected to receive a rating of Aa2 (sf) by Moody's, AAA (sf) by S&P and AA(high) (sf) by DBRS. 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.

#### **CRR and AIFMR**

The Seller (in its capacity as originator within the meaning of regulation (EU) No 575/2013 of 26 June 2013 (the "CRR") and the Commission Delegated Regulation No 231/2013 of 19 December 2012 (the "AIFMR")) has in the Subscription Agreement undertaken to each of the Managers, to retain, on an on-going basis, a material net economic interest of not less than 5% in the securitisation transaction described in this Prospectus in accordance with Article 405 of the CRR and Article 51 of the AIFMR. As at the Closing Date, such interest will consist of the Initial Subordinated Loan Advance, which, in accordance with Article 405 paragraph (1) sub d) of the CRR and Article 51 paragraph (1) sub d) of the AIFMR, comprises a first loss tranche having the same or a more severe risk profile than those sold to investors. The Seller (in its capacity as originator within the meaning of the CRR and AIFMR) has provided a corresponding undertaking with respect to the interest to be retained by it during the period in which the Notes are outstanding to the Issuer and the Security Trustee in the Master Hire Purchase Agreement. Furthermore, the Subscription Agreement and the Master Hire Purchase Agreement include a representation and warranty and undertaking of the Seller as to its compliance with the requirements set forth in article 52 (a) up to and including (d) of the AIFMR and article 408 and 409 of the CRR. In addition to the information set out herein and forming part of this Prospectus, the Seller has undertaken to make available materially relevant data to (potential) investors with a view to such (potential) investors complying with Articles 405 to 410 of the CRR (the "CRR Regulatory Requirements") and Articles 51, 52 and 53 of the AIFMR (the "AIFMR Regulatory Requirements"), which can be obtained from the Seller upon request of (potential) investors in any of the Notes. After the Closing Date, the Issuer Administrator on behalf of 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 retention of the material net economic interest by the Seller and its compliance with the CRR Regulatory Requirements and the AIFMR Regulatory Requirements. The monthly Investor Reports can be obtained at: <http://cm.intertrustgroup.com>, [www.bumperfinance.com](http://www.bumperfinance.com) and/or [www.loanbyloan.eu](http://www.loanbyloan.eu).

Each prospective investor is required to independently assess and determine the sufficiency of the information described above for the purposes of complying with the CRR Regulatory Requirements and the AIFMR Regulatory Requirements and none of the Issuer, the Seller, the Issuer Administrator, the Arranger nor the Managers makes any representation that the information described above is sufficient in all circumstances for such purposes.

**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	€ 501,000,000	one-month Euribor plus 0.45% p.a.	19 March 2029	100%
Class B Notes	€ 36,000,000	one-month Euribor plus 0.67% p.a.	19 March 2029	100%

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

Arranger

**LeasePlan Corporation N.V.**

Joint Lead Managers

**Deutsche Bank AG**

**ABN AMRO Bank N.V.**

Co-Manager

**LeasePlan Corporation N.V.**

## RESPONSIBILITY STATEMENTS AND IMPORTANT INFORMATION

### Responsibility statements

The Issuer is responsible for the information contained in this Prospectus. In addition to the Issuer, LPNL is responsible for the information as referred to in the following paragraph. To the best of its knowledge and belief (having taken all reasonable care to ensure that such is the case) the information contained in this Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information. The Issuer accepts responsibility accordingly.

For the information set forth in the following sections of this Prospectus: "*Risk Factors*", "*Description of Purchased Vehicles*", "*Origination and underwriting*", "*Collection of Lease Receivables by LPNL*", "*Overview of the Dutch car lease market*", "*LeasePlan Nederland N.V.*", "*LeasePlan Corporation N.V.*", "*Weighted average life of the Notes*", and under "*CRR and AIFMR*" in this section (collectively the "**LPNL Information**"), the Issuer has relied on information from LPNL as Seller, Servicer, Realisation Agent and Maintenance Coordinator, for which LPNL is responsible. To the best of LPNL's knowledge and belief (having taken all reasonable care to ensure that such is the case) the LPNL Information is in accordance with the facts and does not omit anything likely to affect the import of such information. LPNL accepts responsibility accordingly. The LPNL Information and any other information from third parties set forth and specified as such in this Prospectus 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. No representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by LPNL as Seller, Servicer, Realisation Agent and Maintenance Coordinator as to the accuracy or completeness of any information (other than the LPNL Information).

To the fullest extent permitted by law, neither the Arranger nor any of the Managers accepts any responsibility for the contents of this Prospectus or for any statement or information contained in or consistent with this Prospectus. The Arranger and each Manager accordingly disclaims 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.

### *Non-consistent 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, LPNL, the Arranger or any of 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.

### *Incorporation by reference*

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 25 August 2014 and the deed of amendment of the articles of association dated 21 October 2014, 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 documents are incorporated in, and form part of, this Prospectus.

*No offer to sell or solicitation of an offer to buy*

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. No one is authorised to give any information or to make any representation concerning the issue of the Notes other than those contained in this Prospectus in accordance with applicable laws and regulations.

*Notes not registered under Securities Act*

In particular, the Notes have not been, and will not be, registered under the United States of America Securities Act of 1933 as amended (the "**Securities Act**"). The Notes are in bearer form and are subject to United States of America tax law requirements. The Notes are being offered outside the United States of America 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 of America or to, or for the account or benefit of, U.S. persons (see the section entitled "*Subscription and sale*" below).

*Investors should undertake their own independent investigation*

Neither the Arranger nor any of the Managers has 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 any of 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.

*Developments and events after date of Prospectus*

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 Arranger, the Managers and LPNL expressly do not undertake to review the financial condition or affairs of the Issuer during the life of the Notes. Investors should review, *inter alia*, the most recent financial statements of the Issuer when deciding whether or not to purchase any 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.

#### *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 the International Central Securities Depositories and/or Central Securities Depositories 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 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.

#### *CRR and AIFMR*

The Seller (in its capacity as originator within the meaning of the CRR and the AIFMR) has in the Subscription Agreement undertaken to each of the Managers, to retain, on an on-going basis, a material net economic interest of not less than 5% in the securitisation transaction described in this Prospectus in accordance with Article 405 of the CRR and Article 51 of the AIFMR. As at the Closing Date, such interest will in accordance with Article 405 paragraph (1) sub d) of the CRR and Article 51 paragraph (1) sub d) of the AIFMR consist of the Initial Subordinated Loan Advance, which, interest in accordance with Article 405 paragraph (1) sub d) CRR and Article 51 paragraph (1) sub d) of the AIFMR 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. The Seller (in its capacity as originator within the meaning of the CRR and the AIFMR) has provided a corresponding undertaking with respect to the interest to be retained by it during the period in which the Notes are outstanding to the Issuer and the Security Trustee in the Master Hire Purchase Agreement.

Furthermore, the Subscription Agreement and the Master Hire Purchase Agreement include a representation and warranty and undertaking of the Seller as to its compliance with the requirements set forth in article 52 (a) up to and including (d) of the AIFMR and article 408 and

409 of the CRR. In addition to the information set out herein and forming part of this Prospectus, the Seller has undertaken to make available materially relevant data to (potential) investors with a view to such (potential) investors complying with the CRR Regulatory Requirements and the AIFMR Regulatory Requirements, which can be obtained from the Seller upon request of (potential) investors in any of the Notes.

After the Closing Date, the Issuer Administrator on behalf of 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 a confirmation of the retention of the material net economic interest by the Seller and its compliance with the CRR Regulatory Requirements and the AIFMR Regulatory Requirements. The monthly investor reports can be obtained at: <http://cm.intertrustgroup.com/>, [www.bumperfinance.com](http://www.bumperfinance.com) and/or [www.loanbyloan.eu](http://www.loanbyloan.eu).

Each prospective investor is required to independently assess and determine the sufficiency of the information described above for the purpose of complying with the CRR Regulatory Requirements and the AIFMR Regulatory Requirements and none of the Issuer, the Seller, the Issuer Administrator nor the Managers makes any representation that the information described in relation to the CRR Regulatory Requirements and the AIFMR Regulatory Requirements in this Prospectus is sufficient in all circumstances for such purpose. In addition, each prospective Noteholder should ensure that they comply with the implementing provisions in respect of the CRR Regulatory Requirements and the AIFMR Regulatory Requirements 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.

To the extent that the Notes do not satisfy the CRR Regulatory Requirements and the AIFMR Regulatory Requirements, the Notes are not a suitable investment for the types of EEA-regulated investors mentioned above. In such case: (i) any such investor holding the Notes may be required by its regulator to set aside additional capital against its investment in the Notes or take other remedial measures in respect of such investment or may be subject to penalties in respect thereof and (ii) the price and liquidity of the Notes in the secondary market may be adversely affected.

#### *Notes not part of a re-securitisation*

The Notes are not part of a securitisation of one or more exposures where at least one of these exposures is a securitisation.

#### *Over-allotment*

In connection with the issue of the Notes, any of the Joint Lead Managers 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 a Joint Lead Manager 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.

#### *Interpretation*

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).

All references in this Prospectus to a "Class" of Notes shall be construed as a reference to the Class A Notes and the Class B Notes, as applicable.

In this Prospectus, save where the context otherwise requires, words importing the singular number include the plural and vice versa.

#### *PCS Label*

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

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

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

The Issuer Administrator on behalf of the Issuer will disclose (i) in the first monthly Investor Report following the award of the PCS Label, the amount of the Class A Notes privately-placed and/or publicly-placed with investors which are not in the LeasePlan Group and (ii) to the extent permissible, in the monthly Investor Report following placement of any Notes initially retained by a member of the LeasePlan Group, but subsequently placed with investors which are not in the LeasePlan Group, the amount of Notes placed with such investors. The Seller shall disclose to the Issuer each such sale of any Notes initially retained by a member of the LeasePlan Group. In addition, until the Class A Notes are redeemed in full, a cash flow model shall be made available (directly or indirectly) to investors, potential investors and firms that generally provide services to investors.

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## TRANSACTION OVERVIEW

*The following is an overview 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 overview 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. Following the implementation of the relevant provisions of the Prospectus Directive in each relevant Member State of the European Economic Area, no civil liability attaches to the Issuer solely on the basis of the summary, including any translation thereof, unless it is misleading, inaccurate or inconsistent when read together with the other parts of this Prospectus. 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 overview, 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 price 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, even when in the meantime an Insolvency Event in respect of the Seller would have occurred. 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 LPNL (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, the Issuer will be entitled to the Vehicle Realisation Proceeds relating to such Purchased Vehicle. Until the occurrence of an Insolvency Event relating to the Seller, the Issuer will be entitled to receive an amount equal to the Estimated Residual Value of the relevant Purchased Vehicle either by means of the payment to the Issuer of the Option Exercise Price by the Call Option Buyer upon exercise of the Repurchase Option or the payment of the RV Shortfall Amount by the RV Guarantee Provider, as the case may be.

The Issuer will use receipts of Lease Collections, which includes any Lease Interest Collections and Lease Principal Collections, 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, the 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.

LPNL 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, recovery and repossession services).

LPNL will furthermore be appointed as Maintenance Coordinator and Realisation Agent. Pursuant to the terms of the Maintenance Coordination Agreement, the Maintenance Coordinator will be responsible for the performance of the Maintenance Services which will be performed in furtherance of the obligations of LPNL under the relevant Lease Agreements and the Issuer's interest in the Purchased Vehicles and associated Lease Receivables. The Realisation Agent will, pursuant to the terms of the Realisation Agency Agreement, be under the obligation to sell any Purchased Vehicle 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 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 to be received by the Issuer in respect of the Purchased Vehicles from the Lease Interest Collections, Lease Principal Collections and the Vehicle Realisation Proceeds (if any) (see further under the section entitled "*Description of certain Transaction Documents*" 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 Transaction Account (with a minimum of zero per cent.) (see further the section entitled "*Credit structure*").

Pursuant to the Subordinated Loan Agreement, the Subordinated Loan Provider will grant Subordinated Loan Advances to the Issuer subject to and in accordance with the Subordinated Loan Agreement (see further under the section entitled "*Description of certain Transaction Documents*").

Pursuant to the Reserves Funding Agreement, the Reserves Funding Provider will grant Reserve Advances to the Issuer subject to and in accordance with the Reserves Funding Agreement (see further under the section entitled "*Description of certain Transaction Documents*").

## **The Issuer**

Bumper 6 (NL) Finance 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 61318795. 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 relevant 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 Servicing Agreement, the Maintenance Coordination Agreement, the Realisation Agency Agreement, the Account Agreement, the Subordinated Loan Agreement, the Reserves Funding Agreement, the Issuer Facility Agreement and in respect of the Transaction Account. 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 2029.

After termination of the Revolving Period and provided that no Note Acceleration Notice has been served in accordance with Condition 9 (*Issuer Events of Default*), the Issuer shall on each Payment Date apply the Available Distribution Amounts, subject to the Normal Amortisation Period Priority of Payments, towards redemption, at their Principal Amount Outstanding, of the Notes.

Subject to and in accordance with the Conditions, the Issuer, provided that no Note Acceleration Notice has been served in accordance with Condition 9 (*Issuer Events of Default*), may use 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 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 material 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 the 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. Additional risks or uncertainties not presently known to the Issuer or that the Issuer currently considers not material may also have an adverse effect on the Issuer's ability to pay interest, principal or other amounts on or in connection with the Notes. Prospective investors should read the information contained herein in conjunction with the detailed information set out elsewhere in this Prospectus and should 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 Back-Up Servicer (if appointed), the Maintenance Coordinator, the Back-Up Maintenance Coordinator, the Back-Up Servicer Facilitator, the Realisation Agent, the Back-Up Realisation Agent, the Call Option Buyer, the RV Guarantee Provider, the Subordinated Loan Provider, the Reserves Funding Provider, the Swap Counterparty, the Arranger, the Managers, the Security Trustee, LPNL or any Affiliates, 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 Back-Up Servicer (if appointed), the Maintenance Coordinator, the Back-Up Maintenance Coordinator, the Back-Up Servicer Facilitator, the Realisation Agent, the Back-Up Realisation Agent, the Call Option Buyer, the RV Guarantee Provider, the Subordinated Loan Provider, the Reserves Funding Provider, the Swap Counterparty, the Arranger, the Managers, the Security Trustee, LPNL or any Affiliates, 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 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 but excluding swap collateral unless intended to form part of the Available Distribution Amounts). 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. Although current market conditions show signs of improvement, there still exists great uncertainty on how the aftermath of banking and sovereign debt crisis in the EU and globally will develop which imposes uncertainties to the Issuer and the investors and may affect the returns on the Notes to investors.

In addition, the banking and sovereign debt crisis in the EU and globally has stalled the primary market for a number of financial products including instruments similar to the Notes. While this banking and sovereign debt crisis in the EU and globally 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.

#### **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 Notes for each Interest Period will be one-month EURIBOR plus the relevant margin, determined in accordance with Condition 4.3 (*Rate of Interest on the Notes*). Condition 4.3 contains provisions for the calculation of such underlying rates based on rates given by various market information sources and Condition 4.3 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.

### **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 (i) of the Servicer to service the Portfolio, (ii) of the Maintenance Coordinator to perform the Maintenance Services, (iii) of the Realisation Agent to perform the Realisation Services, (iv) of the Call Option Buyer to exercise the Repurchase Option and to pay the associated call option exercise price, (v) of the RV Guarantee Provider to pay any RV Shortfall Amount, (vi) of the Swap Counterparty to pay the relevant floating rate amount under the Swap Agreement, (vii) of the Reserves Funding Provider to make available the relevant Reserve Advances and (viii) of the Subordinated Loan Provider to make available the relevant Subordinated Loan Advances. 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 Realisation Agent*" 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 particular, following the occurrence of an Issuer Event of Default, only the holders of the Most Senior Class Outstanding may by an Extraordinary Resolution direct the Security Trustee to deliver a Note Acceleration Notice to the Issuer. 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 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 subject to the terms of the Subscription Agreement. Neither LPNL nor LeasePlan Corporation N.V. ("**LPC**"), which is the sole shareholder of LPNL or any affiliated entity is excluded from purchasing any Notes. In its capacity as Noteholder, LPNL and any affiliated entity will be entitled to exercise the voting rights in respect of the relevant Class of 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 made in order for the Issuer to

comply with its EMIR obligations or is required pursuant to mandatory law to the extent such modification is not considered to be a Basic Terms Modification, is of a formal, minor or technical nature or is made to correct a manifest error and, in each case, is notified to the Rating Agencies and (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, in respect of (ii) only, provided that each Rating Agency has provided a Rating Agency Confirmation in respect of the relevant event or matter. The Security Trustee will notify the Rating Agencies of any such modification.

By obtaining a Rating Agency Confirmation each of the Security Trustee, the Noteholders and the other Secured Creditors will be deemed to have agreed and/or acknowledged that (i) a credit rating is an assessment of credit only and does not address other matters that may be of relevance to the Noteholders or the other Secured Creditors (ii) neither the Security Trustee, nor the Noteholders, nor the other Secured Creditors have any right of recourse to or against the relevant Rating Agency in respect of the relevant Rating Agency Confirmation which is relied upon by the Security Trustee and that (iii) reliance by the Security Trustee on a Rating Agency Confirmation does not create, impose on or extend to the relevant Rating Agency any actual or contingent liability to any person (including, without limitation, the Security Trustee and/or the Noteholders and/or the other Secured Creditors) or create any legal relations between the relevant Rating Agency and the Security Trustee, the Noteholders, the other Secured Creditors or any other person whether by way of contract or otherwise.

### **Rating of the Notes**

The ratings to be assigned to the 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 and the Swap Counterparty) 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 Notes and if such unsolicited ratings are lower than the comparable ratings assigned to the 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 Swap Counterparty and/or circumstances relating to the Dutch auto leasing market, in general could have an adverse effect on the ratings of the Notes as well.

In general, European regulated investors are restricted under the CRA Regulation from using credit ratings for regulatory purposes, unless such ratings are issued by a rating agency established in the EU and registered under the CRA Regulation (and such registration has not been withdrawn or suspended), subject to transitional provisions that apply in certain circumstances whilst the registration application is pending. Such general restriction will also apply in the case of credit ratings issued by non-EU credit rating agencies, unless the relevant

credit ratings are endorsed by an EU-registered rating agency or the relevant non-EU rating agency is certified in accordance with the CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended). The list of registered and certified rating agencies published by European Securities and Markets Authority ("**ESMA**") on its website in accordance with the CRA Regulation is not conclusive evidence of the status of the relevant rating agency included in such list, as there may be delays between certain supervisory measures being taken against a relevant rating agency and the publication of the updated ESMA list. Certain information with respect to the rating agencies and ratings referred to in this Prospectus is set out at the front of this Prospectus and in the section entitled "*Key parties and description principal features*" of this Prospectus. For the avoidance of doubt, any references to "ratings" or "rating" in this Prospectus are to ratings assigned by the Rating Agencies.

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.

**The ratings assigned to the Notes may be revised, suspended or withdrawn at any time despite Rating Agency Confirmation**

The Transaction Documents may provide that upon the occurrence of a certain event or matter, the Security Trustee needs to obtain a Rating Agency Confirmation 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 in the case of an amendment or alteration of a Transaction Document which is made in order for the Issuer to comply with its EMIR obligations or is required pursuant to mandatory law to the extent such modification is not considered to be a Basic Terms Modification, is of a formal, minor or technical nature or is made to correct a manifest error and, in each case, is notified to the Rating Agencies.

In addition, Noteholders should be aware that the definition of Rating Agency Confirmation also covers, among other things, the circumstances where no positive or negative confirmation or indication is forthcoming from any Rating Agency provided that 30 days have passed since such Rating Agency was notified of the relevant matter and that reasonable efforts were made to obtain a confirmation or an indication from such Rating Agency will be deemed to have been obtained. The Noteholders should be aware that whether or not a Rating Agency Confirmation has been obtained or deemed to be obtained by the Security Trustee, this does not include a confirmation by a Rating Agency of the then current ratings assigned to the Notes (even if such Rating Agency Confirmation includes a statement in writing from a Rating Agency that the then current rating assigned to the 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 the Rating Agencies have been notified or such Rating Agency Confirmation has been obtained or for any other reason.

Hence, the Noteholders incur the risk of losses under the Notes when relying solely on a Rating Agency Confirmation, including on a confirmation from each Rating Agency that the then current ratings of the Notes will not be adversely affected by or withdrawn as a result of the relevant matter.

**Rating Agency Criteria**

The rating criteria used by a Rating Agency to assign a rating to the 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 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 than one Class 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 nor the Arranger or any Manager gives 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.

### **US Foreign Account Tax Compliance Act**

Whilst the Notes are in global form and held by Clearstream, Luxembourg or Euroclear, in all but the most remote circumstances it is not expected that Sections 1471 through 1474 of the U.S. Internal Revenue Code or regulations and other authoritative guidance thereunder ("**FATCA**") will affect the amount of any payment received by the clearing systems. However, FATCA may affect payments made to custodians or intermediaries in the subsequent payment chain leading to the ultimate investor if any such custodian or intermediary generally is unable to receive payments free of FATCA withholding. FATCA may also affect payment to any ultimate investor that is a financial institution that is not entitled to receive payments free of FATCA withholding, or an ultimate investor that fails to provide its broker (or other custodian or intermediary from which it receives payment) with any information, forms, other documentation or consents that may be necessary for the payments to be made free of FATCA withholding.

On 18 December 2013 the Netherlands and the United States of America signed an intergovernmental agreement ("**IGA**") for the automatic exchange of data between the tax authorities of both countries in relation to the implementation of FATCA. On the basis of the IGA (that still needs to be implemented into Dutch law), the Issuer expects to be treated as a "Reporting Netherlands Financial Institution" for purposes of FATCA. Therefore, the Issuer has registered with the U.S. Internal Revenue Service. As Reporting Netherlands Financial Institution, the Issuer should not be subject to FATCA withholding. The obligations of the Issuer under the IGA include reporting certain information to the Dutch tax authorities and obtaining information from its account holders, which may include investors in the Notes. Certain investors that do not provide the Issuer with the information required under FATCA to establish that the

investor is eligible to receive payments free of FATCA withholding may be subject to FATCA withholding on certain payments it receives in respect of the Notes.

Investors should choose custodians or intermediaries with care (to ensure each is compliant with FATCA or other laws or agreements related to FATCA) and provide each custodian or intermediary with any information, forms, other documentation or consents that may be necessary for such custodian or intermediary to make a payment free of FATCA withholding. Investors should consult their own tax adviser to obtain a more detailed explanation of FATCA and how FATCA may affect them. Pursuant to the terms and conditions of the Notes, the Issuer's obligations under the Notes are discharged once it has paid the common safekeeper for the clearing systems (as bearer of the Notes) and neither the Issuer nor any Paying Agent will be required to pay additional amounts should FATCA withholding apply to any amount transmitted through the clearing systems and thereafter through custodians or other intermediaries.

FATCA is particularly complex and its application is uncertain at this time. The above description is based in part on regulations, official guidance and intergovernmental agreements implementing FATCA, all of which are subject to change. Moreover, the Dutch guidance notes to the IGA are not published yet. These guidance notes may provide more certainty in respect of the Issuer's FATCA related obligations. Prospective investors should consult their tax advisers on how these rules may apply to the Issuer and to payments they may receive in connection with the Notes.

### **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 2029. In certain circumstances set out in Condition 6 (*Redemption*) the Issuer may at its option redeem all the Notes. No guarantee can be given that the Issuer will exercise its options to redeem the Notes.

### **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 to be received by the Issuer in respect of the Purchased Vehicles from the Lease Interest Collections, Lease Principal Collections and the Vehicle Realisation Proceeds (if any). During those periods in which the floating rate amount payable by the Swap Counterparty under the Swap Agreement is substantially greater than the fixed rate 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 fixed rate amount payable by the Issuer to the Swap Counterparty under the Swap Agreement exceeds the floating rate 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 the 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 relevant 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 Swap Counterparty falls below the Requisite Credit 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 Requisite Credit 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 Requisite Credit 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 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.

In the event that the 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, if market interest rates and other conditions have changed materially, 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 the 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 interest rates payable under the Notes significantly 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.

The Swap Counterparty may, subject to certain limited conditions, transfer its obligations under the Swap Agreement to a third party with the Requisite Credit Ratings if it meets certain conditions. If the Swap Counterparty on the Closing Date has been assigned a rating above the Requisite Credit Ratings, there can be no assurance that the credit quality of the replacement swap counterparty will ultimately prove as strong as that of the original Swap Counterparty.

### **European Market Infrastructure Regulation (EMIR)**

The Issuer will be entering into the Swap Agreement which is an interest rate swap transaction. Regulation (EU) No 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories ("**EMIR**") which entered into force on 16 August 2012 establishes certain requirements for OTC derivatives contracts, including a mandatory clearing obligation, risk-mitigation techniques for OTC derivatives contracts not cleared by a central counterparty and reporting requirements.

Under EMIR, (i) financial counterparties and (ii) non-financial counterparties whose positions in OTC derivatives (excluding hedging positions) exceed a specified clearing threshold must clear OTC derivatives contracts which are declared subject to the clearing obligation through an authorised or recognised central counterparty when they trade with each other or with third country entities. Subject to certain conditions, intragroup transactions will not be subject to the clearing obligation. At this moment central counterparties have been authorised to offer services and activities in the European Union in accordance with EMIR, but OTC derivatives contracts have not yet been declared subject to the clearing obligation. The list of authorised central counterparties can be consulted on ESMA's website.

OTC derivatives contracts that are not cleared by a central counterparty are subject to certain other risk management procedures, including, *inter alia*, arrangements for timely confirmation of OTC derivatives contracts, portfolio reconciliation, dispute resolution and arrangements for monitoring the value of outstanding OTC derivatives contracts. EMIR also contains requirements with respect to margining. Certain of the risk mitigating requirements provided for in more detailed regulatory technical standards impose obligations on the Issuer in relation to the Swap Agreement.

The same applies with respect to the reporting requirements under EMIR. As of 12 February 2014, counterparties must report all their OTC and exchange traded derivatives contracts to an authorised or recognised trade repository or to the European Securities and Markets Authority. Under the Swap Agreement, the Swap Counterparty undertakes that it shall ensure that the details of the transaction will be reported to the trade repository both on behalf of itself and on behalf of the Issuer. EMIR may, *inter alia*, lead to more administrative burdens and higher costs for the Issuer and the payment of such costs will be made in priority to payments of interest and principal on the Notes.

Secondary rules on margin requirements are also currently under discussion. Until these secondary rules come into effect, the Issuer may make its own arrangements with regard to the posting of collateral without regard to any mandatorily applicable rules on collateral. As soon as

these secondary rules enter into force however, the Issuer will have to comply with these new standards. It cannot be excluded that the Issuer will in the future, pursuant to the final secondary rules, become subject to mandatory statutory collateral requirements. This could lead to higher costs or complications if the Issuer enters into a replacement swap agreement or if the Swap Agreement is amended. In view hereof, it should be noted that the Security Trustee may agree, without the consent of the Noteholders, to any modification of any of the provisions of the Transaction Documents which is made in order for the Issuer to comply with its EMIR obligations (see Condition 11.18 (*Modification, authorisation and waiver without consent of Noteholders*)).

Pursuant to Article 12(3) of EMIR any failure by a party to comply with the rules under Title II of EMIR should not make the swap transaction invalid or unenforceable. However, if any party fails to comply with the rules under EMIR it may be liable for a fine. If such a fine is imposed on the Issuer, the Issuer may have insufficient funds to pay its liabilities in full.

### **Insolvency proceedings and subordination**

As a result of a ruling of the US Bankruptcy Court (Southern District of New York), in case of a US bankruptcy of a (hedging) counterparty, there is uncertainty as to the validity and/or enforceability of a provision pursuant to which certain payment rights of such (hedging) counterparty are subordinated to payment rights of other creditors of its counterparty upon the occurrence of a certain default on the part of the (hedging) counterparty including insolvency proceedings relating to that (hedging) counterparty (also referred to as the so-called “flip clauses”, a (“**Subordination Clause**”)). Similar provisions relating to the subordination of the Subordinated Swap Amount are included in the Transaction Documents.

The US Bankruptcy Court has held that a Subordination Clause is unenforceable under US bankruptcy laws and that any action to enforce such Subordination Clause as a result of the insolvency proceedings relating to the hedging counterparty violates the automatic stay under US bankruptcy laws applicable in the case of a US bankruptcy of the hedging counterparty. The decision of the US Bankruptcy Court was subject to appeal, but as a result of a settlement between the parties of the case at hand, the appeal was dismissed. Furthermore, apart from the fact that the implications of this judgment is yet uncertain, the English Supreme Court has held that a Subordination Clause did not violate the so-called “anti-deprivation principle” under English law and was valid under English law. The Issuer has been advised that such a Subordination Clause would be valid under Dutch law.

Hence, if a creditor of the Issuer or a related entity becomes subject to insolvency proceedings in the United States of America, the validity and/or enforceability of a Subordination Clause (i.e. the Revolving Period Priority of Payments, the Normal Amortisation Period Priority of Payments and the Accelerated Amortisation Period Priority of Payments) could be successfully challenged. As the Swap Counterparty has assets and/or operations in the United States of America, it cannot be precluded that a counterparty of the Swap Counterparty may file for bankruptcy in the United States of America. Based on the decision of the US Bankruptcy Court referred to above, there is therefore a risk that a Subordination Clause included in the Transaction Documents would not be upheld under US bankruptcy laws. Thus, should a Subordination Clause set forth in the Transaction Documents successfully be challenged under

US bankruptcy laws, it may have an effect on the rights of the Noteholders, the market value of the Notes and/or the Issuer's ability to satisfy its obligations under the Notes.

In addition, as the relevant Transaction Documents will include provisions qualifying as Subordination Clauses, there may be a risk that as a result of the decision of the US Bankruptcy Court the Rating Agencies will modify their ratings assigned to the Notes. As a result of a downgrade of a rating of the Notes, the market value of the Notes may reduce.

### **Conflicts of Interest**

Certain Transaction Parties, including but not limited to LPNL, the Arranger, the Managers, the Swap Counterparty, the Directors, the Issuer Administrator, the Account Bank and the Paying Agent may engage in commercial relationships, in particular, be lenders, provide banking, investment banking and other financial services to the Transaction Parties. In such relationships, *inter alios*, LPNL, the Arranger, the Managers, the Swap Counterparty, the Directors, the Account Bank 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.

LPNL may hold and/or service claims against lessees with respect to lease receivables or Vehicles not forming part of the Portfolio together with claims against Lessees with respect to the Lease Receivables or the Purchased Vehicles. The interests of LPNL with regard to claims against lessees with respect to lease receivables or Vehicles not forming part of the Portfolio, may be contrary to the interests of the Noteholders.

In addition, the sole managing director of each of the Issuer and the Shareholder is Intertrust Management B.V. which together with the Amsterdamsch Trustee's Kantoor B.V. being the sole managing director of the Security Trustee, are part of the same group of companies that also includes Intertrust Administrative Services B.V., the Issuer Administrator. See further the section entitled "*Bumper 6 (NL) Finance B.V.*".

### **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 would not be admitted to listing on Euronext Amsterdam, the Class A Notes would not be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem. Additionally, if the Notes would not be admitted to listing on Euronext Amsterdam this might 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. Prior to the delivery of a Note Acceleration Notice, 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 delivery of a Note Acceleration Notice, payments of interest and principal on the Class A Notes will be made in priority of payments made 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 from the Lessees, 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 Guarantee Provider, upon funds being received in respect of the Transaction Account, including any interest credited thereon, any amounts resulting from the hedging arrangements entered into under the Swap Agreement and the entitlement to make drawings under the Subordinated Loan Agreement and the Reserves Funding Agreement. 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 in respect of any such unpaid amounts.

#### **Optional redemption by Issuer**

The Issuer will be entitled 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 (1) the Notes are legal investments for it, (2) the Notes can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of any Notes. Financial institutions and alternative investment funds 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 United States of America and elsewhere, there is increased political and regulatory scrutiny of the asset-backed securities industry. This has resulted in a 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 should be aware of the EU risk retention and due diligence requirements which currently apply, or are expected to apply in the future, in respect of various types of EU regulated investors including credit institutions, authorised alternative investment fund managers, investment firms, insurance and reinsurance undertakings and UCITS funds. Amongst other things, such requirements restrict a relevant investor from investing in asset-backed securities unless (i) that investor is able to demonstrate that it has undertaken certain due diligence in respect of various matters including its note position, the underlying assets and (in the case of certain types of investors) the relevant sponsor or originator and (ii) the originator, sponsor or original lender in respect of the relevant securitisation has explicitly disclosed to the investor that it will retain, on an on-going basis, a material net economic interest of not less than 5 per cent. in respect of certain specified credit risk tranches or asset exposures. Failure to comply with one or more of the requirements may result in various penalties including, in the case of those investors subject to regulatory capital requirements, the imposition of a penal capital charge on the notes acquired by the relevant investor.

Aspects of the requirements and what is or will be required to demonstrate compliance to national regulators remain unclear and this uncertainty is increased by certain legislative developments. In particular, in the context of the requirements which apply in respect of EU regulated credit institution investors, investment firms and authorised alternative investment fund managers, the corresponding interpretation materials (to be made in the form of technical standards) have not yet been finalised. No assurance can be provided that such final materials

will not affect the compliance position of previously issued transactions and securities (including the Notes) and/or the requirements applying to relevant investors in general.

The risk retention and due diligence requirements described above apply, or are expected to apply, in respect of the Notes. Investors should therefore make themselves aware of such requirements (and any corresponding implementing rules of their regulator), where applicable to them, 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 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), please see the statements set out in the section entitled "*Responsibility statements and 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 the risk retention and due diligence requirements described above and none of the Issuer, LPNL, the Issuer Administrator, the Arranger or the Managers makes any representation that the information described in this Prospectus, in any Investor Report and otherwise in relation to the risk retention and due diligence requirements described above is sufficient in all circumstances for such purposes.

The EU risk retention and due diligence requirements described above 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.

Furthermore, pursuant to the directive of the European Parliament and of the Council of the European Union of 25 November 2009 on the taking-up and pursuit of the business of Insurance and Reinsurance ("**Solvency II**"), more stringent rules will apply for European insurance companies from January 2016 in respect of instruments such as the Notes in order to qualify as regulatory capital (*toetsingsvermogen c.q. solvabiliteitsmarge*).

In particular, Article 135 of the Solvency II requires the adoption by the European Commission of implementing measures laying down the requirements that will need to be met by originators in order for insurance and reinsurance companies located within the EU to be allowed to invest in such instruments. In addition, Article 135 of the Solvency II states the European Commission shall adopt implementing measures laying down (i) requirements that need to be met by the originator including requirements that ensure that the originator retains a net economic interest of no less than 5% and (ii) qualitative requirements that must be met by insurance or reinsurance undertakings that invest in asset-backed securities. The terms of the implementing measures have been adopted by the European Commission but not yet by the European Council and/or European Parliament. According to the version adopted by the European Commission, the measures require insurance and reinsurance undertakings to carry out due diligence prior to investing in asset-backed securities and that failure to comply with the requirements set out in the implementing measures will result in a penal capital charge to the insurance or reinsurance company. In addition, the availability of transitional relief or "grandfathering" in respect of investments in asset-backed securities remains uncertain.

Solvency II will 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 rules. Consequently,

prospective investors should consult their own advisers as to the consequences of and the effect on them of the application of Solvency II, 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, liquidity and value of the Notes. Neither the Issuer, the Arranger, the Managers nor the Security Trustee are responsible for informing Noteholders of the effects on the changes to risk-weighting of the Notes which amongst others may result from the adoption by their own regulator of Solvency II (whether or not in its current form or otherwise).

### **Risk related to the Special Measures Financial Institutions Act**

On 13 June 2012, the *Wet bijzondere maatregelen financiële ondernemingen* (the "**Special Measures Financial Institutions Act**") entered into force, which introduces far-reaching intervention powers for (i) the Dutch central bank (*De Nederlandsche Bank N.V.*) (the "**DNB**") with regard to a bank or insurer having its official seat (*statutaire zetel*) in the Netherlands and which is licensed under the Dutch Financial Supervision Act (*Wet op het financieel toezicht*) (the "**Wft**") or a Dutch branch of a bank or insurer having its official seat in a country which is not a Member State which DNB deems to be potentially experiencing problems of which it is reasonably foreseeable that these cannot be timely or adequately resolved (*probleeminstelling*) and (ii) the Dutch Minister of Finance with regard to financial institutions with their seat in the Netherlands (*financiële ondernemingen*), if the Dutch Minister of Finance deems it necessary to safeguard the stability of the financial system. On 15 May 2014, the Council of the European Union adopted a directive providing for the establishment of an EU-wide framework for the recovery and resolution of credit institutions and investment firms (Directive 2014/59/EU) (the **Bank Recovery and Resolution Directive** or **BRRD**). The BRRD was published in the Official Journal of the EU on 12 June 2014. The BRRD (which is not applicable to insurance companies) must be implemented by the member states by 1 January 2015, save for the bail-in tool which may be implemented by 1 January 2016. The implementation of the BRRD will, amongst other things, mean that the bail-in tool will be introduced in the Wft. This tool will enable the resolution authority to write down shares and liabilities and/or convert liabilities into shares, in order to recapitalise the failing institution or the bridge entity. In connection with the promulgation of the BRRD and the subsequent implementation thereof, the Wft will need to be amended to reflect provisions of the BRRD.

The Special Measures Financial Institutions Act includes (amongst others) powers for DNB to procure that a "*probleeminstelling*" is transferred, in whole or in part, to a third party. The Dutch Minister of Finance has been granted extensive powers to intervene at financial institutions if this is necessary to safeguard the stability of the financial system. In order to increase the efficacy of these special measures, the Special Measures Financial Institutions Act contains provisions restricting the contractual rights of counterparties of a bank or insurer, or a group company (*tot dezelfde groep behorende onderneming*) of such bank or insurer, including, without limitation, the right to invoke certain contractual provisions (including disclosure obligations) or notification events as a result of the bank or insurer having been subjected to certain measures pursuant to the Special Measures Financial Institutions Act (*gebeurtenis*).

LPC is a financial institution within the meaning of the Wft and as a result thereof, the Dutch Minister of Finance may intervene at LPC and contractual rights of a counterparty in a legal

relationship with LPC or a corporation forming part of the same group (including LPNL) can be restricted. The consequence is that if the occurrence of a Reserves Trigger Event is a result of the occurrence of a "*gebeurtenis*", the obligation of the Reserves Funding Provider to make available the Reserve Trigger Advances may not be enforceable. There is therefore a risk that the enforceability of the rights and obligations of the parties to the Transaction Documents, including without limitation the Seller, the Subordinated Loan Provider and the Reserves Funding Provider may be affected on the basis of the Special Measures Financial Institutions Act, which may lead to losses under the Notes.

## **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 LPNL. None of the Issuer, the Swap Counterparty, the Arranger, the Managers, the Security Trustee, the Account Bank, the Issuer Administrator, the Paying Agent, 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 Required Liquidity Reserve Amount. Whilst the Issuer may apply amounts standing to the credit of the Liquidity Reserve Ledger 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 or an Early Termination Event occurs, 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 and assumptions*".



**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 and provided that on any Calculation Date the sum of the Principal Amount Outstanding of the Notes and the principal balance of the Initial Subordinated Loan Advance exceeds the Aggregate Discounted Balance of the Portfolio at such Calculation Date, 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. 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 Required Replenishment Amount forming 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 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 substantially 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 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.

**Industry concentration of Lessees**

Although the Lessees are involved in a range of different industry sectors and the Vehicles derive from a cross-section of such industries, there may be a higher concentration of Lessees in a particular industry sector (subject to the requirement in the Replenishment Criteria) as a result of the purchase of Leased Vehicles and the associated Lease Receivables by the Issuer after the Closing Date. 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 subject to the hire purchase, 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 anterior 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. 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 (*geprivilegieerde 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 by the relevant car dealer in connection with the acquisition of Vehicles and the repair and maintenance of such Vehicles. 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 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 seven (7) business days after delivery of the Vehicle, which would typically represent the largest claim by a car dealer on the Seller. However, a car 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 (LPNL) 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 (LPNL). 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 (LPNL) 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 LPNL 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.

### *Representations and warranties*

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) there is no litigation, arbitration or action before any court or agency pending or any dispute going on, in respect of any invoice under a sale and purchase agreement between the Seller and the supplier pertaining to a Leased Vehicle, (ii) there is no default in the performance of any obligation under or pursuant to any agreement (which includes any sale and purchase agreement) to an extent or in a manner which has or which could have a Material Adverse Effect on it or on the Seller's ability to perform its obligations under the Master Hire Purchase Agreement or under any of the other Transaction Documents to which the Seller is a Party, (iii) the purchase price (including VAT) of the relevant Leased Vehicle has been paid in full to the relevant supplier and (iv) the sale and purchase agreements pertaining to the relevant Leased Vehicle and each prior Vehicle delivered by the same supplier, do not extend to ongoing maintenance or other services.

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 Leased Vehicle, but subject to the condition precedent of payment of the Final Purchase Instalment. However, if title to such Leased 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.

### **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 sale proceeds of such Purchased Vehicle are insufficient to cover the Estimated Residual Value (following the relevant Lease Maturity Date), or as the case may be, the Present Value of any remaining scheduled Lease Interest Component and Lease Principal Component and of the Estimated Residual Value (following the relevant Lease Early Termination Date). Pursuant to the terms of the Realisation Agency Agreement, the Realisation Agent 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. This risk is mitigated as follows: (A) pursuant to the terms of the Master Hire Purchase Agreement, either the Call Option Buyer exercises the Repurchase Option and repurchases the

Purchased Vehicles together with the associated Lease Receivables at an Option Exercise Price equal to the sum of (i) the Present Value of all scheduled Lease Interest Components and Lease Principal Components and (ii) the Present Value of the Estimated Residual Value of such Purchased Vehicles in the circumstances set out in the Master Hire Purchase Agreement or (B) provided that the relevant Purchased Vehicle is not associated with a Defaulted Lease Agreement, the RV Guarantee Provider 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, LPNL 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 an LPNL Event of Default, the Issuer will pay any RV Excess Amount and/or Lease Incidental Surplus in relation to the relevant Purchased Vehicle to LPNL on the immediately succeeding Payment Date subject to and in accordance with the relevant Priority of Payments. As from the occurrence of an LPNL Event of Default, such RV Excess Amount and/or Lease Incidental Surplus shall not be paid by the Issuer to LPNL but shall be reserved by the Issuer and credited to the Lease Incidental Surplus Reserve Ledger.

#### **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. See the section entitled *"Overview of the Dutch car lease market"*.

Whilst the Asset Warranties, including the Eligibility Criteria and the Replenishment Criteria, are intended to operate and the Liquidity Reserve Ledger has been sized as at the Initial 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 Estimated Residual 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 Realisation Agent 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 will be 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 LPNL, this risk is mitigated by the fact that either 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 the Estimated Residual Value or, if applicable, the Present Value of the Estimated Residual Value and any scheduled Lease Principal Component and Lease Interest Component, if the Repurchase Option is not exercised and provided that the relevant Purchased Vehicle is not associated with a Defaulted Lease Agreement, the RV Guarantee Provider 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 LPNL 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 Discounted Balance of the Portfolio on the Initial 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 Period Priority of Payments or Accelerated Amortisation Period Priority of Payments, as the case may be.

LPNL 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, LPNL is not obliged to sell any Leased Vehicles during the Revolving Period. If LPNL 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**

LPNL, in its capacity as Servicer, will carry out the administration, collection and enforcement of the Portfolio in accordance with the Servicing Agreement including the credit and collection procedures of LPNL as amended from time to time in accordance with the terms and conditions of the Servicing Agreement (the "**Credit and Collection Procedures**") (see the section entitled "*Description of certain Transaction Documents*"). The Noteholders are relying on the business judgement and practices of LPNL 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**

Pursuant to the Servicing Agreement, LPNL will procure that the Issuer will be able to appoint a suitable Back-Up Servicer within 120 calendar days following the occurrence of an Appointment Trigger Event. The Back-Up Servicer will be under an obligation to, amongst other things, review the Servicer Monthly Reports and request any assistance it may require so that it is able, on its assumption of the Back-Up Servicer role, to immediately perform services contained in the Servicing Agreement. On appointment, the Back-Up Servicer will have a stand-by role until the occurrence of a Servicer Termination Event in respect of LPNL as Servicer. In the event LPNL 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 transaction period could have an adverse effect on the ability of the Issuer to make payments in respect of the Notes.

If upon the occurrence of a Servicer Termination Event no Back-Up Servicer has been appointed the Back-Up Servicer Facilitator shall, pursuant to the Servicing Agreement, use its reasonable endeavours to identify and approach any potential Suitable Entity to arrange for the appointment by the Issuer of a substitute servicer. If a Suitable Entity has been selected, the Back-Up Servicer Facilitator will arrange for the appointment by the Issuer of such substitute servicer subject to the terms and conditions set out in the Servicing Agreement, provided that such appointment (i) shall be approved by the Security Trustee, (ii) shall be effective not later than the date of the termination of the appointment of the Servicer, (iii) shall be on substantially the same terms as the terms of the Servicing Agreement, providing for remuneration at such a rate that does not exceed the rate then commonly charged by providers of credit management and administration services for provision of such services on such terms and (iv) shall be notified to the Rating Agencies.

There is no guarantee that a Back-Up Servicer and/or substitute servicer providing servicing at the same level as LPNL can be appointed on a timely basis or at all. In addition, no assurance can be given that a Back-Up Servicer (acting either as Back-Up Servicer or Servicer) or substitute servicer will not charge fees in excess of the fees to be paid to the Servicer. The payment of fees to the Back-Up Servicer (acting either as Back-Up Servicer or Servicer) or any substitute 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) or substitute 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 to have transferred Lease Collections as set forth in 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 to the Transaction Account pursuant to the Servicing Agreement, 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 will first be paid by the Lessees 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 (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 Reserves Trigger Event, LPNL will, in accordance with the Reserves Funding Agreement make payments to the Issuer allowing the Issuer to credit an amount equal to the Required Commingling Reserve Amount to the Commingling Reserve Ledger.

### **Role of Back-Up Maintenance Coordinator**

Pursuant to the Maintenance Coordination Agreement, a suitable Back-Up Maintenance Coordinator has been appointed by the Issuer. Furthermore, pursuant to the terms of the Maintenance Coordination Agreement, the Back-Up Maintenance Coordinator will be under an obligation to, amongst other things, review the Servicer Monthly Reports and request any assistance it may require so that it is able, on its assumption of the Back-Up Maintenance Coordinator Role, to perform maintenance services contained in the Maintenance Coordination Agreement within the agreed timeframes.

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

Under certain conditions, the Back-Up Maintenance Coordinator may terminate its appointment as Back-Up Maintenance Coordinator by giving 90 calendar days' prior notice in writing. There can be no assurance that if KPMG LLP ("KPMG") terminates its appointment as Back-Up Maintenance Coordinator a new back-up or substitute maintenance coordinator providing maintenance coordination services at the same level as LPNL or KPMG, as the case may be, can be appointed on a timely basis or at all. In addition, no assurance can be given that a back-up maintenance coordinator will not charge fees in excess of the fees to be paid to KPMG in its capacity as Back-Up Maintenance Coordinator or that a back-up or substitute maintenance coordinator can be found which is willing to undertake the Maintenance Services. The payment of fees to any back-up or substitute maintenance coordinator (acting either as back-up or substitute maintenance coordinator or as Maintenance Coordinator) 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 or substitute maintenance coordinator acting either as back-up or substitute maintenance coordinator or as Maintenance Coordinator) 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 Maintenance Services by the Back-Up Maintenance Coordinator (acting as Maintenance Coordinator) 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. See the section entitled "*Appointment of Back-Up Maintenance Coordinator*").

#### **Reliance on Realisation Procedures Rules; sale in the open market; repurchase by the Realisation Agent**

To the extent the Realisation Agent has the duty to realise the Purchased Vehicles in the open market, the Realisation Agent will carry out such realisation of the Purchased Vehicles in accordance with the Realisation Agency Agreement. Accordingly, the Noteholders are relying on the business judgement, the practices and the capabilities of the Realisation Agent 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 Realisation Agent 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 using internet portals or via auctions (including trade auctions that are limited to professional resellers only), which both bear the risk that the best-achievable price cannot be reached. With respect to the internet customers, this is, *inter alia*, attributable to the fact that the final customer cannot test-drive the vehicles and may therefore be inclined not to make a bid equal to the best-achievable price in such internet auction. In respect of Vehicles sold by trade auction, sales to professional sellers will generally result in a lower resale price than sales to a non-professional individual.

Monies paid by the Realisation Agent 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 Reserves Trigger Event is occurring, on each Commingling Transfer Date.

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

#### **Replacement of the Realisation Agent**

The ability of the Issuer to meet its obligations under the Notes will depend on the performance of the duties of the Realisation Agent and, if applicable, the Back-Up Realisation Agent (acting as Realisation Agent) or any other substitute realisation agent. No assurance can be given that the Realisation Agent and, if applicable, the Back-Up Realisation Agent (acting as Realisation Agent) will be successful in selling the Purchased Vehicles in accordance with the relevant agreement.

Pursuant to the Realisation Agency Agreement, LPNL is required to procure the appointment of a suitable Back-Up Realisation Agent on the occurrence of an Appointment Trigger Event within 120 calendar days thereof. The Back-Up Realisation Agent will be under an obligation to, amongst other things, review the Servicer Monthly Reports and request any assistance it may require so that it is able, on its assumption of the Back-Up Realisation Agent Role, to immediately perform services contained in the Realisation Agency Agreement.

Following a Realisation Agent Termination Event, the Back-Up Realisation Agent (acting as Realisation Agent) is obliged to take over the services of the Realisation Agent under the Realisation Agency Agreement. The Back-Up Realisation Agent (acting as Realisation Agent) shall realise the relevant Purchased Vehicle via a sale in the open market in accordance with the Realisation Agency Agreement. Since the Realisation Agent will be appointed upon the

occurrence of certain events, as described above, the risk of interruptions in respect of the performance under the Realisation Agency Agreement is mitigated to a certain extent.

However, there is a risk that no appropriate Back-Up Realisation Agent can be appointed within a reasonable time or at all. In addition, it should be noted that any other realisation agent may charge a fee on a basis different from that stipulated in the Realisation Agency Agreement. The payment of fees to any Back-Up Realisation Agent (acting as Realisation Agent) will be deducted from any Vehicle Realisation Proceeds realised by the Back-Up Realisation Agent (acting as Realisation Agent) and received in respect of a Purchased Vehicle prior to the payment of such Vehicle Realisation Proceeds to the Issuer and therefore any increase in the level of fees paid to a Back-Up Realisation Agent (acting as Realisation Agent) would reduce the amounts available to the Issuer to make payments in respect of the Notes.

### **Risk of late payments received by Realisation Agent**

Under the Realisation Agency Agreement, the Realisation Agent has undertaken to transfer or procure to have transferred the Vehicle Realisation Proceeds realised by it in accordance with the Realisation Agency Agreement on each Payment Date or, following a Reserves Trigger Event, on each Commingling Transfer Date immediately following the date of receipt of such Vehicle Realisation Proceeds, in accordance with the Realisation Agency Agreement (see the section entitled "*Description of certain Transaction Documents*").

If the Realisation Agent does not promptly forward all amounts which it owes pursuant to the Realisation Agency Agreement arising out of or in connection with the realisation of the Purchased Vehicles 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 the insolvency of the Realisation Agent, no commingling risk will arise as the proceeds arising out of or in connection with the realisation of the Purchased Vehicles will first be paid by third party purchasers to the Realisation Agent. This risk is, however, mitigated by the fact that the realisation mandate of the Realisation Agent will be revoked upon the occurrence of a Realisation Agent Termination Event and, therefore, prior to or, at the latest, upon the insolvency of the Realisation Agent. Therefore, the commingling risk will be limited to the amounts standing to the credit of the bank accounts of the Realisation Agent representing the Vehicle Realisation Proceeds realised by it in accordance with the Realisation Agency Agreement at the time insolvency proceedings are opened relating to the Vehicle Realisation Proceeds. Following an LPC Downgrade Event, any Vehicle Realisation Proceeds will be transferred from the Realisation Agent to the Issuer on each Commingling Transfer Date. In addition, upon a further occurrence of a Reserves Trigger Event, LPNL will, in accordance with the Reserves Funding Agreement, make payments to the Issuer allowing the Issuer to credit an amount equal to the Required Commingling Reserve Amount to the Commingling Reserve Ledger.

### **Reserves Trigger Event**

Various actions are triggered upon the occurrence of a Reserves Trigger Event including (but not limited to) the funding of the Set-Off Reserve Ledger, the Commingling Reserve Ledger and the Maintenance Reserve Ledger by LPNL. Additionally, upon the occurrence of a Reserves Trigger Event any Lease Collections and Vehicle Realisation Proceeds collected by the Realisation Agent, the Servicer, the Seller and/or the Call Option Buyer as the case may be, will

be transferred to the Transaction Account on any Twice Weekly Payment Date (as opposed to the Payment Dates at the end of each Collection Period).

LPNL is a 100 per cent. subsidiary of LPC which are both a member of the LeasePlan Group. The definition of Appointment Trigger Event, LPC Downgrade Event and Reserves Trigger Event refers to the short-term or (as the case may be) long-term unsecured, unsubordinated and unguaranteed ratings of LPC assigned by S&P and Moody's. Whilst the actions triggered upon a Reserves Trigger Event are intended to safeguard against certain credit and liquidity risks relating to LPNL (in its various capacities), there can be no assurance that credit and liquidity risks in relation to LPNL crystallise only following the occurrence of a Reserves Trigger Event relating to LPC.

### **Commingling risk**

LPNL, as the Seller, Servicer and Realisation Agent, 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 LPNL at its own risk and for its own benefit during each monthly period until each Payment Date. If LPNL 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 Reserves Trigger Event, the Servicer, the Seller and the Realisation Agent will transfer any monies to the Transaction Account on each Commingling Transfer Date. Following the occurrence of a Reserves Trigger Event (and, for as long as a Reserves 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 LPNL will be required to fund the Commingling Reserve and the frequency of cash sweeps of certain Lease Collections and Vehicle Realisation Proceeds from the Servicer and the Realisation Agent to the Issuer (as to which see further the section entitled "*Description of certain Transaction Documents*"). However, there can be no assurance that the Required Commingling Reserve Amount and the twice weekly or monthly (as the case may be) cash sweeps from LPNL to the Issuer will be sufficient to safeguard against such risks. See the section entitled "*Description of certain Transaction Documents*".

### **Risk of withdrawal of, and termination of liability under, the 403-Declaration**

Under the 403-Declaration LPC in its capacity as the guarantor (the "**403-Guarantor**") is jointly and severally liable for the debts (*schulden*) resulting from legal acts (*rechtshandelingen*) of LPNL. The Issuer has been advised that each duly executed Hire Purchase Contract, Servicing Agreement, Subordinated Loan Agreement and Reserves Funding Agreement, to the extent relating to LPNL will be regarded as such a legal act and, therefore the 403-Guarantor will be jointly and severally liable with LPNL for all debts under these agreements. The 403-Guarantor will have the right to withdraw the 403-Declaration at any time by depositing a declaration to this effect with the relevant Trade Register. The Issuer has been advised that irrespective of such withdrawal, the 403-Guarantor will continue to be jointly and severally liable for all debts of

LPNL resulting from each duly executed Hire Purchase Contract, Servicing Agreement, Subordinated Loan Agreement and Reserves Funding Agreement arising prior to the withdrawal. However, in respect of the debts of LPNL under any Hire Purchase Contract executed following the withdrawal this is not certain, because any hire-purchase of Leased Vehicles and assignment of associated Lease Receivables under a Combined Transfer Deed could be considered as a new legal act and, to the extent effectuated after withdrawal of the relevant 403-Declaration, may not be covered by the 403-Declaration. Moreover, LPNL has undertaken to inform the Issuer and the Security Trustee at least thirty (30) days prior to the withdrawal of its 403-Declaration.

The 403-Guarantor can also file a notice of its intention to terminate its remaining liability after withdrawal of the 403-Declaration. Such remaining liability will terminate if certain conditions are met, *inter alia*, that (i) LPNL no longer belongs to the same group of companies as the 403-Guarantor and (ii) a two (2) month notice period has expired and the relevant creditor has not opposed the intention to terminate in time or such opposition was dismissed by the court. If the creditor so demands, it must be provided with security for the payment of its claims, failing which the opposition will be upheld. This shall not apply if, after termination of the liability, the creditor has sufficient security (*waarborg*) that such claims will be paid. The courts will have discretionary authority when deciding on this question. LPNL has undertaken to inform the Issuer and the Security Trustee at least thirty (30) days prior to the filing of LPC's intention to terminate its remaining liability under the 403-Declaration.

Thus, the Issuer may be unable to seek recourse from the 403-Guarantor for breach of obligations by LPNL under the relevant Transaction Documents. This could have a negative effect on the Issuer's ability to meet its obligations under the Notes.

Prospective Noteholders should not rely on the 403-Declaration and should assess the economic risk of an investment in the Notes without taking the 403-Declaration into consideration.

## **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 a 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 LPNL, 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 order to mitigate this risk, each Combined Transfer Deed includes a provision which provides that if at the time of the creation of the right of pledge any Purchased Vehicle is located outside the Netherlands, the creation of the right of pledge on such Purchased Vehicle is subject to the condition precedent that such Purchased Vehicle is relocated 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 is subject to the condition precedent that such Purchased Vehicle is relocated 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 operating 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 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 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 LPNL 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. The Issuer has been advised that a default by LPNL 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 immediately 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 DCC entered into between each of 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*) within two (2) Business Days after the relevant Purchase Date. As a result of such registration the Issuer will become the legal owner of such Lease Receivables and as a result of such notification, the Issuer will be entitled to collect the Lease Receivables. The Issuer has agreed with LPNL (in its capacity as Servicer) that LPNL 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 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 a 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 has entered into a hire purchase agreement with respect to each of the Purchased Vehicles pursuant to which it will become the legal owner of a Purchased Vehicle upon payment in full of the hire 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 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, the Maintenance Coordinator and the Realisation Agent respectively, agree 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 respectively the Servicing Agreement, the Maintenance Coordination Agreement and the Realisation Agency 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 or LPC. 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. 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 the lessor 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.

### **Possessory lien**

A possessory lien (*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 possessory lien.

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 a possessory lien. See further the section headed "*BOVAG and FOCWA General Conditions; possessory liens and third party encumbrances*" which applies *mutatis mutandis*. 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 possessory lien on 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 possessory lien 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 agreement, 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 Maintenance Coordination Agreement and the Realisation Agency Agreement, respectively, the Servicer, the Maintenance Coordinator and the Realisation Agent undertakes to provide the relevant Lease Services and Maintenance 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 LPNL (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 Lease Receivables by the Seller to the Issuer and notification thereof to the relevant Lessees, the Seller is no longer the creditor of the relevant Lease Receivables.

However, for as long as the transfer has not been notified to the relevant Lessee, the Lessee remains entitled to set off the Lease Receivables 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. The Issuer has been advised that this may not constitute a notification for this purpose. 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 such 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 LPNL.

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.

Subject to the terms and conditions of the Reserves Funding Agreement the Issuer will be entitled to draw the Required Set-Off Reserve Amount to enable it to meet its payment obligations pursuant to the relevant Priority of Payments if and to the extent there would be a shortfall in the Lease Receivables payable by the Lessees due to any Lessee invoking a right of set-off (*verrekening*) in respect of LPNL in relation to a relevant Lease Agreement.

## **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*) of 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, 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 Instalments 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 Transaction Account*

The Issuer will create a disclosed right of pledge over the credit balances of the Transaction Account. Amounts that are paid into the Transaction Account after bankruptcy and suspension of payments of the Issuer will no longer be subject to the 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 Transaction 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 Note 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 provider prior to notification to 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 provider to collect payment of these rights and receivables after bankruptcy or suspension of payments of the security provider (i.e. Seller or Issuer) will be part of the bankrupt estate of the security provider, albeit that the security holder (i.e. 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 holder (i.e. 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 holder (i.e. 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 holder (i.e. 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 holder (i.e. 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 is 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 Period 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 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, the Issuer will incur an RV Shortfall Amount in respect of such Purchased Vehicle. Until the Insolvency of LPNL, 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 respect of a Lease Agreement at the Lease Maturity Date, an amount equal to the Estimated Residual Value at the Lease Termination Date and (ii) in case of a Lease Agreement Early Termination, an amount equal to the sum of (x) the Present Value of all scheduled Lease Interest Components and Lease Principal Components that would have become due and payable under the relevant associated Lease Agreement after the Lease Early Termination Date in the event such Lease Agreement would not have been subject to a Lease Agreement Early Termination and (y) the Present Value of the Estimated Residual Value, each as calculated as of the relevant Cut-Off Date. 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 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 is less than the Option Exercise Price which would have been payable if the Repurchase Option had been exercised, the RV Guarantee Provider will pay to the Issuer an amount equal to the RV Shortfall Amount on the first Payment Date following such Collection Period. 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. If the Issuer (or the Issuer Administrator) determines that the Vehicle Realisation Proceeds realised in respect of the relevant Purchased Vehicle exceeds the Option Exercise Price which would have been payable if the Repurchase Option had been exercised, the Issuer will, unless the relevant Purchased Vehicle is associated with a Defaulted Lease Agreement, pay to the RV Guarantee Provider an amount equal to the relevant RV Excess Amount on the Payment Date first following such Collection Period subject to and in accordance with the relevant Priority of Payments and provided that no LPNL Event of Default has occurred.

## **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 Guarantee Provider is obliged to pay any RV Shortfall Amount, unless the relevant Purchased Vehicle is associated with a Defaulted Lease Agreement. In addition, in the Maintenance Coordination Agreement the Maintenance Coordinator undertakes to render the Maintenance Services, including (i) to perform all obligations of the owner of the Purchased Vehicles and the lessor under the associated Lease Agreements and (ii) to arrange for appropriate insurance for the associated Purchased Vehicle in consultation with the Issuer if the Call Option Buyer does not exercise the Repurchase Option. If the Maintenance Coordinator defaults in its obligation to arrange the appropriate insurance with respect to a Purchased Vehicle in time, any damage claim with respect to such Purchased Vehicle may be for the Issuer's own account.

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 (or termination of a lease contract) the insurance policy will terminate. If neither such provision nor a different provision applies to the relevant policy, the insurance will pass along to the new owner by operation of law. However, unless the insurer confirms within one month of the change of ownership that it wishes to continue the insurance, the insurance agreement terminates by operation of law after such month. 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, or one month thereafter, is mitigated as the Maintenance Coordination Agreement provides that the Maintenance Coordinator undertakes to render the Maintenance 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. However, if the Maintenance Coordinator defaults in its obligation to arrange the appropriate insurance with respect to a Purchased Vehicle in time, any damage claim from a third party with respect to damage caused by such Purchased Vehicle may be for the Issuer's own account.

### **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 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 will continue to be performed by LPNL based on the Servicing Agreement, the Maintenance Coordination Agreement and the Realisation Agency Agreement. 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 for as long as the Servicing Agreement, the Maintenance Coordination Agreement and the Realisation Agency Agreement are in place.

#### **Limited description of 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 LPNL Warranties. The Master Hire Purchase Agreement provides that if an LPNL 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 a Mandatory Redemption Payment will be payable by the Seller to the Issuer under the Issuer Facility Agreement; or (ii) if the breach relates to any warranty other than an Asset Warranty or Corporate Warranty, LPNL 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 LPNL does not perform such obligations, this may result in an LPNL 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 (the “**EU Savings Directive**”) 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.

On March 24, 2014, the EU Council adopted an EU Council Directive amending and broadening the scope of the EU Savings Directive, including extending the range of payments covered by the EU Savings Directive and expanding on the circumstances in which payments that indirectly benefit an individual resident in a Member State must be reported. The EU Savings Directive may in some cases apply where the person, entity or arrangement is established or effectively managed outside of the EU. Member States are required to introduce legislation giving effect to these changes by January 1, 2016 and such legislation must apply from January 1, 2017.

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 per cent. The changes referred to above will broaden the types of payments subject to withholding in those Member States which still operate a withholding system when they are implemented. In April 2013, the Luxembourg Government announced its intention to abolish the withholding system with effect from January 1, 2015, in favour of automatic information exchange under the EU Savings Directive.

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 them are based on the law of the Netherlands in effect as at the date of this Prospectus. No assurance can be given as to the impact of any possible change to the law of the Netherlands 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 is that information regarding the relevant Lease Agreements may be disclosed (i) by LPNL to the Issuer, as hire purchaser of the relevant Purchased Vehicle and (ii) by the Issuer to the Servicer, the Maintenance Coordinator and/or Realisation Agent so as to procure proper performance of the lessor's obligations under the relevant Lease. Each of the Issuer, the Servicer, the Maintenance Coordinator and the Realisation Agent 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 Lessees 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 LPNL (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 Note Acceleration Notice, the Security Trustee, at all reasonable times. Any such information will be provided to the Issuer in encrypted form only. Pursuant to the Servicing Agreement, the Issuer (and the Servicer on its behalf) will be authorised to use the Decryption Key which will immediately following the Closing Date be deposited by or on behalf of the Seller with a public notary and which will be updated from time to time, to decrypt the relevant Records and other relevant information following the occurrence of an LPNL Event of Default which is continuing.

**Implementation of and/or changes to the Basel III framework may affect the regulatory capital requirements and/or the liquidity associated with a holding of the Notes for certain investors**

The Basel Committee on Banking Supervision has made significant amendments to the Basel II Capital Accord ("**Basel II**") which aim at a substantial strengthening of capital rules, including new capital and liquidity requirements intended to reinforce capital standards and to establish minimum liquidity standards and a maximum leverage ratio for financial institutions ("**Basel III**"). The changes refer to, amongst other things, new requirements for the capital base, measures to strengthen the capital requirements for counterparty credit exposures arising from certain transactions and the introduction of a leverage ratio as well as short-term and longer-term standards for funding liquidity (referred to as the "**Liquidity Coverage Ratio**" and the "**Net Stable Funding Ratio**", respectively). Member countries are required to implement the new capital standards and the new Liquidity Coverage Ratio as soon as possible (with provision for phased implementation, meaning that the measures will not apply in full until January 2019), the new Liquidity Coverage Ratio from January 2015 and the Net Stable Funding Ratio from January 2018. The European authorities have indicated that they support Basel III in general. The capital rules of Basel III have been implemented through a directive and a regulation adopted on 26 June 2013 by the Council of the European Union (collectively referred to as "**CRD IV**"), which replaced the directives 2006/48/EC and 2006/49/EC, as amended by directive 2009/111/EC. CRD IV entered into force on 1 January 2014, with full implementation by January 2019; however, CRD IV allows individual Member States to implement a stricter definition and/or level of capital more quickly than is envisaged under Basel III. On 1 August 2014 the CRD IV was implemented in Dutch legislation.

In December 2013, the Basel Committee on Banking Supervision issued a second consultative document on revisions to the securitisation framework, including draft standards text. The second consultative document follows the first consultative document published in December 2012. The major changes in the second consultative document in relation to the first consultative document include (i) changes to the hierarchy of approaches and (ii) changes to calibration and other clarifications (including the proposal of the Basel Committee on Banking Supervision to set a 15 per cent. risk-weight floor for all approaches, instead of the 20 per cent. floor originally proposed). Comments on the consultative document and the proposed standards text were due on 21 March 2014. Following review of the comments, the Basel Committee intends to publish the final standards. The exact timing for the publication of the final standards remains uncertain and detailed implementation arrangements remain subject to further discussion by the Basel Committee.

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, liquidity and value of the Notes. Neither the Issuer, the Arranger, the Managers nor the Security Trustee are responsible for informing Noteholders of the effects on the changes to risk-weighting of the Notes which amongst others may result from the adoption by their own regulator of Basel II or Basel III (whether or not in its current form or otherwise).

### **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.

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

### **Forecasts and Estimates**

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

## KEY PARTIES AND 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

**Issuer/Purchaser:** Bumper 6 (NL) Finance 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 Prins Bernhardplein 200, 1097 JB Amsterdam, the Netherlands and registered in the Trade Register under number 61318795 (the "**Issuer**" or "**Purchaser**"). The entire issued share capital of the Issuer is held by the Shareholder.

**Seller:** LeasePlan Nederland N.V. ("**LPNL**"), a public company with limited liability (*naamloze vennootschap*), incorporated under Dutch law, having its official seat (*statutaire zetel*) in Amsterdam, the Netherlands and its registered address at P.J. Oudweg 4, 1314 CH Almere, the Netherlands and registered in the Trade Register under number 39037163.

**Originator:** LPNL, including any legal predecessors, acting in its capacity as originator of any Lease Agreement (the "**Originator**").

**Servicer:** LPNL acting in its capacity as servicer (the "**Servicer**", which term includes any Back-Up Servicer which has taken over the services of LPNL upon the occurrence of a Servicer Termination Event).

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 Facilitator and the Security Trustee (the "**Servicing Agreement**") service and administer the Lease Agreements and report on the performance of the Portfolio.

The Servicer will in consideration of its duties receive a fee as agreed in the Servicing Agreement (the "**Servicer Fee**") to be



paid by the Issuer subject to and in accordance with the applicable Priority of Payments.

**Back-Up Servicer:**

An entity (the "**Back-Up Servicer**") appointed by the Issuer following the occurrence of the relevant Appointment Trigger Event subject to and in accordance with the Servicing Agreement.

The Back-Up Servicer will have to satisfy and meet the requirements and standards as set out in the Servicing Agreement.

Following a Servicer Termination Event, the Back-Up Servicer (acting as Servicer) will take over the services from LPNL as Servicer under the Servicing Agreement subject to and in accordance with the back-up servicing agreement (the "**Back-Up Servicing Agreement**") to be entered into by and between, the Issuer, the Back-Up Servicer and the Security Trustee. The Back-Up Servicing Agreement will be substantially on the terms of the Servicing Agreement which, in addition, shall include provisions detailing the Back-Up Servicer Role to be provided by the Back-Up Servicer prior to it acting as Servicer.

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.

Following the occurrence of an Appointment Trigger Event but 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.

**Back-Up Servicer  
Facilitator:**

ABN AMRO Bank N.V., a public company with limited liability (*naamloze vennootschap*), incorporated under Dutch law, having its official seat (*statutaire zetel*) in Amsterdam, the Netherlands and its registered address at Gustav Mahlerlaan 10, 1082 PP Amsterdam, the Netherlands and registered in the Trade Register under number 34334259 ("**ABN AMRO**"), acting in its capacity as back-up servicer facilitator (the "**Back-Up Servicer Facilitator**").

Pursuant to the Servicing Agreement, if upon the occurrence of a Servicer Termination Event no Back-Up Servicer has been appointed, the Back-Up Servicer Facilitator shall use its reasonable endeavours to identify potential Suitable Entities to arrange for the appointment by the Issuer of a substitute servicer. If a Suitable Entity has been selected, the Back-Up Servicer Facilitator will arrange for the appointment by the Issuer of such substitute servicer subject to the terms and conditions set out in the Servicing Agreement, provided that such appointment (i) shall be approved by the Security Trustee, (ii) shall be effective not later than the date of the termination of the appointment of the Servicer, (iii) shall be on substantially the same terms as the terms of the Servicing Agreement, providing for remuneration at such a rate that does not exceed the rate then commonly charged by providers of credit management and administration services for provision of such services on such terms and (iv) shall be notified to the Rating Agencies.

**Maintenance Coordinator:** LPNL acting in its capacity as maintenance coordinator (the "**Maintenance Coordinator**", which term includes any Back-Up Maintenance Coordinator which has taken over the services of LPNL upon the occurrence of a Maintenance Coordinator Termination Event).

Pursuant to the Maintenance Coordination Agreement the Maintenance Coordinator will agree in favour of the Issuer to perform or procure the performance of the Maintenance Services owed by LPNL to the Lessees under the Lease Agreements in the Portfolio that stipulate that maintenance and certain other services will be provided to the relevant Lessees under and in accordance with the terms of such Lease Agreements.

Until the occurrence of an LPNL Event of Default or a Maintenance Coordinator Termination Event, the Maintenance Coordinator will in consideration of its performance of the Maintenance Services receive a fee in the amount equal to the Lease Servicing Collections, the Lease Management Fee Collections and any Lease Incidental Collections, to the extent received by the Issuer (the "**Senior Maintenance Coordinator Fee**") to be paid by the Issuer to the Maintenance Coordinator in accordance with the applicable Priority of Payments.

Upon the occurrence of an LPNL Event of Default or a Maintenance Coordinator Termination Event, the Maintenance

Coordinator will in consideration of its duties receive a fee (the "**Maintenance Coordinator Fee**") to be paid by the Issuer to the Maintenance Coordinator in accordance with the applicable Priority of Payments.

**Back-Up Maintenance Coordinator:**

KPMG LLP, a private limited partnership incorporated under the laws of England and Wales having its registered address at 8 Salesbury Square, London EC4Y 8BB, United Kingdom (the "**Back-Up Maintenance Coordinator**") has been appointed by the Issuer to, subject to and in accordance with the Maintenance Coordination Agreement, perform the Maintenance Services owed to the Lessees upon the occurrence of a Maintenance Coordinator Termination Event.

The Maintenance Coordination Agreement includes provisions detailing the Back-Up Maintenance Coordinator Role to be provided by the Back-Up Maintenance Coordinator prior to it acting as Maintenance Coordinator.

In consideration for its Back-Up Maintenance Role, the Back-Up Maintenance Coordinator will receive a stand-by fee (the "**Back-Up Maintenance Coordinator Stand-By Fee**") in such an amount to be agreed between the Issuer, the Security Trustee and the Back-Up Maintenance Coordinator and payable by the Issuer subject to and in accordance with the applicable Priority of Payments.

Once the Back-Up Maintenance Coordinator will take over the Maintenance Services from the Maintenance Coordinator, it will in consideration of its duties receive a fee (the "**Back-Up Maintenance Coordinator Fee**") in such an amount to be agreed between the Issuer, the Security Trustee and the Back-Up Maintenance Coordinator and payable by the Issuer subject to and in accordance with the applicable Priority of Payments.

**Realisation Agent:**

LPNL acting in its capacity as realisation agent (the "**Realisation Agent**" which term includes any Back-Up Realisation Agent which has taken over the Realisation Services of LPNL following the occurrence of a Realisation Agent Termination Event).

The Realisation Agent will, pursuant to the terms of the realisation agency agreement to be entered into on or about the Signing Date between the Issuer, the Realisation Agent, the Seller and the Security Trustee (the "**Realisation Agency Agreement**") be responsible for, *inter alia*, the sale of the

Purchased Vehicles within its possession or control in respect of which the Call Option Buyer has not exercised the Repurchase Option following a Lease Termination Date.

As long as no Reserves Trigger Event has occurred, the Realisation Agent will, on each Payment Date transfer any Vehicle Realisation Proceeds and the calculated VAT, if applicable, to the extent realised and/or collected by it to the Transaction Account.

Upon the occurrence of a Reserves Trigger Event and as long as the Reserves Trigger Event is continuing, the Realisation Agent shall on each Commingling Transfer Date transfer to the Transaction Account any Vehicle Realisation Proceeds and the calculated VAT, if applicable, to the extent realised and/or collected by it.

In consideration of these duties, the Realisation Agent will receive a fee (the "**Realisation Agent Fee**") to be paid by the Issuer subject to and in accordance with the applicable Priority of Payments.

**Back-Up Realisation Agent:** An entity (the "**Back-Up Realisation Agent**") appointed by the Issuer following the occurrence of the relevant Appointment Trigger Event subject to and in accordance with the terms of the Realisation Agency Agreement.

The Back-Up Realisation Agent will have to satisfy and meet the requirements and standards as set out in the Realisation Agency Agreement.

Following a Realisation Agent Termination Event, the Back-up Realisation Agent (acting as Realisation Agent) will take over Realisation Services from LPNL as Realisation Agent subject to and in accordance with the back-up realisation agency agreement (the "**Back-Up Realisation Agency Agreement**") to be entered into by and between the Issuer, the Back-Up Realisation Agent and the Security Trustee on substantially the terms of the Realisation Agency Agreement which, in addition, shall include provisions detailing the Back-Up Realisation Agent Role to be provided by the Back-Up Realisation Agent prior to it acting as Realisation Agent.

Once the Back-Up Realisation Agent (acting as Realisation Agent) has taken over the duties it will in consideration of its duties receive a fee to be agreed upon with the Issuer ("**Back-up Realisation Agent Fee**") and payable by the Issuer

subject to and in accordance with the applicable Priority of Payments.

Prior to the occurrence of a Realisation Agent Termination Event, the Back-Up Realisation Agent will not be required to carry out the relevant Realisation Services and will in consideration for agreeing to provide these Realisation Services on termination of the Realisation Agency Agreement, be paid a stand-by fee (the "**Back-Up Realisation Agent Stand-By Fee**") in such an amount to be agreed between the Issuer and the Back-Up Realisation Agent and to be paid by the Issuer on each Payment Date subject to and in accordance with the applicable Priority of Payments.

Until a Realisation Agent Termination Event has occurred in respect of LPNL as Realisation Agent, the Back-Up Realisation Agent will act solely in the Back-Up Realisation Agent Role.

**Call Option Provider:**

Bumper 6 (NL) Finance B.V. acting in its capacity as call option provider (the "**Call Option Provider**").

Pursuant to the Master Hire Purchase Agreement, the Call Option Provider writes in respect of each Purchased Vehicle 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, an amount equal to the sum of:

- (i) the Present Value of all scheduled Lease Interest Components and Lease Principal Components that would have become due and payable under the relevant associated Lease Agreement after the Lease Early Termination Date in the event such Lease Agreement would not have been subject to a Lease Agreement Early Termination; and
- (ii) the Present Value of the Estimated Residual Value of the relevant Purchased Vehicle,

each as calculated in respect of the relevant Lease Agreement as of the relevant Cut-Off Date.

**Call Option Buyer:**

LPNL acting in its capacity as call option buyer (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 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 Guarantee Provider:**

LPNL acting in its capacity as rv guarantee provider (the "**RV Guarantee Provider**").

If a Lease Termination Date occurs 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 Option Exercise Price which would have been payable if the relevant Repurchase Option had been exercised, the RV Guarantee Provider will, unless the relevant Purchased Vehicle is associated with a Defaulted Lease Agreement, be obliged to pay to the Issuer the higher of:

(A) zero, and

(B) the amount of:

- (i) (a) in case of a Matured Lease, the Estimated Residual Value or (b) in case of a Lease Agreement Early Termination, the sum of (x) the Present Value of all scheduled Lease Interest Components and Lease Principal Components that would have become due and payable under the relevant associated Lease Agreement after the Lease Early Termination Date in the event such Lease Agreement would not have been subject to a Lease Agreement Early

Termination, and (y) Present Value of the Estimated Residual Value, each as calculated in respect of the relevant Purchased Vehicle as of the relevant Cut-Off Date; *minus*

- (ii) the Vehicle Realisation Proceeds of the relevant Purchased Vehicle.

(such amount, 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.

If a Lease Termination Date occurs 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 Option Exercise Price which would have been payable if the Repurchase Option had been exercised, the Issuer will, unless the relevant Purchased Vehicle is associated with a Defaulted Lease Agreement, be obliged to pay to the RV Guarantee Provider, subject to and in accordance with the relevant Priority of Payments and provided that no LPNL Event of Default has occurred and is continuing, the higher of:

(A) zero, and

(B) the amount of:

- (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 sum of (x) the Present Value of all scheduled Lease Interest Components and Lease Principal Components that would have become due and payable under the relevant associated Lease Agreement after the Lease Early Termination Date in the event such Lease Agreement would not have been subject to a Lease Agreement Early Termination and (y) the Present Value of the Estimated Residual Value, each as calculated in respect of each relevant Purchased Vehicle as of the relevant Cut-Off Date,

(such amount the "**RV Excess Amount**").

**Swap Counterparty:** ABN AMRO acting in its capacity as swap counterparty (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 the 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 to be received by the Issuer in respect of the Lease Interest Collections and Lease Principal Collections and the Vehicle Realisation Proceeds (if any).

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

**Subordinated Loan Provider:** LPNL acting in its capacity as subordinated loan provider (the "**Subordinated Loan Provider**").

The Subordinated Loan Provider will, pursuant to the terms of the subordinated loan agreement to be entered into on or about the Signing Date with the Issuer and the Security Trustee (the "**Subordinated Loan Agreement**") provide Subordinated Loan Advances to the Issuer consisting of (i) the Initial Subordinated Loan Advance and (ii) any Subordinated Increase Advance, each as required from time to time in accordance with the Subordinated Loan Agreement.

**Reserves Funding Provider** LPNL acting in its capacity as reserves funding provider (the "**Reserves Funding Provider**").

The Reserves Funding Provider will, pursuant to the terms of the reserves funding agreement, to be entered into on or about the Signing Date with the Issuer and the Security Trustee (the "**Reserves Funding Agreement**"), provide Reserve Advances to the Issuer consisting of (i) the Liquidity Reserve Advance, (ii) the Commingling Reserve Advance, (iii) the Maintenance Reserve Advance and (iv) the Set-off Reserve Advance, each as required from time to time in accordance with the Reserves Funding Agreement.

**Issuer Facility Provider:** Bumper 6 (NL) Finance B.V. in its capacity as lender (the "**Issuer Facility Provider**").

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, LPNL and the Security Trustee (the "**Issuer Facility Agreement**"), on the Closing Date make available to LPNL 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 Present Value of all Purchase Instalments as calculated as at the Initial 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.

<b>Security Trustee:</b>	Stichting Security Trustee Bumper 6 (NL) Finance, a foundation ( <i>stichting</i> ) established under Dutch law, having its official seat ( <i>statutaire zetel</i> ) in Amsterdam, the Netherlands and its registered office at Prins Bernhardplein 200, 1097 JB Amsterdam, the Netherlands and registered in the Trade Register under number 61294942 (the " <b>Security Trustee</b> ").
<b>Shareholder:</b>	Stichting Holding Bumper 6 (NL) Finance, a foundation ( <i>stichting</i> ) established under Dutch law, having its official seat ( <i>statutaire zetel</i> ) in Amsterdam, the Netherlands and its registered office at Prins Bernhardplein 200, 1097 JB Amsterdam, the Netherlands and registered in the Trade Register under number 61295841 (the " <b>Shareholder</b> ").
<b>Account Bank:</b>	ABN AMRO acting in its capacity as account bank (the " <b>Account Bank</b> ").
<b>Issuer Administrator:</b>	Intertrust Administrative Services B.V., incorporated under Dutch law as a private company with limited liability ( <i>besloten vennootschap met beperkte aansprakelijkheid</i> ), having its official seat ( <i>statutaire zetel</i> ) in Amsterdam, the Netherlands and its registered office at Prins Bernhardplein 200, 1097 JB Amsterdam and registered with the Trade Register under number 33210270 (the " <b>Issuer Administrator</b> "). The shares in the Issuer Administrator are held by Intertrust (Netherlands) B.V., which entity is also the sole shareholder of each of the Directors.

<b>Issuer Director:</b>	Intertrust Management B.V. (" <b>Intertrust Management</b> "), a private company with limited liability ( <i>besloten vennootschap met beperkte aansprakelijkheid</i> ) incorporated and existing under Dutch law, having its official seat ( <i>statutaire zetel</i> ) in Amsterdam, the Netherlands and its registered address at Prins Bernhardplein 200, 1097 JB Amsterdam, the Netherlands and registered in the Trade Register under number 33226415 acting in its capacity as issuer director (the " <b>Issuer Director</b> ").
<b>Shareholder Director:</b>	Intertrust Management acting in its capacity as shareholder director (the " <b>Shareholder Director</b> ").
<b>Security Trustee's Director:</b>	Amsterdamsch Trustee's Kantoor B.V., a private company with limited liability ( <i>besloten vennootschap met beperkte aansprakelijkheid</i> ) incorporated and existing under Dutch law, having its official seat ( <i>statutaire zetel</i> ) in Amsterdam, the Netherlands and its registered address at Prins Bernhardplein 200, 1097 JB Amsterdam, the Netherlands and registered in the Trade Register under number 33001955 (the " <b>Security Trustee's Director</b> " and together with the Issuer Director and the Shareholder Director, the " <b>Directors</b> " and each a " <b>Director</b> "). The Directors and the Issuer Administrator belong to the same group of companies.
<b>Listing Agent:</b>	ABN AMRO acting in its capacity as listing agent (the " <b>Listing Agent</b> ").
<b>Paying Agent:</b>	ABN AMRO acting in its capacity as paying agent (the " <b>Paying Agent</b> ").
<b>Rating Agency:</b>	Moody's, S&P and DBRS (each, a " <b>Rating Agency</b> " and collectively, the " <b>Rating Agencies</b> "). Each Rating Agency is established in the European Union and registered in accordance with the Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on Credit Rating Agencies as amended by Regulation (EU) No 513/2011 and Regulation (EU) No 462/2013 (the " <b>CRA Regulation</b> ").
<b>Arranger:</b>	LeasePlan Corporation N.V., a public company with limited liability ( <i>naamloze vennootschap</i> ), incorporated under Dutch law, having its official seat ( <i>statutaire zetel</i> ) in Amsterdam, the Netherlands and its registered address at P.J. Oudweg 41, 1314 CJ Almere, the Netherlands and registered in the Trade Register under number 39037076 (" <b>LPC</b> ") acting in its capacity as arranger (the " <b>Arranger</b> ").
<b>Managers:</b>	ABN AMRO and Deutsche Bank AG, London Branch, a

corporation domiciled in Frankfurt am Main, operating in the United Kingdom under branch registration number BR000005, acting through its London Branch at Winchester House, 1 Great Winchester Street, London EC2N 2DB ("**Deutsche Bank**") acting in its capacity as joint lead manager (each, a "**Joint Lead Manager**") and LPC (the "**Co-Manager**" and together with the Joint Lead Managers, the "**Managers**").

**Common Safekeeper for Class A Notes:**

Euroclear Bank S.A./N.V. acting in its capacity as common safekeeper with respect to the Class A Notes (a "**Common Safekeeper**").

**Common Safekeeper for Class B Notes:**

Bank of America National Association, Common Depository, Business Transaction Services, with its registered office at 10<sup>th</sup> Floor, 5 Canada Square, London E14 5AQ, United Kingdom ("**BAML**") acting in its capacity as common safekeeper with respect to the Class B Notes (a Common Safekeeper and together with Euroclear Bank S.A./N.V., the "**Common Safekeepers**").

**Common Service Provider:**

BAML, acting in its capacity as common service provider (the "**Common Service Provider**").

**Issuer Auditor:**

PricewaterhouseCoopers Accountants N.V., a public company with limited liability (*naamloze vennootschap*), incorporated under Dutch law, having its official seat (*statutaire zetel*) in Amsterdam, the Netherlands and its registered address at Thomas R. Malthusstraat 5, 1066 JR Amsterdam, the Netherlands and registered in the Trade Register under number 34180285 (the "**Issuer Auditor**").

**Clearing system:**

Clearstream, Luxembourg and Euroclear.

## THE NOTES

**The Notes:**

The EUR 501,000,000 Class A Floating Rate Notes due 2029 (the "**Class A Notes**") and the EUR 36,000,000 Class B Floating Rate Notes due 2029 (the "**Class B Notes**" and together with the Class A Notes, the "**Notes**") will be issued by the Issuer on or about 12 November 2014 (or such later date as may be agreed between the Issuer and the Managers (the "**Closing Date**")) in accordance with the terms of the Trust Deed and on the terms and subject to the Conditions.

**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 part of the Initial Issuer Advances

subject to and in accordance with the Issuer Facility Agreement. The remainder of the Initial Issuer Advances will be funded by the Issuer by making a drawing under the Subordinated Loan 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.

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).

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.

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 Period Priority of Payments and the Accelerated Amortisation Period Priority of Payments see further the section entitled "*Credit structure*" below.

**Form and denomination:**

The Notes will be issued in bearer form in the denomination of €100,000, each.

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.

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 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 19<sup>th</sup> 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 19<sup>th</sup> 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 ("**TARGET 2 System**") or any successor thereto is operating credit or transfer instructions in respect of payments in euro.

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 December. The interest will be calculated on the basis of the actual number of days elapsed in an Interest Period divided by 360 days.

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 Interbank Offered Rate as published jointly by the European Banking Federation and ACI / The Financial Market Association as determined in accordance with Condition 4.4 (*EURIBOR*) ("**EURIBOR**") for one-month deposits in euro and the EURIBOR for two-month deposits in euro plus a margin which will be 0.45% per annum for the Class A Notes and 0.67% per annum for the Class B Notes.

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 which will be 0.45% per annum for the Class A Notes (the "**Class A Notes Interest Rate**") and 0.67% per annum for the Class B Notes (the "**Class B Notes Interest Rate**").

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.

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 2029 (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 Note Acceleration Notice by the Security Trustee, the Issuer shall apply the Available Distribution Amounts up to the Required Principal Redemption Amount, in redemption of the Notes, in accordance with the Normal Amortisation Period Priority of Payments.

Upon the service of a Note Acceleration Notice by the Security Trustee, the Issuer shall redeem the Notes in accordance with

the Accelerated Amortisation Period Priority of Payments.

**Optional redemption in whole for taxation:**

The Notes will be subject to early redemption in whole (but not 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 an LPNL 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 (i) the Aggregate Discounted Balance

is less than 10% of the Aggregate Discounted Balance as of the Initial Cut-Off Date or (ii) the Notes including any interest accrued but unpaid are redeemed in full, provided that on such Payment Date the Issuer will have sufficient funds to pay all amounts due and payable to the Noteholders (to the extent not yet redeemed in full) 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 (to the extent not yet redeemed in full) 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 earlier of (i) the Payment Date falling in December 2015 and (ii) the date on which a Revolving Period Termination Event 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 Required Replenishment Amount or 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.

**Note Acceleration Notice:** Pursuant to Condition 9 (*Issuer Event of Default*), upon the service of a Note 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 Note 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 (if appointed), the Back-Up Servicer Facilitator, the Realisation Agent, the Back-Up Realisation Agent (if appointed), the Maintenance Coordinator, the Back-Up Maintenance Coordinator, the Issuer Administrator, the Paying Agent, the Reference Agent, the Account Bank, the Swap Counterparty, the Noteholders, the Seller, the Call Option Buyer, the RV Guarantee Provider, the Reserves Funding Provider and the Subordinated Loan Provider (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 Servicing Agreement, the Maintenance Coordination Agreement, the Realisation Agency Agreement, the Reserves Funding Agreement, the Subordinated Loan Agreement, 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 Transaction Account.

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 Period 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 after any of the Notes have become due and payable is to enforce the Security. See for a more detailed description the section entitled "*Description of Security*" below.

**Weighted average life:** For information on the weighted average life of each Class of Notes see further "*Weighted average life of the Notes*" below.

**Ratings:** The Notes are expected on issue to be assigned the following ratings:

	<b>Class A Notes</b>	<b>Class B Notes</b>
<b>Moody's</b>	Aaa (sf)	Aa2 (sf)
<b>S&amp;P</b>	AAA (sf)	AAA (sf)
<b>DBRS</b>	AAA (sf)	AA(high) (sf)

**Applicable law:** The Notes will be governed by and construed in accordance with Dutch law. The Swap Agreement will be governed by and construed in accordance with English law, except for the terms which are incorporated by reference pursuant to the Master Definition and Common Terms Agreement.

**Selling restrictions:** There are selling restrictions in relation to the United States,

the United Kingdom, 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

### **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 capital account (the "**Capital Account**") and one or more swap collateral accounts (any such accounts collectively, the "**Swap Collateral Account**" and together with the Transaction Account and the Capital Account, 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 Liquidity Reserve Ledger, the Commingling Reserve Ledger, the Maintenance Reserve Ledger, the Maintenance Surplus Reserve Ledger, the Set-Off Reserve Ledger, the Lease Incidental Surplus 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 and provided no Revolving Period Termination Event has occurred and no Note Acceleration Notice has been served by the Security Trustee, the Available Distribution Amounts will be distributed on each Payment Date in accordance with the Revolving Period Priority of Payments.

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 Required Replenishment Amount or be credited on the Transaction Account with a corresponding credit to the Replenishment Ledger (except for any optional redemption pursuant to Condition 6.4 (*Optional redemption in whole for*

*taxation*)).

See further the section entitled "*Credit structure*" below.

**Normal Amortisation Period  
Priority of Payments:**

After the termination of the Revolving Period and provided no Note 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 Period Priority of Payment. See further the section entitled "*Credit structure*" below.

**Accelerated Amortisation  
Period Priority of Payments:**

Following the delivery of a Note Acceleration Notice by the Security Trustee, all funds available to the Issuer (including any amounts standing to the credit of the Transaction Account) will be distributed on any Business Day following such event subject to and in accordance with the Accelerated Amortisation Period 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 Vehicle 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.

Transfer of title (*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) all scheduled future Lease Interest Components, (ii) all scheduled future Lease Principal Components, and (iii) the Estimated Residual Value, each as calculated in respect of the relevant Lease Agreement as of the relevant Cut-Off Date.

Each Purchase Price will be payable by the Issuer to the Seller in instalments, comprising Regular Purchase Instalments and a Final Purchase Instalment.

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 and due on the first Payment Date following such Collection Period.

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 or (ii) in case of a Lease Agreement Early Termination, subject to the Discount Rate described below, the sum of (a) the Estimated Residual Value and (b) all scheduled Lease Interest Components and Lease Principal Components that would have become due and payable under the relevant associated Lease Agreement after the Lease Early Termination Date in the event such Lease Agreement would not have been subject to a Lease Agreement Early Termination, each relating to the relevant Purchased Vehicle and calculated as of the relevant 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 of the associated Lease Agreement falls (unless the Seller becomes Insolvent and the Final Purchase Instalment is accelerated (see further the section entitled "*Description of certain Transaction Documents*")).

Upon a prepayment by the Issuer of the remaining Purchase Instalments, the Issuer is entitled to a discount on each remaining Purchase Instalment at the Discount Rate.

**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 Instalment and any 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.

Generally, the Seller offers 6 contract types of lease agreements to the lessees.

See the section entitled "*Characteristics of the Portfolio – contract types*" 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.

This termination and repayment obligation also applies if the breach of the Asset Warranties relates to a Purchased Vehicle which is associated with a Defaulted Lease Agreement.

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 the occurrence of 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 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 Discounted Balance:**

The aggregate discounted balance (the "**Aggregate Discounted Balance**") in respect of the Portfolio means the sum of the Present Value of all Lease Interest Components and Lease Principal Components together with the Present Value of the Estimated Residual Value each in respect of the Purchased Vehicles to the extent not relating to a Defaulted Lease Agreement, calculated as per the relevant Cut-Off Date in accordance with the following formula:

$$\sum_{t=1}^n \text{Cashflow}_t (1 + i)^{-\frac{d}{365}}$$

whereby:

(A) in respect of Lease Receivables:

"**Cashflows**" means the Lease Interest Component and Lease Principal Component due at a specific payment date (including for the avoidance of doubt when in arrear);

"**n**" means the number of Lease Instalments due;

"**d**" means the number of days from the relevant Cut-Off Date until the end of the month following the due date of the Lease Instalment;

"**i**" means the Discount Rate; and

"**t**" means every time that there are cashflows,

and

(B) in respect of any Estimated Residual Value:

"**Cashflows**" means the Estimated Residual Value of the relevant Purchased Vehicle;

"n" is equal to 1;

"d" means the number of days from the relevant Cut-Off Date until the end of the month in which the Lease Termination Date falls;

"i" means the Discount Rate; and

"t" means every time that there are cashflows.

**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**").

**Replenishment Criteria:**

The Leased Vehicles or Purchased Vehicles, as the case may be, the Lease Agreements and/or Lease Receivables have to satisfy certain replenishment criteria (the "**Replenishment Criteria**") calculated on a portfolio basis throughout the Revolving Period and, for the avoidance of doubt, calculated by taking into account the Additional Leased Vehicles contemplated to be purchased on the relevant Purchase Date.

**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 "**LPNL Warranties**").

Certain representations and warranties will be further repeated on each Payment Date.

With regard to the Eligibility Criteria, Replenishment Criteria and the LPNL Warranties see further the section entitled "*Description of certain Transaction Documents*" below.

**OTHER**

**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 the 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 to be received by the Issuer in respect of the Lease Interest Collections and Lease Principal Collections and any Vehicle Realisation Proceeds (if any).

For further information with regard to the Swap Agreement, see further the section entitled "*Description of certain Transaction Documents*" below.

**Retention requirement:**

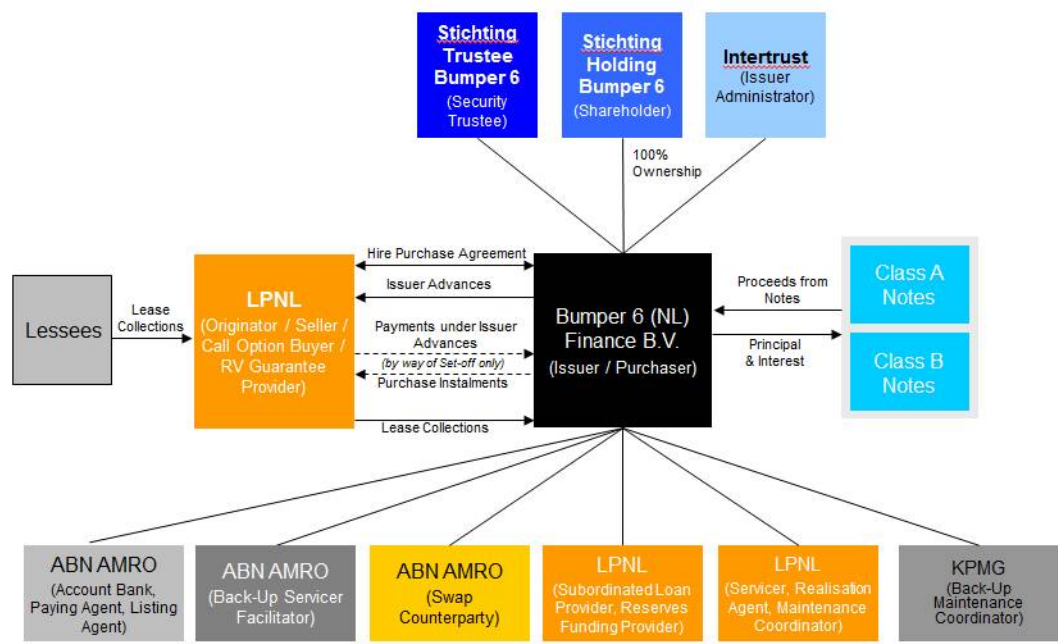
The Seller (in its capacity as originator within the meaning of the CRR and the AIFMR) has undertaken to the Issuer, the Security Trustee and the Managers that, for as long as the Notes are outstanding, it will at all times retain a material net economic interest of not less than 5% in the securitisation transaction described in this Prospectus in accordance with Article 405 of the CRR and Article 51 of the AIFMR. As at the Closing Date, such interest will consist of the Initial Subordinated Loan Advance, which, in accordance with Article 405 paragraph (1) sub d) of the CRR and Article 51 paragraph (1) sub d) of the AIFMR, comprises a first loss tranche having the same or a more severe risk profile than those sold to investors. The Seller (in its capacity as originator within the meaning of the CRR and the AIFMR) has also undertaken to make available materially relevant data to (potential) investors with a view to such (potential) investors complying with the CRR Regulatory Requirements and the AIFMR Regulatory Requirements, which can be obtained from the Seller upon request.

## 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
<b>Initial Principal Amount</b>	EUR 501,000,000	EUR 36,000,000
<b>Issue price</b>	100%	100%
<b>Interest Margin</b>	Euribor 1 month + 45 bps	Euribor 1 month + 67 bps
<b>Final Maturity Date</b>	Payment Date falling in March 2029	Payment Date falling in March 2029
<b>Revolving Period end date</b>	at the latest the Payment Date falling in December 2015	at the latest the Payment Date falling in December 2015
<b>Payment Dates</b>	19 <sup>th</sup> day of each month	19 <sup>th</sup> day of each month
<b>Form of Notes</b>	New Global Note	New Global Note
<b>Denomination</b>	EUR 100,000	EUR 100,000
<b>Clearing system</b>	Euroclear and Clearstream, Luxembourg	Euroclear and Clearstream, Luxembourg
<b>Listing</b>	Amsterdam	Amsterdam
<b>Common Code</b>	112213821	112214836
<b>ISIN</b>	XS1122138214	XS1122148361
<b>Expected rating Moody's / S&amp;P / DBRS</b>	Aaa (sf) / AAA (sf) / AAA (sf)	Aa2 (sf) / AAA (sf) / AA(high) (sf)

Transaction diagram



## DESCRIPTION OF THE PURCHASED VEHICLES

The Initial Portfolio is a representative sample of the total portfolio of LPNL insofar as it meets the Eligibility Criteria, and with the exception of certain specific lessees which are excluded from the sample. The Initial Portfolio does not represent a relative better or worse quality than the total portfolio as estimated by LPNL. All of the Lease Agreements were originated by LPNL before 30 September 2014.

### Product and services

LPNL offers a comprehensive range of products and services, comprising funding, insurance, maintenance, damage handling, fuel management, billing, road assistance and other services all in the perspective of operational leasing and fleet management.

Lease agreements are offered by LPNL by means of a master hire product permitting multiple vehicles to be leased under a single set of general terms and conditions ("**Master Agreement**"). Additionally, an individual contract ("**Individual Lease Agreement**" or "**ILA**") per vehicle is concluded which sets out the specific services to be rendered regarding that vehicle, along with the particular conditions that will apply (i.e. term of the lease, mileage, monthly prices, etc.).

Deviations from standard contracts are agreed from time to time between LPNL and the client (i.e. the lessee). There might be some situations in which the lessee requests to sign the Master Agreement according to its own templates (i.e. public entities). The ILA's generally remain the same.

### Contract types

LPNL offers the following contract types:

- Open calculation Master Agreements;
- Closed calculation Master Agreements;

LPNL's standard contracts are summarised below:

#### *Open Calculation Master Agreement*

Open calculation Master Agreements are offered as "master hire" products permitting all vehicles to be leased under a single set of general terms and conditions including the specific lease services to be rendered.

Additionally, an ILA is signed per vehicle containing the specific applicable conditions (term, mileage, monthly payments).

Credit is given to the lessee where the total mileage on the leased vehicle is less than the contracted maximum mileage, and conversely, the lessee is charged for any mileage exceeding the contracted limit. The prices for these variations are set out in the ILAs. This same method of additional/lower pricing per day is applied for the lease period, if agreed in the Master Agreement.

Under the open calculation Master Agreement, LPNL is entitled to make price adjustments during the term of the relevant individual agreement based on: (i) a change in the direct or indirect vehicle related taxes, (ii) mileage deviation over 10% of the annual mileage anticipated by the Lessee, (iii) consumer price index (CPI) increases over 5% regarding the existing CPI when the ILA was signed and/or (iv) lessee's accident rate in case Full Cover Service has been hired.

In case of early termination, the lessee must pay to LPNL an amount equal to the difference between the financial value of the vehicle (book value) at termination date and its sales price, plus the loss of income on management fee, administration costs and interest.

Title of the leased vehicle remains with LPNL.

At the end of an ILA concluded under an open calculation Master Agreement, LPNL will sell the leased vehicle and settle the contract. There are three settlement methods used, (a) LeasePlan Guarantee, (b) Pool settlement and (c) Profit sharing.

(a) LeasePlan Guarantee

On the expiry of the relevant ILA, actual residual values, maintenance and some other costs incurred during the term of the contract are compared against the respective budgets, providing a net surplus or loss for each Leased Vehicle.

Such net profit or loss is then directly credited or debited, as appropriate, to the lessee. When the 'LeasePlan guarantee' is part of the Master Agreement and relevant conditions (e.g. at least 25 cars running and 10 vehicles returned) are met, annually an additional settlement is calculated. Once per calendar year LPNL will make a calculation of the actual income residual value minus the estimated income residual value increased by the estimated costs of maintenance minus the actual costs of maintenance for all the vehicles. The result of this calculation shall hereinafter be referred to as the 'Calculation Result'.

In case the 'Calculation Result' is negative, then LPNL will pay this negative amount to the client or will deduct this amount from any amounts owed to LPNL by the client pursuant to or arising from such agreement. If the settlement results in a profit the client will not receive a settlement.

(b) Pool settlement

Annually for all expired ILA's, actual residual values, maintenance and some other costs incurred during the term of the contract (excluding insurances) are compared against the respective budgets, providing a net surplus or loss for each leased vehicle.

The actual settlement depends on the agreement with the lessee (it can be a percentage of the profit, the loss or both) and if the agreed conditions are met (e.g. at least 25 cars running and 10 vehicles returned). Mostly only the profit is settled.

(c) Profit sharing

This method is equal to pool settlement described under (b) above, however only the profit is shared. It is noted that this method is not pro-actively offered to new clients anymore.

*Closed Calculation Master Agreement*

Closed calculation Master Agreements are exactly the same as open calculation Master Agreements, not only regarding the contract scheme, consisting of a Master Agreement and ILA's, but also in the services to be rendered to the lessee and the wording of the contract.

The only difference is that in a closed calculation Master Agreement the lessee will not receive any operating profit from LPNL at the end of the relevant ILA. LPNL will absorb any profit or deficit arising from any difference between actual costs and rentals paid to LPNL by the lessee.

**Structure of the Lease Instalment**

Under each ILA, LPNL is entitled to receive a periodic rent (e.g. the lease instalment), until the ILA matures, as consideration for use of the vehicle and the services provided to the lessee. The amount of the lease instalment payable by the lessee will depend on the terms and conditions established in each agreement and regards, among others, the cost and characteristics of the vehicle, the conditions of use, the services contracted and the lease period. The amount finally paid by the lessee represents the aggregation of a series of components which reflect each of the different concepts included in the Master Agreement.

LPNL calculates each sub-quota in relation to various internal parameters based on historical data, on the effective costs of providing the contracted services and on LPNL's profitability policies applicable at the time. As a general rule, said calculation methods are not agreed with the customer and therefore are not included in the Master Agreement or ILA. The significant information for the lessee is the total instalment which is paid periodically and the services included in that final quota.

The sub-quotas making up (by aggregation) the total amount of the lease instalment are as follows:

- Principal component: The part of the instalment allocated for passing on to the lessee the cost for the lessor of amortising the vehicle to its residual value.
- Interest component: The part of the instalment allocated for passing on to the lessee the cost for the lessor of financing the vehicle up to a residual value established in relation to the period laid down in the agreement.
- Management fee and administration costs component: The part of the instalment used to pass on to the lessee the fees set by LPNL for each of the lease agreements according to

its policy on margins and profitability which, in this case, seek to achieve a return on the provision of the various services included in the instalment. This sub-quota is a constant absolute amount which is added to the services sub-quota.

- Value Added Tax (VAT) component: The VAT imposed on LPNL by the government (Dutch tax authorities (*Belastingdienst*)) in connection with the ILAs, shall be at the expense of the lessee.
- Services component: The part of the instalment used to pass on to the lessee including road tax or other levies imposed on LPNL by the government. LPNL's estimate of the costs it will incur for the provision of the various contracted services. The types of services which can be included in the Master Agreement are detailed below.

### **Calculation of Residual Value**

The residual value of a leased vehicle is determined when the specific ILA is entered into. LPNL estimates the market value of the vehicle at the time of the sale, which is linked to the end date of the lease agreement.

LPNL calculates the residual value of each leased Vehicle on the basis of different conditions agreed with the lessee and depending on factors such as, *inter alia*, usage, depreciation, and possible evolution of the second hand car market. The residual value of a leased vehicle is a fundamental element in the determination of the lease instalments. In this sense potential variations in the factors mentioned above are important for the recalculation of the lease instalments.

The residual value can change during the life of a lease agreement, among others, due to the following reasons:

- changes relating to contractual conditions: these are changes derived from events agreed upon in the lease agreement, such as variations in the use of the leased vehicle (mileage) and extensions or shortening of the lease term. In these cases both the lease instalment as well as the estimated residual value of a leased vehicle are recalculated; and
- changes derived from external conditions: in relation to market conditions LPNL prepares an update of the sales forecast for each vehicle. This update can be taken into account at the time a recalculation of the lease instalment takes place due to reasons described above.

### **Services provided and insurance for the Leased Vehicles**

LPNL offers its customers the services described below. Most Master Agreements are "integral lease packages", including most of the services described in this section. Exclusion of any of the services (in particular the Maintenance and Full Cover Service) must be authorised by specific departments in LPNL as they may impact product profitability. LPNL is the provider of all the services for the lessee, although LPNL does not provide services itself but contracts with different specialised providers to do so, assuming both payment of the providers and management of the same for the lessee. As a general rule, the cost of the services usually

provided by LPNL under the Master Agreement is included in the lease instalment to be paid by the lessee as established in each ILA. This cost is part of the services component allocated by LPNL to each ILA.

### **Service Maintenance and Repair**

LPNL provides for the cost of servicing in line with the relevant leased vehicle manufacturer's guidelines and the cost of maintenance and repair arising from wear and tear.

The payment for this service is included in the payments made under the Master Agreement (i.e. the lease instalment).

The cost of this service is calculated taking into account:

- the maintenance intervals established by each brand;
- the history of breakdowns due to technical failures or use and wear and tear for each model; and
- the two previous factors in addition to depending on a specific model, depending on the period the vehicle will be in operation and the kilometres it will travel. These last two parameters are agreed contractually with the lessee as they have considerable impact on the calculation of the lease instalment.

LPNL must give its specific authority before any service, maintenance or repair work is carried out and all servicing must be undertaken by an agent authorised by LPNL.

LPNL will not however cover all types of repair. For example, this lease service does not cover the lessee's failure to comply with any of the lessee's obligations under the relevant Master Agreement and the cost of repair and maintenance that results, whether directly or indirectly on the part of the lessee from any negligence, misuse, vandalism or theft of the relevant leased vehicle or any accident or impact (whether caused by another vehicle or otherwise) and does not cover damage to the windscreen or other glass, light, lenses or light bulbs.

Furthermore, any accessories or other equipment fitted to the leased vehicle (including the addition or removal of artwork or lettering) fall outside the scope of this lease service, unless the accessories or equipment have been fitted by the manufacturer or authorised dealer with LPNL consent and the maintenance costs have been included in the relevant Master Agreement.

With regards to tyres, LPNL does accept the cost of unlimited repair or replacement of any tyre on the leased vehicle which becomes unusable by reason of wear and tear or any accidental damage which may occur. However, the lease service does not cover the replacement or repair of any tyre in case of theft, vandalism or misuse.

As with general repairs, LPNL must give its specific authority before any replacement tyre is supplied and fitted or a puncture is repaired.

Replacement tyres must be obtained from, and punctures must be repaired by, an agent authorised by LPNL.



LPNL is entitled to choose the brand of tyres to be fitted on the leased vehicle.

### **Replacement Vehicle**

When agreed in the Master Agreement, a replacement vehicle is included as part of the lease services. The category of the replacement vehicle to be provided by LPNL is specified in the Master Agreement and the relevant applicable (general) terms and conditions.

Depending on the conditions stated in the Master Agreement, LPNL is under the obligation to arrange the supply of a replacement vehicle, whenever the leased vehicle cannot be used by the lessee, due to maintenance, repair works, breakdown or damage repair. The main types of replacement vehicle offered by LPNL are either limited cover (after 24 hours or more, or a maximum number of days) or unlimited cover (immediate supply of replacement vehicle).

If the repair works result from a misuse of the leased vehicle by the lessee, the lessee will be responsible for payment of all hire charges incurred by LPNL.

Payment for this lease service is included in the relevant Master Agreement.

In the event that a replacement vehicle is not returned in accordance with the terms of the relevant Master Agreement, the lessee will be responsible for payment of all hire charges incurred after the due date for return.

### **Insurance for third party risk and risk of damage**

LPNL takes out insurance with an insurance company in respect to third party risk and bears the risk of damage to the leased vehicle.

LPNL arranges the insurance of the third party risk in accordance with the requirements set by the Dutch Motor Insurance Liability Act (*Wet aansprakelijkheidsverzekering Motorrijtuigen (WAM)*). LPNL hands over to the client a copy of the insurance conditions concerning the third party risk. The applicable insurance conditions form an integral part of the Master Agreement.

LPNL bears the risk of (i) damage to the leased vehicle arising from accident, (ii) theft or (iii) total loss of the leased vehicle, taking into account that LPNL can choose to take out insurance with a third party to cover this risk.

LPNL does not bear the risk in case of negligence or a result of a deliberate act. LPNL hands over to the client a copy of the conditions concerning LPNL bearing the aforementioned risks. The applicable conditions form an integral part of the Master Agreement.

The payment for the insurance is included in the payments made under the Master Agreement. The annual insurance premiums are paid by LPNL to the insurance company and then split in the twelve subsequent months and invoiced to the lessee together with the monthly lease instalment.

When entering into the ILA, the insurance premium, as well as the fee for the risks (including damage to the leased vehicle) that LPNL bears in respect of the relevant Vehicle is determined and included in the lease instalment of the relevant vehicle. The annual insurance premiums for

the third party risk are paid by LPNL to the insurance company and then split in the twelve subsequent months and invoiced to the lessee together with the monthly lease instalment. Price adjustments are made according to the Insurance company specifications, which are usually based on market evolution or, if accepted by the relevant lessee, accident rate of the lessee.

In the event of accident and provided full cover insurance has been taken out, LPNL receives the corresponding compensation from the insurance company and takes charge of repairing the leased vehicle.

The client shall at all times be obliged to pay the agreed excess amount per claim. The risk of damage will not cover mechanical failure or breakdown which does not arise as a result of an accident.

LPNL handles the repair of the damages to the leased vehicle. LPNL must give its specific authority before any service or repair work is carried out and all servicing must be undertaken by an agent authorised by LPNL.

At the clients request LPNL mediates when taking out an insurance including a Personal Indemnity Insurance or Damage Insurance for Passengers. The exact applicable conditions are stated in the insurance agreement and the applicable insurance conditions.

### **Accident Management**

When the lessee does not take out the insurance, LPNL can provide an accident management service to the relevant lessee on a pay-on-use basis.

When the accident management service is hired by the lessee, LPNL will provide for the administration of the repair of damages sustained as a result of an accident and will claim the reimbursement of the costs incurred to the insurance company hired by the lessee. If a third party is deemed to be at fault, LPNL will also follow-up the compensation payment in favour of the customer from the other company. In case the lessee's insurance company does not cover own damages of the leased vehicle, the costs will be directly invoiced to the lessee.

### **Road assistance**

Where selected as a lease service, LPNL can arrange for a vehicle breakdown and roadside recovery service provided by a service supplier of LPNL's choice. The terms and conditions upon which the road assistance service are provided will be revised by LPNL and/or the relevant service provider from time to time.

### **Fuel card**

Where selected as a lease service in the relevant Master Agreement, LPNL will provide a fuel card service on a pay-on-use basis. The applicable conditions will be included in separate terms & conditions.

### **General provisions applicable to the lease services**

The lessee requests LPNL to send a quote for the leasing of a new vehicle either by fax, email

or by using the on-line quotation tool. Each quotation remains valid for the period stated in the relevant quotation (30 days, as a general rule).

Upon acceptance by the lessee of the quotation, LPNL will place an order with a car supplier. LPNL will notify the lessee when the vehicle is ready for delivery.

The lessee must check that the leased vehicle delivered is in accordance with the lessee's agreed specification. It is understood that the lessee agrees with the vehicle specification if he does not express the contrary upon delivery of the vehicle.

By placing an order, the lessee agrees with LPNL on the lease services to be provided, the anticipated annual mileage and the period of operation of the respective vehicle.

Most of LPNL's contract types are considered "full lease packages", which contain most of the services referred to above.

Based on this data, LPNL calculates a lease instalment, including any charges for the lease services, which are to be paid monthly and in advance.

During the term of the ILA, LPNL is entitled to make price adjustments based on: (i) a change in the direct or indirect vehicle related taxes, (ii) mileage deviation over 10% of the annual mileage anticipated by the lessee, (iii) consumer price index (CPI) increases over 5% regarding the existing CPI when the ILA was signed.

LPNL is entitled to terminate the Master Agreements and the relevant ILA's, if the lessee is in breach of the obligations agreed in the relevant contracts.

The lessee is entitled to early terminate the ILA by paying the early termination costs as set out in the relevant Master Agreement.

### **Pool Size and Characteristics**

For the purpose of this paragraph "*Pool Size and Characteristics*", capitalised terms used in this paragraph in respect of the Provisional Portfolio are used as if the relevant Leased Vehicle forming part of the Provisional Portfolio constitutes a Purchased Vehicle.

The following tables set out the Aggregate Discounted Balance in respect of the provisional portfolio as at 30 September 2014 (the "**Provisional Portfolio**") and based on the payments (e.g. each Lease Interest Component and Lease Principal Component and the Estimated Residual Value) of the Purchased Vehicles and the associated Lease Agreements which, as at the date of this Prospectus, are included in the Provisional Portfolio as well as the total number of such Purchased Vehicles and associated Lease Agreements together with information as to their distribution across various industries, geographic location and concentration together with other characteristics. The characteristics demonstrate the capacity to, subject to the risk factors referred to under the section entitled "*Risk factors*", 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*".

The Aggregate Discounted Balance of the Provisional Portfolio is calculated by applying the Discount Rate. The scheduled payment amounts are calculated on the basis of cash flows under the Lease Agreements and the relevant Estimated Residual Value occurring after, and being discounted to, 30 September 2014.

Prior to the Closing Date the Initial Portfolio will be selected from the Provisional Portfolio on a random selection basis.

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 or (iii) as a result of a prepayment of a Lease Agreement or the payment behaviour of amounts due under a Lease Agreement.

Based on the numerical information set out in the tables set forth below but subject to what is set out in the section entitled "*Risk factors*", the Lease Agreements have characteristics that demonstrate the capacity to produce funds to service any amounts due and payable under the Notes.

#### **Summary characteristics Provisional Portfolio**

<b>Number of Lease Agreements</b>	34,380
<b>Total Discounted Balance €</b>	714,999,998
<b>Total Discounted Balance of Lease Receivables €</b>	413,306,159
<b>Total Discounted Balance of Residual Value €</b>	301,693,839
<b>Weighted Average Lease Agreement Interest Rate (%)</b>	3.39
<b>Weighted Average Remaining Duration (months)</b>	34.79
<b>Weighted Average Seasoning (months)</b>	12.85

## Sector

	Number of Lease				Discounted Balance	% of Discounted		% of Discounted
Sector	Agreements	% of Lease Agreements	Discounted Balance	% of Discounted Balance	Lease Receivables	Balance Lease Receivables	Discounted Balance Residual Values	Balance Residual Values
Corporate	25,808	75.07%	542,429,345.97	75.86%	320,196,034.44	77.47%	222,233,311.53	73.66%
Government	566	1.65%	12,477,295.72	1.75%	9,146,939.81	2.21%	3,330,355.91	1.10%
SME	8,006	23.29%	160,093,356.08	22.39%	83,963,184.77	20.32%	76,130,171.31	25.23%
Total	34,380	100.00%	714,999,997.77	100.00%	413,306,159.02	100.00%	301,693,838.75	100.00%

## Product Type (open closed)

	Number of Lease				Discounted Balance	% of Discounted		% of Discounted
Product Type	Agreements	% of Lease Agreements	Discounted Balance	% of Discounted Balance	Lease Receivables	Balance Lease Receivables	Discounted Balance Residual Values	Balance Residual Values
Closed Calculation	28,528	82.98%	590,253,420.65	82.55%	335,313,158.55	81.13%	254,940,262.10	84.50%
Open Calculation	5,852	17.02%	124,746,577.12	17.45%	77,993,000.47	18.87%	46,753,576.65	15.50%
Total	34,380	100.00%	714,999,997.77	100.00%	413,306,159.02	100.00%	301,693,838.75	100.00%

## Vehicle Type

	Number of Lease				Discounted Balance	% of Discounted		% of Discounted
Vehicle Type	Agreements	% of Lease Agreements	Discounted Balance	% of Discounted Balance	Lease Receivables	Balance Lease Receivables	Discounted Balance Residual Values	Balance Residual Values
Passenger Vehicle	30,497	88.71%	640,929,095.34	89.64%	362,347,279.51	87.67%	278,581,815.83	92.34%
Commercial Vehicle	49	0.14%	2,047,294.47	0.29%	1,746,185.69	0.42%	301,108.78	0.10%
Heavy Goods Vehicle (HGV)	90	0.26%	7,270,153.27	1.02%	6,436,703.35	1.56%	833,449.92	0.28%
Light Commercial Vehicle (LCV)	3,744	10.89%	64,753,454.69	9.06%	42,775,990.47	10.35%	21,977,464.22	7.28%
Total	34,380	100.00%	714,999,997.77	100.00%	413,306,159.02	100.00%	301,693,838.75	100.00%

## Vehicle Make

Vehicle Make	Number of Lease Agreements	% of Lease Agreements	Discounted Balance	% of Discounted Balance	Discounted Balance Lease Receivables	% of Discounted Balance Lease Receivables	Discounted Balance Residual Values	% of Discounted Balance Residual Values
Volvo	3,050	8.87%	81,167,281.01	11.35%	48,298,065.20	11.69%	32,869,215.81	10.89%
Volkswagen	4,084	11.88%	75,056,035.52	10.50%	42,907,447.31	10.38%	32,148,588.21	10.66%
Renault	4,806	13.98%	74,405,662.56	10.41%	44,368,175.83	10.73%	30,037,486.73	9.96%
Audi	2,415	7.02%	67,234,541.62	9.40%	36,324,446.60	8.79%	30,910,095.02	10.25%
BMW	1,930	5.61%	62,114,088.17	8.69%	34,569,266.84	8.36%	27,544,821.33	9.13%
Ford	3,264	9.49%	57,137,608.05	7.99%	33,842,290.54	8.19%	23,295,317.51	7.72%
Peugeot	3,010	8.76%	50,064,055.80	7.00%	27,572,454.20	6.67%	22,491,601.60	7.46%
Skoda	2,096	6.10%	42,205,867.23	5.90%	23,617,364.59	5.71%	18,588,502.64	6.16%
Toyota	1,741	5.06%	35,284,810.43	4.93%	20,887,018.85	5.05%	14,397,791.58	4.77%
Opel	1,713	4.98%	33,753,327.39	4.72%	19,822,768.03	4.80%	13,930,559.36	4.62%
Other	6,271	18.24%	136,576,719.99	19.10%	81,096,861.03	19.62%	55,479,858.96	18.39%
Total	34,380	100.00%	714,999,997.77	100.00%	413,306,159.02	100.00%	301,693,838.75	100.00%

## New vs. Used

New vs. Used	Number of Lease Agreements	% of Lease Agreements	Discounted Balance	% of Discounted Balance	Discounted Balance Lease Receivables	% of Discounted Balance Lease Receivables	Discounted Balance Residual Values	% of Discounted Balance Residual Values
New	33,356	97.02%	699,320,108.85	97.81%	405,551,961.38	98.12%	293,768,147.47	97.37%
Used	1,024	2.98%	15,679,888.92	2.19%	7,754,197.64	1.88%	7,925,691.28	2.63%
Total	34,380	100.00%	714,999,997.77	100.00%	413,306,159.02	100.00%	301,693,838.75	100.00%

## Industrial Sector

Industrial Sector*	Number of Lease Agreements	% of Lease Agreements	Discounted Balance	% of Discounted Balance	Discounted Balance Lease Receivables	% of Discounted Balance Lease Receivables	Discounted Balance Residual Values	% of Discounted Balance Residual Values
Manufacturing	5,415	15.75%	130,996,202.07	18.32%	77,755,712.81	18.81%	53,240,489.26	17.65%
Professional, scientific and technical activities	6,554	19.06%	128,407,500.51	17.96%	73,705,099.40	17.83%	54,702,401.11	18.13%
Wholesale and retail trade, repair and motor vehicles	6,040	17.57%	128,298,617.48	17.94%	71,200,010.21	17.23%	57,098,607.27	18.93%
Information and communication	3,916	11.39%	85,628,461.86	11.98%	48,508,656.14	11.74%	37,119,805.72	12.30%
Construction	4,492	13.07%	84,682,886.56	11.84%	52,091,507.79	12.60%	32,591,378.77	10.80%
Financial and insurance activities	1,902	5.53%	39,425,451.31	5.51%	21,189,315.72	5.13%	18,236,135.59	6.04%
Administrative and support services	1,637	4.76%	25,258,774.04	3.53%	11,840,645.14	2.86%	13,418,128.90	4.45%
Transportation and storage	1,108	3.22%	24,089,183.73	3.37%	14,870,459.28	3.60%	9,218,724.45	3.06%
Electricity, gas, steam and air-conditioning supply	653	1.90%	15,283,800.32	2.14%	9,959,538.58	2.41%	5,324,261.74	1.76%
Water supply, sewerage, waste management and remediation activities	496	1.44%	9,954,295.40	1.39%	6,065,889.10	1.47%	3,888,406.30	1.29%
Education	522	1.52%	9,225,336.69	1.29%	5,623,189.11	1.36%	3,602,147.58	1.19%
Real estate activities	372	1.08%	7,375,429.59	1.03%	4,086,582.21	0.99%	3,288,847.38	1.09%
Other	380	1.11%	7,331,010.95	1.03%	4,124,992.68	1.00%	3,206,018.27	1.06%
Public administration and defence; compulsory social security	235	0.68%	6,475,521.28	0.91%	5,277,086.09	1.28%	1,198,435.19	0.40%
Human health and social work activities	344	1.00%	5,486,174.83	0.77%	2,827,456.88	0.68%	2,658,717.95	0.88%
Mining and quarrying	74	0.22%	2,739,502.38	0.38%	1,933,462.73	0.47%	806,039.65	0.27%
Arts, entertainment and recreation	116	0.34%	1,876,406.01	0.26%	844,958.37	0.20%	1,031,447.64	0.34%
Agriculture, forestry and fishing	75	0.22%	1,691,323.26	0.24%	983,200.96	0.24%	708,122.30	0.23%
Accommodation and food services	49	0.14%	774,119.50	0.11%	418,395.82	0.10%	355,723.68	0.12%
<b>Total</b>	<b>34,380</b>	<b>100.00%</b>	<b>714,999,997.77</b>	<b>100.00%</b>	<b>413,306,159.02</b>	<b>100.00%</b>	<b>301,693,838.75</b>	<b>100.00%</b>
*Based on NACE Rev 2								

## Total Investment Amount

	Number of Lease Agreements	% of Lease Agreements	Discounted Balance	% of Discounted Balance	Discounted Balance Lease Receivables	% of Discounted Balance Lease Receivables	Discounted Balance Residual Values	% of Discounted Balance Residual Values
<b>Total Investment Amount</b>								
0 to 10,000.99	1,541	4.48%	10,217,923.55	1.43%	2,876,879.33	0.70%	7,341,044.22	2.43%
10,001 to 20,000.99	7,327	21.31%	89,977,180.64	12.58%	46,645,828.70	11.29%	43,331,351.94	14.36%
20,001 to 30,000.99	15,311	44.53%	302,346,456.37	42.29%	174,657,127.82	42.26%	127,689,328.55	42.32%
30,001 to 40,000.99	6,947	20.21%	184,464,269.37	25.80%	107,777,376.72	26.08%	76,686,892.65	25.42%
40,001 to 50,000.99	2,274	6.61%	78,848,179.38	11.03%	48,480,082.50	11.73%	30,368,096.88	10.07%
≥ 50,001	980	2.85%	49,145,988.46	6.87%	32,868,863.95	7.95%	16,277,124.51	5.40%
<b>Total</b>	<b>34,380</b>	<b>100.00%</b>	<b>714,999,997.77</b>	<b>100.00%</b>	<b>413,306,159.02</b>	<b>100.00%</b>	<b>301,693,838.75</b>	<b>100.00%</b>

## Total Current Discounted Balance (€)

	Number of Lease Agreements	% of Lease Agreements	Discounted Balance	% of Discounted Balance	Discounted Balance Lease Receivables	% of Discounted Balance Lease Receivables	Discounted Balance Residual Values	% of Discounted Balance Residual Values
<b>Total Discounted Balance</b>								
0 to 5,000.99	306	0.89%	1,189,502.59	0.17%	277,136.65	0.07%	912,365.94	0.30%
5,001 to 10,000.99	3,055	8.89%	24,167,457.61	3.38%	7,260,874.68	1.76%	16,906,582.93	5.60%
10,001 to 15,000.99	5,784	16.82%	73,274,214.08	10.25%	35,924,358.81	8.69%	37,349,855.27	12.38%
15,001 to 20,000.99	7,957	23.14%	139,917,275.04	19.57%	78,157,020.26	18.91%	61,760,254.78	20.47%
20,001 to 25,000.99	8,552	24.87%	190,723,591.46	26.67%	111,374,496.11	26.95%	79,349,095.35	26.30%
25,001 to 30,000.99	4,391	12.77%	119,450,130.59	16.71%	71,610,752.27	17.33%	47,839,378.32	15.86%
≥ 30,001	4,335	12.61%	166,277,826.40	23.26%	108,701,520.24	26.30%	57,576,306.16	19.08%
<b>Total</b>	<b>34,380</b>	<b>100.00%</b>	<b>714,999,997.77</b>	<b>100.00%</b>	<b>413,306,159.02</b>	<b>100.00%</b>	<b>301,693,838.75</b>	<b>100.00%</b>



### Expected Residual Value (nominal) (€)

Expected Residual Value (Nominal)	Number of Lease Agreements	% of Lease Agreements	Discounted Balance	% of Discounted Balance	Discounted Balance Lease Receivables	% of Discounted Balance Lease Receivables	Discounted Balance Residual Values	% of Discounted Balance Residual Values
0 tot 2,500.99	292	0.85%	2,982,387.83	0.42%	2,583,552.19	0.63%	398,835.64	0.13%
2,501 to 5,000.99	2,868	8.34%	34,439,838.15	4.82%	24,422,442.88	5.91%	10,017,395.27	3.32%
5,001 to 7,500.99	7,192	20.92%	111,314,270.55	15.57%	71,740,417.62	17.36%	39,573,852.93	13.12%
7,501 to 10,000.99	8,868	25.79%	167,524,406.96	23.43%	99,782,452.88	24.14%	67,741,954.08	22.45%
10,001 to 12,500.99	7,200	20.94%	161,694,978.04	22.61%	90,881,685.67	21.99%	70,813,292.37	23.47%
12,501 to 15,000.99	4,050	11.78%	105,789,191.11	14.80%	57,111,208.77	13.82%	48,677,982.34	16.13%
≥ 15,001	3,910	11.37%	131,254,925.13	18.36%	66,784,399.01	16.16%	64,470,526.12	21.37%
Total	34,380	100.00%	714,999,997.77	100.00%	413,306,159.02	100.00%	301,693,838.75	100.00%

### Expected Residual Value (Discounted) (€)

Expected Residual Value (Discounted)	Number of Lease Agreements	% of Lease Agreements	Discounted Balance	% of Discounted Balance	Discounted Balance Lease Receivables	% of Discounted Balance Lease Receivables	Discounted Balance Residual Values	% of Discounted Balance Residual Values
0 tot 2,500.99	460	1.34%	4,920,792.33	0.69%	4,131,329.70	1.00%	789,462.63	0.26%
2,501 to 5,000.99	4,582	13.33%	64,613,385.05	9.04%	46,384,831.79	11.22%	18,228,553.26	6.04%
5,001 to 7,500.99	9,380	27.28%	159,656,465.42	22.33%	100,484,992.62	24.31%	59,171,472.80	19.61%
7,501 to 10,000.99	9,033	26.27%	186,511,118.57	26.09%	107,696,459.20	26.06%	78,814,659.37	26.12%
10,001 to 12,500.99	5,851	17.02%	142,181,912.62	19.89%	77,247,958.78	18.69%	64,933,953.84	21.52%
12,501 to 15,000.99	2,718	7.91%	76,279,645.26	10.67%	39,375,784.12	9.53%	36,903,861.14	12.23%
≥ 15,001	2,356	6.85%	80,836,678.52	11.31%	37,984,802.81	9.19%	42,851,875.71	14.20%
Total	34,380	100.00%	714,999,997.77	100.00%	413,306,159.02	100.00%	301,693,838.75	100.00%

### Original Term (months)

Original Term (in months)	Number of Lease Agreements	% of Lease Agreements	Discounted Balance	% of Discounted Balance	Discounted Balance Lease Receivables	% of Discounted Balance Lease Receivables	Discounted Balance Residual Values	% of Discounted Balance Residual Values
0.01 to 12.00	224	0.65%	2,311,758.19	0.32%	620,288.17	0.15%	1,691,470.02	0.56%
12.01 to 24.00	2,927	8.51%	35,696,951.97	4.99%	9,521,746.38	2.30%	26,175,205.59	8.68%
24.01 to 36.00	5,668	16.49%	109,715,644.39	15.34%	50,266,666.39	12.16%	59,448,978.00	19.71%
36.01 to 48.00	16,018	46.59%	353,930,647.91	49.50%	202,165,022.60	48.91%	151,765,625.31	50.30%
48.01 to 60.00	8,129	23.64%	178,786,515.28	25.01%	122,911,131.21	29.74%	55,875,384.07	18.52%
≥ 60.01	1,414	4.11%	34,558,480.03	4.83%	27,821,304.27	6.73%	6,737,175.76	2.23%
Total	34,380	100.00%	714,999,997.77	100.00%	413,306,159.02	100.00%	301,693,838.75	100.00%

### Seasoning (months)

Seasoning (in months)	Number of Lease Agreements	% of Lease Agreements	Discounted Balance	% of Discounted Balance	Discounted Balance Lease Receivables	% of Discounted Balance Lease Receivables	Discounted Balance Residual Values	% of Discounted Balance Residual Values
0.01 to 12.00	16,482	47.94%	370,642,291.44	51.84%	229,694,405.70	55.57%	140,947,885.74	46.72%
12.01 to 24.00	13,249	38.54%	261,330,136.19	36.55%	144,132,223.01	34.87%	117,197,913.18	38.85%
24.01 to 36.00	4,646	13.51%	82,992,927.69	11.61%	39,468,602.36	9.55%	43,524,325.33	14.43%
36.01 to 48.00	2	0.01%	33,097.19	0.00%	9,452.91	0.00%	23,644.28	0.01%
48.01 to 60.00	-	0.00%	-	0.00%	-	0.00%	-	0.00%
≥ 60.01	1	0.00%	1,545.26	0.00%	1,475.04	0.00%	70.22	0.00%
Total	34,380	100.00%	714,999,997.77	100.00%	413,306,159.02	100.00%	301,693,838.75	100.00%

### Contract Start Year

Contract Start Year	Number of Lease Agreements	% of Lease Agreements	Discounted Balance	% of Discounted Balance	Discounted Balance Lease Receivables	% of Discounted Balance Lease Receivables	Discounted Balance Residual Values	% of Discounted Balance Residual Values
2005	1	0.00%	1,545.26	0.00%	1,475.04	0.00%	70.22	0.00%
2011	2	0.01%	33,097.19	0.00%	9,452.91	0.00%	23,644.28	0.01%
2012	8,696	25.29%	152,763,902.09	21.37%	73,474,311.47	17.78%	79,289,590.62	26.28%
2013	14,240	41.42%	305,042,735.86	42.66%	180,720,606.01	43.73%	124,322,129.85	41.21%
2014	11,441	33.28%	257,158,717.37	35.97%	159,100,313.59	38.49%	98,058,403.78	32.50%
Total	34,380	100.00%	714,999,997.77	100.00%	413,306,159.02	100.00%	301,693,838.75	100.00%

### Expected End Year

Contract End Year	Number of Lease Agreements	% of Lease Agreements	Discounted Balance	% of Discounted Balance	Discounted Balance Lease Receivables	% of Discounted Balance Lease Receivables	Discounted Balance Residual Values	% of Discounted Balance Residual Values
2014	445	1.29%	4,538,804.67	0.63%	308,083.52	0.07%	4,230,721.15	1.40%
2015	3,964	11.53%	55,976,935.36	7.83%	16,121,751.33	3.90%	39,855,184.03	13.21%
2016	8,602	25.02%	164,136,567.68	22.96%	78,937,495.50	19.10%	85,199,072.18	28.24%
2017	10,039	29.20%	220,019,176.01	30.77%	130,644,995.01	31.61%	89,374,181.00	29.62%
2018	7,784	22.64%	186,945,269.44	26.15%	124,818,380.04	30.20%	62,126,889.40	20.59%
2019	2,832	8.24%	63,553,474.86	8.89%	45,948,731.44	11.12%	17,604,743.42	5.84%
2020	557	1.62%	12,971,820.18	1.81%	10,373,962.39	2.51%	2,597,857.79	0.86%
2021	115	0.33%	4,632,152.20	0.65%	4,161,864.14	1.01%	470,288.06	0.16%
2022	21	0.06%	1,531,430.55	0.21%	1,330,220.52	0.32%	201,210.03	0.07%
2023	20	0.06%	585,470.84	0.08%	553,910.84	0.13%	31,560.00	0.01%
2024	1	0.00%	108,895.98	0.02%	106,764.29	0.03%	2,131.69	0.00%
Total	34,380	100.00%	714,999,997.77	100.00%	413,306,159.02	100.00%	301,693,838.75	100.00%

## Interest Percentage

Interest Percentage	Number of Lease Agreements	% of Lease Agreements	Discounted Balance	% of Discounted Balance	Discounted Balance Lease Receivables	% of Discounted Balance Lease Receivables	Discounted Balance Residual Values	% of Discounted Balance Residual Values
0 to 1.00	244	0.71%	4,799,513.47	0.67%	2,687,479.71	0.65%	2,112,033.76	0.70%
1.01 to 2.00	3,090	8.99%	65,140,438.39	9.11%	41,104,941.79	9.95%	24,035,496.60	7.97%
2.01 to 3.00	9,047	26.31%	187,639,670.77	26.24%	110,883,610.97	26.83%	76,756,059.80	25.44%
3.01 to 4.00	12,366	35.97%	258,370,506.90	36.14%	148,200,790.78	35.86%	110,169,716.12	36.52%
4.01 to 5.00	7,028	20.44%	148,094,998.46	20.71%	83,540,883.73	20.21%	64,554,114.73	21.40%
5.01 to 6.00	2,432	7.07%	47,887,581.50	6.70%	25,478,788.45	6.16%	22,408,793.05	7.43%
6.01 to 7.00	172	0.50%	3,062,752.36	0.43%	1,405,239.46	0.34%	1,657,512.90	0.55%
≥ 10.01	1	0.00%	4,535.92	0.00%	4,424.13	0.00%	111.79	0.00%
Total	34,380	100.00%	714,999,997.77	100.00%	413,306,159.02	100.00%	301,693,838.75	100.00%

## Top 15 clients

Top 15 Clients + Industry*	Number of Lease Agreements	% of Lease Agreements	Discounted Balance	% of Discounted Balance	Discounted Balance Lease Receivables	% of Discounted Balance Lease Receivables	Discounted Balance Residual Values	% of Discounted Balance Residual Values	Industry*
Top 1	737	2.14%	14,299,660.99	2.00%	9,629,389.59	2.33%	4,670,271.40	1.55%	Construction
Top 2	652	1.90%	14,299,367.80	2.00%	10,302,461.89	2.49%	3,996,905.91	1.32%	Construction
Top 3	724	2.11%	14,297,596.41	2.00%	8,961,450.15	2.17%	5,336,146.26	1.77%	Professional, scientific and technical activities
Top 4	645	1.88%	14,296,983.94	2.00%	8,715,121.50	2.11%	5,581,862.44	1.85%	Professional, scientific and technical activities
Top 5	610	1.77%	14,296,737.73	2.00%	9,452,173.14	2.29%	4,844,564.59	1.61%	Electricity, gas, steam and air-conditioning supply
Top 6	283	0.82%	8,931,828.16	1.25%	5,925,163.08	1.43%	3,006,665.08	1.00%	Multiple
Top 7	367	1.07%	8,931,236.50	1.25%	4,728,693.03	1.14%	4,202,543.47	1.39%	Professional, scientific and technical activities
Top 8	483	1.40%	8,929,951.53	1.25%	4,305,422.83	1.04%	4,624,528.70	1.53%	Multiple
Top 9	415	1.21%	8,929,619.88	1.25%	6,329,273.73	1.53%	2,600,346.15	0.86%	Professional, scientific and technical activities
Top 10	306	0.89%	8,929,152.99	1.25%	4,973,846.51	1.20%	3,955,306.48	1.31%	Manufacturing
Top 11	338	0.98%	7,147,306.31	1.00%	4,226,555.92	1.02%	2,920,750.39	0.97%	Professional, scientific and technical activities
Top 12	307	0.89%	6,790,644.28	0.95%	4,595,199.89	1.11%	2,195,444.39	0.73%	Multiple
Top 13	251	0.73%	6,538,791.51	0.91%	4,637,600.06	1.12%	1,901,191.45	0.63%	Information and communication
Top 14	262	0.76%	6,115,784.62	0.86%	4,003,056.51	0.97%	2,112,728.11	0.70%	Multiple
Top 15	307	0.89%	5,750,987.01	0.80%	3,841,898.70	0.93%	1,909,088.31	0.63%	Education
Top 16 - 4,957	27,693	80.55%	566,514,348.11	79.23%	318,678,852.49	77.10%	247,835,495.62	82.15%	Multiple
Total	34,380	100.00%	714,999,997.77	100.00%	413,306,159.02	100.00%	301,693,838.75	100.00%	

\*Based on NACE Rev 2

## Remaining Duration (months)

	Number of Lease				Discounted Balance	% of Discounted	Discounted Balance	% of Discounted
Remaining Duration (in months)	Agreements	% of Lease Agreements	Discounted Balance	% of Discounted Balance	Lease Receivables	Balance Lease Receivables	Residual Values	Balance Residual Values
0.01 to 12.00	3,029	8.81%	39,236,369.80	5.49%	9,093,858.10	2.20%	30,142,511.70	9.99%
12.01 to 24.00	7,184	20.90%	129,775,193.60	18.15%	57,147,428.64	13.83%	72,627,764.96	24.07%
24.01 to 36.00	10,266	29.86%	216,443,433.58	30.27%	122,191,537.98	29.56%	94,251,895.60	31.24%
36.01 to 48.00	8,998	26.17%	212,609,708.37	29.74%	138,139,624.01	33.42%	74,470,084.36	24.68%
48.01 to 60.00	4,009	11.66%	92,971,244.30	13.00%	66,941,703.30	16.20%	26,029,541.00	8.63%
≥ 60.01	894	2.60%	23,964,048.12	3.35%	19,792,006.99	4.79%	4,172,041.13	1.38%
Total	34,380	100.00%	714,999,997.77	100.00%	413,306,159.02	100.00%	301,693,838.75	100.00%

## Leasing Instalment

	Number of Lease				Discounted Balance	% of Discounted	Discounted Balance	% of Discounted
Lease Instalment (Interest & Principal)	Agreements	% of Lease Agreements	Discounted Balance	% of Discounted Balance	Lease Receivables	Balance Lease Receivables	Residual Values	Balance Residual Values
1 to 250.99	6,101	17.75%	66,890,511.05	9.36%	32,112,882.87	7.77%	34,777,628.18	11.53%
251 to 500.99	19,515	56.76%	384,498,034.16	53.78%	225,958,510.79	54.67%	158,539,523.37	52.55%
501 to 750.99	7,206	20.96%	198,578,447.21	27.77%	114,761,327.58	27.77%	83,817,119.63	27.78%
751 to 1,000.99	1,188	3.46%	44,163,864.17	6.18%	26,375,593.04	6.38%	17,788,271.13	5.90%
1,001 to 1,250.99	227	0.66%	10,532,800.14	1.47%	6,591,842.13	1.59%	3,940,958.01	1.31%
1,251 to 1,500.99	60	0.17%	3,195,481.30	0.45%	2,038,308.82	0.49%	1,157,172.48	0.38%
≥ 1,501	83	0.24%	7,140,859.74	1.00%	5,467,693.79	1.32%	1,673,165.95	0.55%
Total	34,380	100.00%	714,999,997.77	100.00%	413,306,159.02	100.00%	301,693,838.75	100.00%

### Internal Rating (Corporate & Government only)

LP Internal Rating (Corporate & Government Clients only)	Number of Lease Agreements	% of Lease Agreements	Discounted Balance	% of Discounted Balance	Discounted Balance Lease Receivables	% of Discounted Balance Lease Receivables	Discounted Balance Residual Values	% of Discounted Balance Residual Values
1	676	2.56%	15,046,210.85	2.71%	10,608,425.97	3.22%	4,437,784.88	1.97%
2A	1,148	4.35%	26,928,774.79	4.85%	16,583,465.32	5.04%	10,345,309.47	4.59%
2B	2,823	10.70%	58,186,817.96	10.49%	32,829,984.81	9.97%	25,356,833.15	11.24%
2C	3,832	14.53%	80,866,351.63	14.57%	49,057,357.40	14.90%	31,808,994.23	14.10%
3A	5,589	21.19%	117,326,459.37	21.14%	69,164,044.11	21.00%	48,162,415.26	21.35%
3B	2,554	9.68%	56,738,385.84	10.22%	31,847,575.01	9.67%	24,890,810.83	11.03%
3C	3,852	14.61%	80,250,987.77	14.46%	50,528,490.69	15.34%	29,722,497.08	13.18%
4A	2,231	8.46%	46,730,574.99	8.42%	27,119,820.72	8.23%	19,610,754.27	8.69%
4B	1,685	6.39%	32,629,145.08	5.88%	19,768,007.99	6.00%	12,861,137.09	5.70%
4C	877	3.33%	17,369,136.48	3.13%	9,169,313.97	2.78%	8,199,822.51	3.64%
5A	581	2.20%	12,126,915.94	2.19%	6,944,132.61	2.11%	5,182,783.33	2.30%
5B	235	0.89%	4,780,535.05	0.86%	2,435,479.32	0.74%	2,345,055.73	1.04%
5C	21	0.08%	494,195.59	0.09%	307,491.30	0.09%	186,704.29	0.08%
6A	26	0.10%	536,938.66	0.10%	277,646.78	0.08%	259,291.88	0.11%
N/A	244	0.93%	4,895,211.69	0.88%	2,701,738.25	0.82%	2,193,473.44	0.97%
Total	26,374	100.00%	554,906,641.69	100.00%	329,342,974.25	100.00%	225,563,667.44	100.00%

## Geographic Region

Geographical Region	Number of Lease Agreements	% of Lease Agreements	Discounted Balance	% of Discounted Balance	Discounted Balance Lease Receivables	% of Discounted Balance Lease Receivables	Discounted Balance Residual Values	% of Discounted Balance Residual Values
Zuid-Holland	8,396	24.42%	170,416,723.17	23.83%	99,954,497.18	24.18%	70,462,225.99	23.36%
Noord-Holland	7,634	22.20%	157,924,835.93	22.09%	88,071,595.72	21.31%	69,853,240.21	23.15%
Noord-Brabant	5,894	17.14%	130,849,921.57	18.30%	79,671,947.43	19.28%	51,177,974.14	16.96%
Utrecht	5,259	15.30%	105,445,256.44	14.75%	60,241,528.63	14.58%	45,203,727.81	14.98%
Gelderland	3,140	9.13%	62,240,814.41	8.71%	35,155,125.22	8.51%	27,085,689.19	8.98%
Overijssel	1,169	3.40%	24,860,027.29	3.48%	14,710,834.77	3.56%	10,149,192.52	3.36%
Limburg	915	2.66%	21,297,830.48	2.98%	11,801,846.33	2.86%	9,495,984.15	3.15%
Flevoland	961	2.80%	18,745,992.56	2.62%	10,591,874.88	2.56%	8,154,117.68	2.70%
Friesland	276	0.80%	5,961,179.05	0.83%	3,267,217.38	0.79%	2,693,961.67	0.89%
Groningen	195	0.57%	4,234,680.52	0.59%	2,278,701.73	0.55%	1,955,978.79	0.65%
Drenthe	110	0.32%	3,156,850.24	0.44%	2,122,107.19	0.51%	1,034,743.05	0.34%
Zeeland	138	0.40%	2,995,562.96	0.42%	1,839,853.52	0.45%	1,155,709.44	0.38%
Other	293	0.85%	6,870,323.15	0.96%	3,599,029.04	0.87%	3,271,294.11	1.08%
Total	34,380	100.00%	714,999,997.77	100.00%	413,306,159.02	100.00%	301,693,838.75	100.00%

## Postal Town

Postal Town	Number of Lease Agreements	% of Lease Agreements	Discounted Balance	% of Discounted Balance	Discounted Balance Lease Receivables	% of Discounted Balance Lease Receivables	Discounted Balance Residual Values	% of Discounted Balance Residual Values
AMSTERDAM	2,667	7.76%	62,691,551.39	8.77%	35,280,465.20	8.54%	27,411,086.19	9.09%
ROTTERDAM	2,568	7.47%	52,444,593.14	7.33%	31,021,712.69	7.51%	21,422,880.45	7.10%
'S-HERTOGENBOSCH	1,397	4.06%	31,729,910.03	4.44%	19,806,054.55	4.79%	11,923,855.48	3.95%
UTRECHT	1,397	4.06%	29,974,584.67	4.19%	18,741,770.96	4.53%	11,232,813.71	3.72%
AMERSFOORT	934	2.72%	18,541,460.79	2.59%	10,514,424.54	2.54%	8,027,036.25	2.66%
'S-GRAVENHAGE	864	2.51%	18,329,556.63	2.56%	12,257,052.84	2.97%	6,072,503.79	2.01%
BREDA	834	2.43%	17,875,778.13	2.50%	10,722,954.87	2.59%	7,152,823.26	2.37%
EINDHOVEN	650	1.89%	17,128,428.23	2.40%	10,438,000.97	2.53%	6,690,427.26	2.22%
HOOFDDORP	748	2.18%	15,861,921.23	2.22%	8,419,304.70	2.04%	7,442,616.53	2.47%
ROSMALEN	794	2.31%	15,401,954.93	2.15%	10,247,861.88	2.48%	5,154,093.05	1.71%
Other	21,527	62.61%	435,020,258.60	60.84%	245,856,555.82	59.49%	189,163,702.78	62.70%
Total	34,380	100.00%	714,999,997.77	100.00%	413,306,159.02	100.00%	301,693,838.75	100.00%

## Top 50 Clients

Top 50 Clients	Number of Lease Agreements	% of Lease Agreements	Discounted Balance	% of Discounted Balance	Discounted Balance Lease Receivables	% of Discounted Balance Lease Receivables	Discounted Balance Residual Values	% of Discounted Balance Residual Values
Top 1	737	2.14%	14,299,660.99	2.00%	9,629,389.59	2.33%	4,670,271.40	1.55%
Top 2	652	1.90%	14,299,367.80	2.00%	10,302,461.89	2.49%	3,996,905.91	1.32%
Top 3	724	2.11%	14,297,596.41	2.00%	8,961,450.15	2.17%	5,336,146.26	1.77%
Top 4	645	1.88%	14,296,983.94	2.00%	8,715,121.50	2.11%	5,581,862.44	1.85%
Top 5	610	1.77%	14,296,737.73	2.00%	9,452,173.14	2.29%	4,844,564.59	1.61%
Top 6	283	0.82%	8,931,828.16	1.25%	5,925,163.08	1.43%	3,006,665.08	1.00%
Top 7	367	1.07%	8,931,236.50	1.25%	4,728,693.03	1.14%	4,202,543.47	1.39%
Top 8	483	1.40%	8,929,951.53	1.25%	4,305,422.83	1.04%	4,624,528.70	1.53%
Top 9	415	1.21%	8,929,619.88	1.25%	6,329,273.73	1.53%	2,600,346.15	0.86%
Top 10	306	0.89%	8,929,152.99	1.25%	4,973,846.51	1.20%	3,955,306.48	1.31%
Top 11	338	0.98%	7,147,306.31	1.00%	4,226,555.92	1.02%	2,920,750.39	0.97%
Top 12	307	0.89%	6,790,644.28	0.95%	4,595,199.89	1.11%	2,195,444.39	0.73%
Top 13	251	0.73%	6,538,791.51	0.91%	4,637,600.06	1.12%	1,901,191.45	0.63%
Top 14	262	0.76%	6,115,784.62	0.86%	4,003,056.51	0.97%	2,112,728.11	0.70%
Top 15	307	0.89%	5,750,987.01	0.80%	3,841,898.70	0.93%	1,909,088.31	0.63%
Top 16	155	0.45%	5,348,539.05	0.75%	3,156,624.92	0.76%	2,191,914.13	0.73%
Top 17	170	0.49%	5,227,717.29	0.73%	3,360,150.70	0.81%	1,867,566.59	0.62%
Top 18	221	0.64%	5,126,033.27	0.72%	3,432,083.99	0.83%	1,693,949.28	0.56%
Top 19	190	0.55%	5,124,024.73	0.72%	2,986,227.65	0.72%	2,137,797.08	0.71%
Top 20	154	0.45%	5,090,024.16	0.71%	4,410,444.17	1.07%	679,579.99	0.23%
Top 21	240	0.70%	4,955,722.17	0.69%	2,813,490.76	0.68%	2,142,231.41	0.71%
Top 22	213	0.62%	4,759,723.03	0.67%	2,650,237.42	0.64%	2,109,485.61	0.70%
Top 23	219	0.64%	4,593,713.50	0.64%	3,209,376.22	0.78%	1,384,337.28	0.46%
Top 24	237	0.69%	4,521,157.65	0.63%	3,090,927.46	0.75%	1,430,230.19	0.47%
Top 25	383	1.11%	4,391,546.26	0.61%	2,640,112.27	0.64%	1,751,433.99	0.58%



Top 26	280	0.81%	4,265,842.31	0.60%	2,897,730.62	0.70%	1,368,111.69	0.45%
Top 27	233	0.68%	4,256,241.88	0.60%	2,940,567.94	0.71%	1,315,673.94	0.44%
Top 28	208	0.61%	4,228,445.36	0.59%	2,832,640.89	0.69%	1,395,804.47	0.46%
Top 29	263	0.76%	4,097,488.90	0.57%	2,792,296.38	0.68%	1,305,192.52	0.43%
Top 30	190	0.55%	3,721,310.10	0.52%	2,285,098.64	0.55%	1,436,211.46	0.48%
Top 31	165	0.48%	3,570,829.90	0.50%	2,301,991.23	0.56%	1,268,838.67	0.42%
Top 32	159	0.46%	3,570,410.46	0.50%	1,956,812.13	0.47%	1,613,598.33	0.53%
Top 33	151	0.44%	3,562,386.77	0.50%	2,201,627.33	0.53%	1,360,759.44	0.45%
Top 34	337	0.98%	3,559,393.03	0.50%	1,429,800.27	0.35%	2,129,592.76	0.71%
Top 35	166	0.48%	3,530,578.76	0.49%	1,763,036.53	0.43%	1,767,542.23	0.59%
Top 36	198	0.58%	3,362,046.24	0.47%	2,171,078.91	0.53%	1,190,967.33	0.39%
Top 37	76	0.22%	3,245,644.59	0.45%	2,599,726.70	0.63%	645,917.89	0.21%
Top 38	129	0.38%	2,977,130.35	0.42%	1,932,216.73	0.47%	1,044,913.62	0.35%
Top 39	122	0.35%	2,881,293.90	0.40%	1,792,875.39	0.43%	1,088,418.51	0.36%
Top 40	116	0.34%	2,876,702.67	0.40%	1,470,705.38	0.36%	1,405,997.29	0.47%
Top 41	112	0.33%	2,868,892.94	0.40%	1,719,565.94	0.42%	1,149,327.00	0.38%
Top 42	112	0.33%	2,704,095.69	0.38%	1,536,432.36	0.37%	1,167,663.33	0.39%
Top 43	261	0.76%	2,694,530.10	0.38%	529,260.07	0.13%	2,165,270.03	0.72%
Top 44	139	0.40%	2,580,277.62	0.36%	1,403,472.59	0.34%	1,176,805.03	0.39%
Top 45	98	0.29%	2,565,252.56	0.36%	1,738,104.94	0.42%	827,147.62	0.27%
Top 46	114	0.33%	2,543,034.91	0.36%	1,427,661.83	0.35%	1,115,373.08	0.37%
Top 47	78	0.23%	2,302,339.80	0.32%	1,315,881.43	0.32%	986,458.37	0.33%
Top 48	101	0.29%	2,275,659.55	0.32%	1,379,923.12	0.33%	895,736.43	0.30%
Top 49	106	0.31%	2,170,484.23	0.30%	1,216,176.72	0.29%	954,307.51	0.32%
Top 50	155	0.45%	2,151,931.79	0.30%	1,255,611.25	0.30%	896,320.54	0.30%
Top 51 - 4,957	21,442	62.37%	438,813,902.59	61.37%	240,038,881.61	58.08%	198,775,020.98	65.89%
Total	34,380	100.00%	714,999,997.77	100.00%	413,306,159.02	100.00%	301,693,838.75	100.00%

## ORIGINATION AND UNDERWRITING

### Underwriting criteria

LPNL's client base consists of Dutch legal persons (*rechtspersonen*) and private individuals conducting an enterprise (*werkzaam in de uitoefening van een beroep of bedrijf*) ("**SME**") located in the Netherlands or foreign legal persons located in a so-called Rome I Country and having an enterprise or branch located in the Netherlands. LPNL focuses its needs on acquiring customers mainly through internet, in the segment of the small to medium-sized enterprises (including without limitation an SME) and through a direct sales force with active account management, in the corporate and government segment.

LPNL assesses the inherent risk before accepting a client. LPNL's risk assessment and approval guidelines are stated in its local and corporate policies. The local policies are in line with the corporate policies and are set by the Credit Committee, which is headed by LPNL's Chief Financial Officer.

For all clients a credit proposal needs to be initiated and decided upon as part of the client acceptance procedure. The credit proposals are initiated by LPNL's commercial department and sent to the credit team. The credit team prepares a risk evaluation and subsequently a recommendation. For corporate and government clients a global credit risk management system ("**GCRMS**") is in place. For SME clients, the global credit system-LeasePlanDirect ("**GCS-LPDirect**") is used. GCRMS and GCS-LPDirect encompass the entire flow from the initial application to the final approval or rejection by the authorised corporate bodies.

The risk evaluation includes the following:

- The exposure (number of cars, amount; profitability calculation);
- Financial data (latest accounts for both client and parent(s));
- Additional information (e.g. rating agencies, press releases, and other publicly available sources, etc.);
- Calculation of the LeasePlan Rating.

The LeasePlan Rating is an internally developed score model, approved by the Dutch Central Bank (*De Nederlandsche Bank N.V.*), that is used to assess creditworthiness of corporate clients and predict a client's probability of default. It is developed to become the main indicator for deciding on credit quality in all LeasePlan entities. This rating is fundamental and leads to the subsequent approval or rejection of the application and, as appropriate, the need to request additional guarantees from clients.

The LeasePlan Rating scale ranges from 1 (optimum position) to 7C (inactive customer and/or the subject of liquidation). Levels 2, 3, 4, 5 and 7 are in turn subdivided into sublevels A, B and C.

In below table the LP Rating 1 to 6A are compared to the S&P and Moody's rating.

A rating of level 5A or below will always require a joint approval by the LPNL credit team and LPNL credit committee and usually additional guarantees from the clients in question. These guarantees may be in the form of deposits, down payments, bank guarantees or guarantees from other companies.

<b>LP Rating</b>	<b>Description</b>	<b>S&amp;P</b>	<b>Moody's</b>	<b>PD</b>
1	Prime	AAA/AA-	Aaa/Aa3	0.03%
2A	Very strong	A+	A1	0.03%
2B	Strong	A	A2	0.05%
2C	Relatively strong	A-	A3	0.08%
3A	Very acceptable	BBB+	Baa1	0.14%
3B	Acceptable	BBB	Baa2	0.23%
3C	Relatively acceptable	BBB-	Baa3	0.39%
4A	Very sufficient	BB+	Ba1	0.71%
4B	Sufficient	BB	Ba2	1.18%
4C	Relatively sufficient	BB-	Ba3	1.97%
5A	Somewhat weak*	B+	B1	2.93%
5B	Weak*	B	B2	4.83%
5C	Very weak**	B-	B3	7.80%
6A	Sub-standard - Watch**	CCC+/C	Caa1/C	13.38%

\*special attention list

\*\*watch list

The LeasePlan Rating is not used for rating SME clients. For the rating of SME clients an IRB model has been applied since early 2014.

The final approval or rejection of the application is done at different levels of authorisation taking into account not only the customer's credit rating, but also the credit limits. The credit limit contains a maximum number of vehicles, the expiring date of the credit, and a maximum investment amount on both the overall portfolio of the client and on a vehicle level.

At all the below depicted authorisation levels, at least two members of the corresponding authorization level must sign:

<b>In Charge</b>	<b>Level of Authorisation (vehicles and investment)</b>
Supervisory Board	Over €45 million
LeasePlan Corporation Credit Committee	Up to a maximum of €45 million
LeasePlan Corporation Credit Department	Up to a maximum of 500 units
LPNL Credit Committee (Formal authority)	Up to a maximum of 250 units (Evaluation)

LPNL Credit Risk Team (Delegated authority)	Up to a maximum of 250 units (Daily basis)
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All credit limits of the approved proposals are registered in the lease administration system and a copy of the final decision is filed in the archive of GCRMS & GCS-Direct.

When all necessary approvals and requirements are received and a Master Agreement is signed, new vehicles can be ordered.

The local LPNL credit committee convenes monthly meetings where, among other aspects related to risk approval, the payment behaviour of the customers is analysed and an assessment is made as to whether they should be included in the list of customers under observation. Furthermore, the risk of the overall portfolio of LPNL is evaluated as well as the development of the top 25 clients.

When a potential client becomes an LPNL client, a periodic credit review is carried out following the above criteria. No new vehicles can be ordered until the credit review has been conducted and credit limits are newly set in the lease administration system.

At least annually, a credit review of all existing corporate clients with a credit limit of 10 or more vehicles is performed.

### **Establishing the residual value of the leased Vehicles**

The residual value for each vehicle is calculated when the corresponding lease agreement begins and is LPNL's estimation of the market value that the vehicle will have at the end of the lease agreement it is linked to. The residual value of a vehicle is fundamental for establishing the lease receivables.

LPNL calculates the residual value of each vehicle based on:

- quantitative sales information (e.g. historical realised sales proceeds);
- quantitative market information (e.g. macroeconomic projections for the RV-market using several indicators); and,
- qualitative market information (expectations for new vehicle markets and RV market expectations);

taking into account, among other variables, the terms and conditions of the agreement (mileage, lease term etc).

The residual value may change during the life of the agreement due to changes in the contractual terms and conditions. These changes are variations in events linked to the agreement itself such as, among others, variations in vehicle use (mileage) and extending or shortening the lease period. In such cases both the lease receivables and the residual value of each vehicle is recalculated.

### **Information regarding the policies and procedures of LPNL**

LPNL has internal policies and procedures in relation to the entering into of operational lease agreements, administration of an operational lease portfolio and risk mitigation. The policies and procedures of LPNL in this regard broadly include the following:

- (a) criteria for the underwriting of operational lease agreements and the process for approving, amending, renewing and extension of operational lease agreements, as to which please see the information set out in the sections entitled "*Underwriting criteria*" and "*Servicing Agreement*";
- (b) systems in place to administer and monitor the operational lease portfolio and exposure, as to which we note that the Portfolio will be serviced in line with the usual servicing procedure of LPNL – please see further the section entitled "*Servicing Agreement*";
- (c) diversification of operational leases taking into account LPNL's target market and overall strategy, as to which, in relation to the Portfolio, please see the sections entitled "*Description of the Purchased Vehicles*", "*Underwriting criteria*", "*Pool Size and Characteristics*" and the stratification tables set forth therein; and
- (d) policies and procedures in relation to risk mitigation techniques, as to which please see further the section entitled "*Servicing Agreement*" and the sections entitled "*Description of the Purchased Vehicles*" and "*Underwriting criteria*".

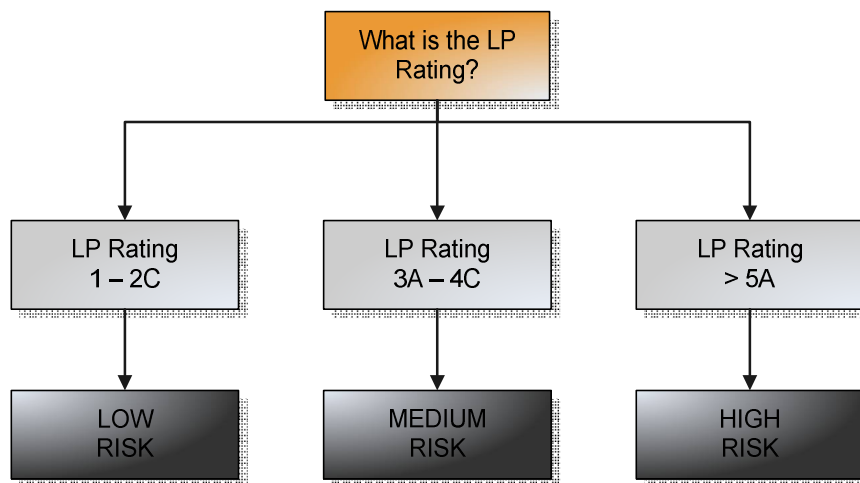
## COLLECTION OF LEASE RECEIVABLES BY LPNL

The collection department is responsible for the collection of Lease Receivables owed to LPNL. Furthermore, this department is also responsible for all recovery activities.

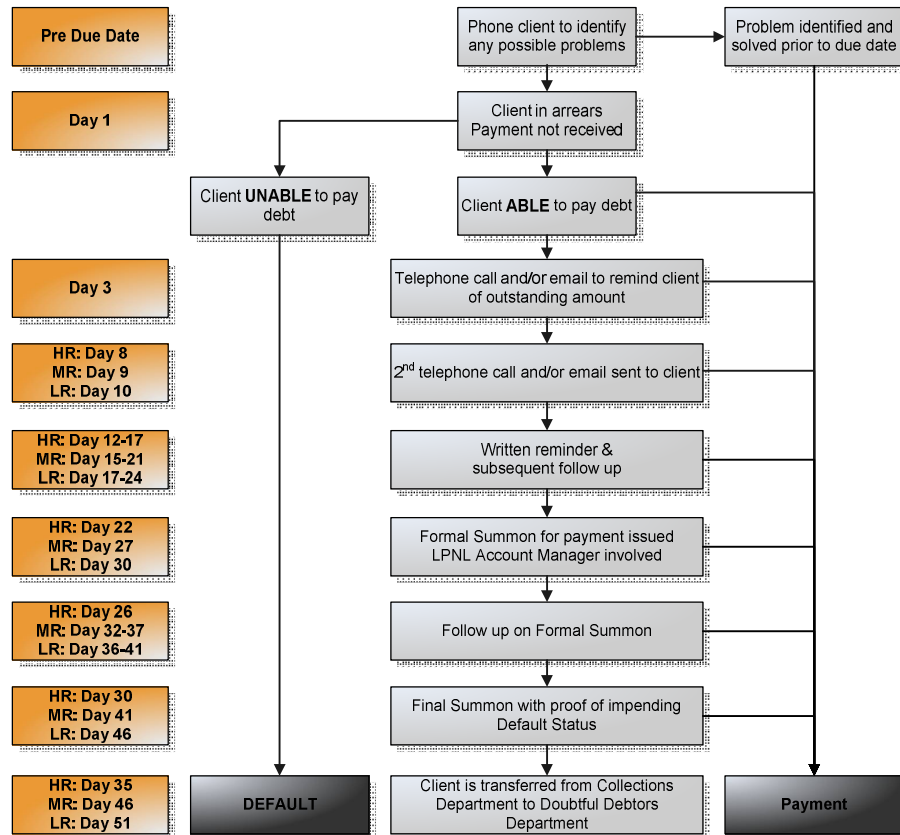
All lease instalments are invoiced monthly to LPNL's clients. The majority of the clients use 'direct debit' as method of payment of outstanding balances (92.4% of the clients representing 49.4% of the total monthly lease instalments, each as at 10 June 2014). Other clients initiate money transfers themselves to pay the outstanding balances.

Whenever an outstanding payment is due the collection department will take action, in order to collect the outstanding balances. The collection managers proactively monitor the portfolio in order to avoid any (lengthy) disputes with regard to outstanding invoices.

All collection activities are supported by and documented in LPNL's collection tool 'On Guard'. In this system LPNL has set a number of risk profiles describing in detail per risk profile which steps are required to collect the debt. There are three risk profiles: low (LR), medium (MR) and high risk (HR). The risk profile of the client obtained in On Guard is related to the LP Rating obtained in the credit approval process.



The risk profiles in On Guard determine the activities and the timelines. A detailed workflow diagram can be found below in figure.



As depicted in the process flow above, in case the outstanding balance cannot be collected within the time of the defined profile or the client is in default, it will be transferred to the team 'Doubtful Debtors', which is responsible for all recovery activities. A client is in default at the earlier of:

- (a) public insolvency of the company, or
- (b) for Corporate clients when they are declared in default by LPNL (i.e. the client is unable to pay according to LPNL), or
- (c) for SME clients when they are declared in default by LPNL (i.e. the client is unable to pay according to LPNL), or at the very latest when the lessee is in arrears with respect to its lease instalments by > 90 days.

The default process is initiated by the team referred to as *Doubtful Debtors* by sending a notification to different departments within LPNL (including management) when a client or legal entity has been declared bankrupt or granted a suspension of payment (*surseance*). Several actions are initiated such as:

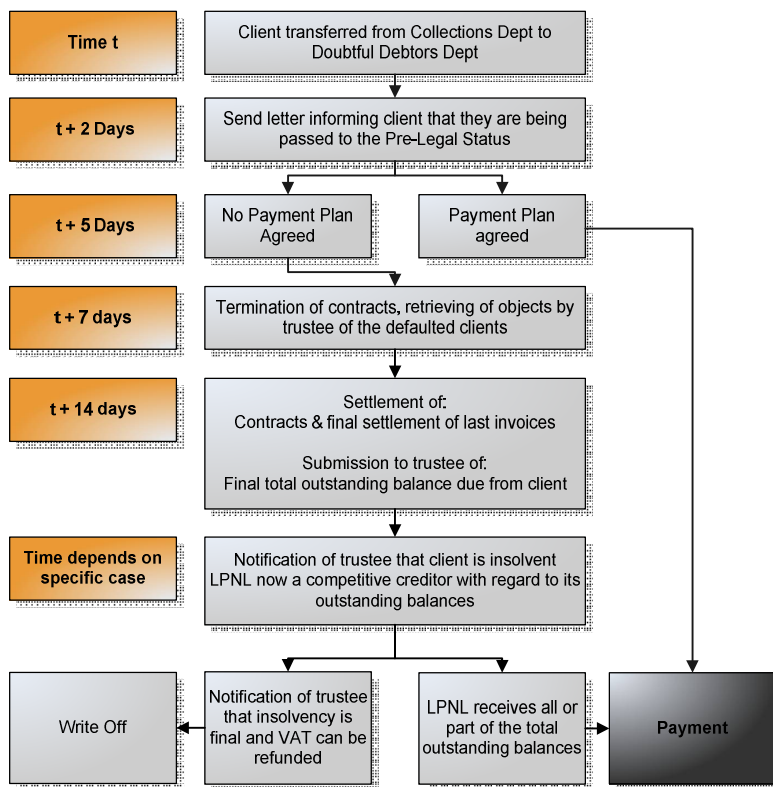
- blocking credit lines;
- termination of fuel cards, repairs and maintenance; or
- blocking of credit invoices.

If the client continues to fail settlement of the outstanding balance, LPNL will decide to terminate the contracts and repossess the Leased Vehicle, as applicable. The costs related to the early termination of the contracts will be invoiced to the lessee. A lessee can also be defined as being in 'dispute'. A dispute can be identified at any stage in the process above. Once identified, a dispute is removed from the normal collections activity cycle and dealt with by the complaints handling/resolution department. Predefined complaints handling/resolution processes are used to resolve disputes.

The complaints handling/resolution processes focus on:

- I identifying the specific complaint through communication with the client,
- II discussing the complaint with other departments (Account Management, Collections, Information Technology, etc),
- III assessing the validity of the complaint,
- IV if the complaint is valid, proposing and implementing corrective actions, and
- V collecting the outstanding amount.





Provisions are recorded and relate to the total balance of the receivables outstanding (excl. VAT) and increased by expected loss on vehicles (average difference between the market value and book value of the vehicle). Provisions related to doubtful debtors are reported on a monthly basis.

## LEASE VEHICLES SALES PROCEDURES

At the end of the operating 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 LPNL a certificate evidencing receipt of the vehicle ("**Certificate**") will be made on site together with the driver. If delivered somewhere else this Certificate will be made and issued at the site of LPNL by an external expert (the expert evaluation is currently done by the company SGS Nederland B.V.).

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 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 expert 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, LPNL is authorised 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 LPNL sales channels.

The sales activity is carried out through LP Occasions which is organised in two departments:

- LP Occasions: Sales;
- Operations & Logistics: Transport and safekeeping of vehicles and administrative formalities.

According to the type and condition of the vehicle, LP Occasions will determine the most appropriate sales channel from among the following:

- CRI (Car Remarketing International): Online sales to professionals through an LP-owned web tool;
- Auctions: Sale to professionals through different logistics collaborators (e.g. British Car Auction (BCA));
- Export: Sale to professionals through CRI or auctions;
- Sale to private individuals: Through LP Occasions or through direct sales to the previous driver of the vehicle. (certain lease agreements allow the lessee or its driver-employee to acquire the leased vehicle at the end of the lease agreement.)

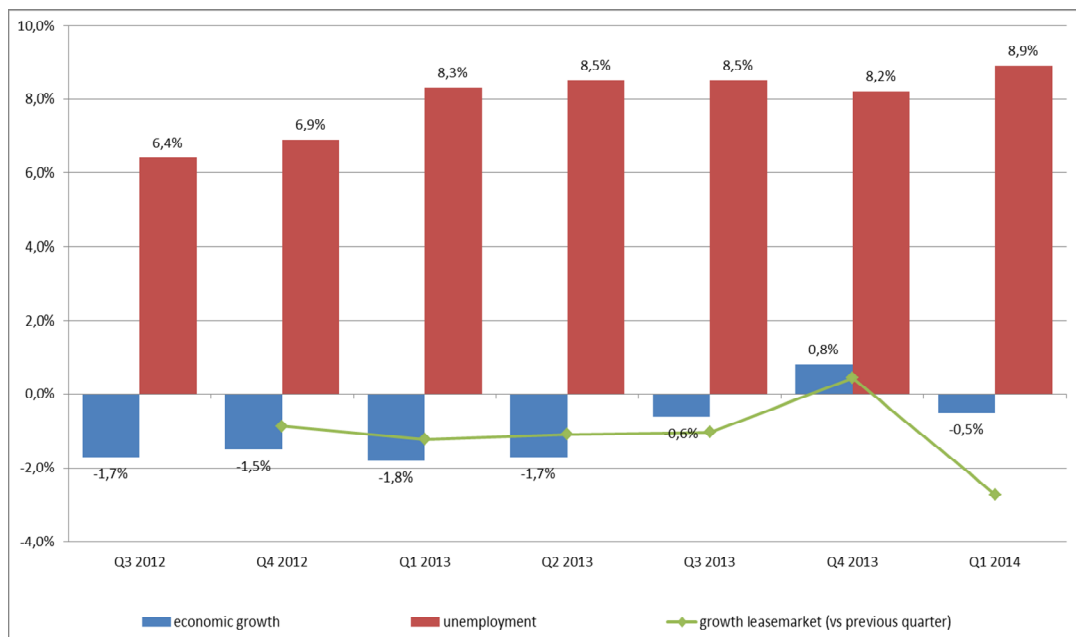
LPNL has sold a total volume of 81,300 vehicles in the last three years 2011-2013 with an average current permanence of vehicles in stock of 20,5 workdays. A vehicle is considered to be in stock from the date on which the customer, who subscribed the operating lease agreement, proceeds to return it up to the date when it is sold by LPNL and paid by the buyer.

## OVERVIEW OF THE DUTCH CAR LEASE MARKET

The information provided in this section has been derived from publicly available information on the Dutch car lease market as published by the RAI Data Centre (the "**RDC**"), the Association of Dutch Car Lease Companies ("*Vereniging van Nederlandse Autoleasemaatschappijen*") (the "**VNA**") and internal LPNL information. Information on the Dutch economy comes from the Dutch Central Bureau for Statistics (the "**CBS**").

### Introduction

The Netherlands has been suffering from an economic crisis for several years now. Although the current economic outlook is rather good, the Dutch economy is still struggling which also has its impact on the leasing market. (Source: RDC and CBS)



Unemployment is still on the rise: from 8.5% in October 2013 to 8.9% in May 2014. The average expected unemployment rate for 2014 is 7.25%. Consumer confidence was very low throughout 2013, being -32 on average. At the end of May 2014, it improved to -1. Producer confidence has shown a slight upward trend in 2014. Annual economic growth for 2014 is expected to be modest (0.75%).

Based on recent figures LPNL can be considered to be the market leader in the Netherlands.

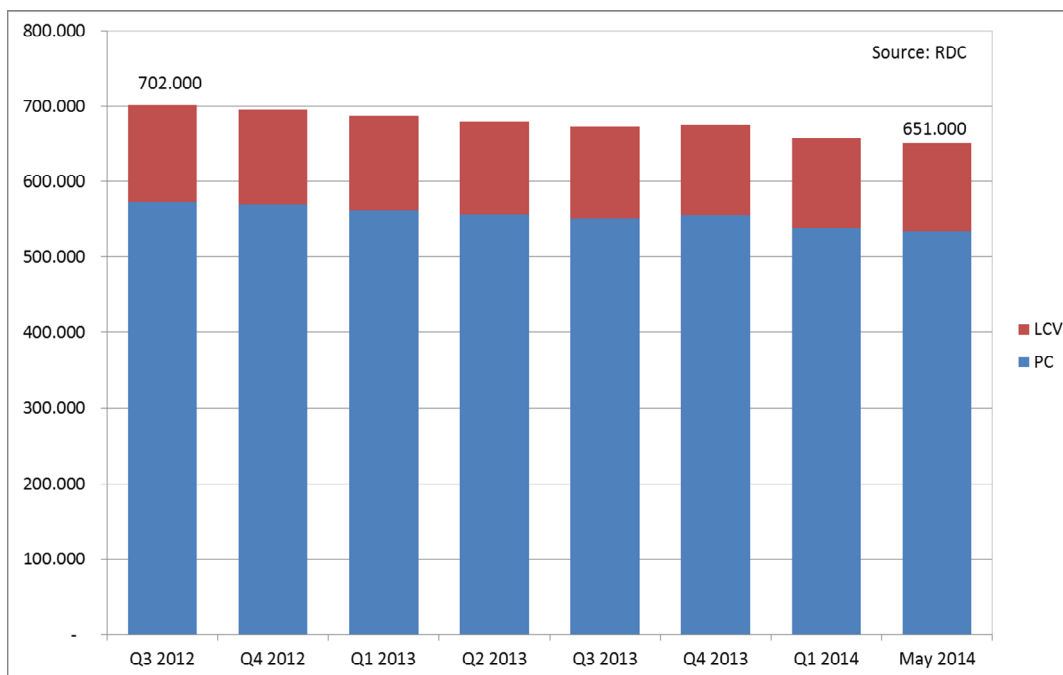
### Top 10 Lease companies in the Netherlands (May 2014, source: Automotive Online):

- 1 LeasePlan Nederland
- 2 Athlon Car Lease
- 3 Alphabet Nederland
- 4 Volkswagen PON Financial Services
- 5 International Car Lease Holding
- 6 Arval

- 7 Business Lease Nederland
- 8 ALS Automotive
- 9 Terberg Leasing
- 10 Multilease

## Market Size

Due to the economic crisis in the Netherlands, the leased car market has shown a significant decline from over 700,000 cars in Q3, 2012 to 651,000 cars in May 2014.



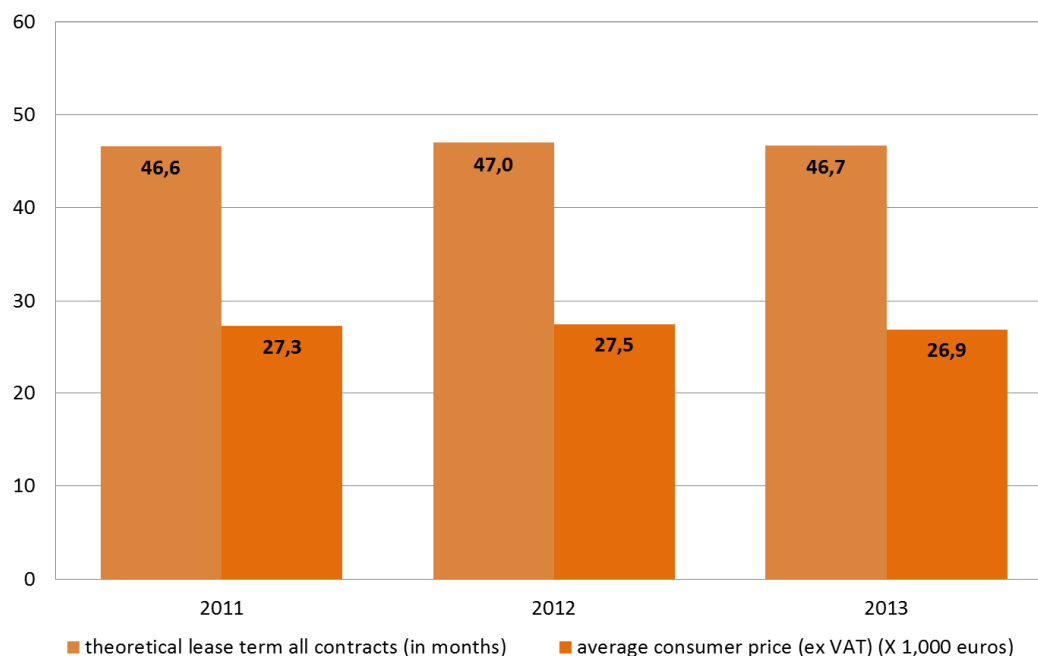
The Dutch car market can be described as follows (May 2014; source RDC):

Car market		9,056,000 cars
Company car market		1,662,000 cars
<i>as % of car market</i>	18%	
Lease market		651,000 cars
<i>as % of company car market</i>	39%	
Operational lease market		588,000 cars
<i>as % of lease market</i>	90%	
Financial lease market		63,000 cars
<i>as % of lease market</i>	11%	

From the total lease market (651,000 cars), 534,000 are personal cars. The rest (117,000 cars) are light commercial vehicles ("LCVs").

### Cars

Over the last few years, the average car theoretical lease contract tenor with VNA-members has shown an increase from 46.6 in 2011 to 46.7 months in 2013. In the same period, the average consumer price for leased cars decreased to € 26.900. (Source: VNA, annual reports)



The table below gives an overview of the most popular lease cars by make:

Top 10 of newly registered leased cars by make (YTD June 2014; source: RDC):

Rank	Brand	# Cars	Share
1	VOLKSWAGEN	6,930	22%
2	SKODA	4,052	13%
3	RENAULT	3,566	11%
4	AUDI	3,184	10%
5	VOLVO	2,762	9%
6	PEUGEOT	2,487	8%
7	TOYOTA	2,390	8%
8	BMW	2,245	7%
9	SEAT	1,793	6%
10	OPEL	1,786	6%

A noticeable development in the Dutch car leasing market is the rise of the more environmental friendly cars such as hybrids and small efficient cars. This development is stimulated by the Dutch government granting favourable tax measures for lease cars with relatively low CO<sub>2</sub> emissions. This has a dual effect:

1. lease cars with lower taxes are more attractive to consumers; and
2. more cars producing lower CO<sub>2</sub> emissions per kilometer.

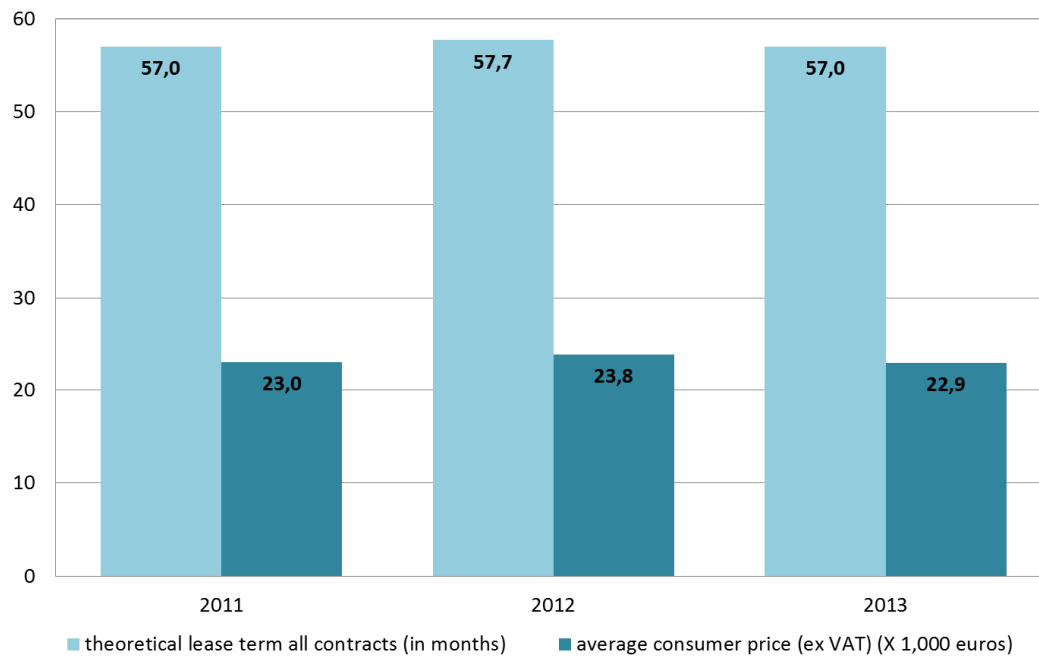
The tax incentives granted by the Dutch government remain largely in place for the year 2015. Currently, the Dutch government is working on contemplated legislation for the period as of 2016. At first glance and based on rumors, it seems that the tax incentives for cars with relatively low CO<sub>2</sub> emissions may be amended or may even be abolished due to - amongst others - remarks that cars with relatively low CO<sub>2</sub> emissions have shown to be very popular but not as environmental friendly in practice as initially predicted. However, no detailed information can be given or is available at this stage with respect to the content of the possible amendments as this has not yet been confirmed by the Dutch authorities.

	Q2, 2014	Q1, 2014	Q4, 2013	Q3, 2013	Q2, 2013	Q1, 2013
TAXES:						
25% taxes	14%	20%	12%	12%	16%	19%
20% taxes	40%	41%	29%	33%	31%	34%
14% taxes	42%	34%	52%	52%	49%	39%
7% taxes	4%	5%				
4% taxes	1%	0%				
0% taxes			7%	3%	4%	9%
CO <sub>2</sub> EMISSION PER KM:						
Diesel	94	99	97	97	98	100
Gas	101	104	105	108	110	102

From the above table one can see that cars with lower taxes (ie 14% or 20%) have become more popular over time, leading to lower CO<sub>2</sub> emissions per kilometer.

### Light commercial vehicles

The average theoretical contract term for LCVs with VNA-members has been rather stable over the last recent years. The average consumer price of all leased LCVs from VNA-members has shown a decrease of 3.8%. The price fell by € 900 to € 22.900. (Source: VNA, annual reports)



The table below gives an overview of the most popular lease LCVs in May 2014 by brand:

Rank	Brand	# LCV's	Share
1	VOLKSWAGEN	2,890	34%
2	MERCEDES-BENZ	1,401	17%
3	RENAULT	1,010	12%
4	OPEL	967	11%
5	FORD	866	10%
6	PEUGEOT	528	6%
7	CITROEN	301	4%
8	FIAT	297	4%
9	NISSAN	89	1%
10	IVECO	82	1%



## LEASEPLAN NEDERLAND N.V.

### Introduction

LeasePlan was founded in 1963 in the Netherlands as an equipment Lessor by a number of different shareholders. In the 1970's the development of Fleet Leasing and the internationalization beyond the Netherlands started. In 1999/2000 the remaining equipment leasing activities were largely terminated or sold and LeasePlan focused on operational vehicle leasing and fleet management.

LPNL is the result of a merger of LeasePlan Nederland N.V., Auto Lease Holland B.V. and Leaseconcept B.V. in 2003. Hence there are still a number of different standard Master Agreements and general terms and conditions from the past. LPNL offers mainly operational leasing to its clients. The open calculation concept gives the customer full access to all the information on costs actually incurred. Under this type of agreement, subject to certain netting arrangements and conditions, LPNL (as lessor) bears the risk if the actual costs exceed the budgeted costs but the customer is credited if the actual costs are less than the budgeted costs. With the closed calculation concept, the customer leases at a fixed monthly instalment and both positive and negative divergences from the budgeted costs are for the account of the Lessor.

### Profile

In the early years LPNL focused on the leasing of plant and equipment, primarily office equipment and furniture. Later, the range of services was considerably expanded. In 1970 the company's subsidiary Auto Lease Plan N.V. was established. This new company grew quickly, not only in commercial terms but also in terms of the size of the workforce. By 1975 half of LPNL's workforce was employed by Auto Lease Plan N.V. After operating lease agreements proved to be a success, the group decided to focus on this area in its expansion abroad. In 2003 LeasePlan Nederland N.V., Auto Lease Holland B.V. and Leaseconcept B.V. were merged to form LeasePlan Nederland N.V.

### LPNL Key Figures

	2009	2010	2011	2012	2013
<b>Profit and loss (€ x 1000)</b>					
Total income	107	131.3	118.8	115.3	125.5
Net financial result	20.9	31.2	21.0	17.8	27.2
Lease contracts (€ million)	1,849	1,707	1,832	1,933	1,891
Total assets	2,151	1,956	1,938	2,082	2,023
<b>Indicators</b>					
Number of staff (FTE)	607	597	588	595	606
<b>Ratios (%)</b>					
Efficiency ratio	68.3	58.5	66.7	64.4	61.6

#### **403-Declaration**

The obligations of LPNL are guaranteed by LPC pursuant to section 2:403 of the Dutch Civil Code (the "**403-Declaration**").

The 403-Declaration constitutes a statement of joint and several liability (*hoofdelijke aansprakelijkheid*) governed by and construed in accordance with Dutch law. The 403-Declaration is part of the Dutch company law provisions designed to enable subsidiaries of parent companies which publish consolidated annual accounts to obtain an exemption from the requirements to separately publish their own annual accounts. One of the conditions for obtaining such exemption is that a 403-Declaration is issued by the parent company and deposited with the Trade Register in the place where the subsidiary is established. The statutory provisions relating to 403-Declarations are contained in section 2:403 and following of the Dutch Civil Code. A 403-Declaration is an unqualified statement by the parent company that the parent company is jointly and severally liable with the subsidiary for the debts of the subsidiary. LPC issued and deposited with the relevant Chamber of Commerce a 403-Declaration in respect of LPNL on 17 May 1985. The 403-Declaration constitutes the legal, valid and binding obligation of LPC, enforceable in accordance with its terms. Thus, the effect of the issue and deposit by LPC of its 403-Declaration is that LPC and LPNL have become jointly and severally liable for all debts of LPNL arising from transactions entered into by LPNL after the date of the deposit. The liability of LPC under the 403-Declaration is unconditional and not limited in amount, nor is it limited to certain specific types of debt.

Additionally, LPNL has undertaken in the Master Hire Purchase Agreement to notify the Issuer and the Security Trustee at least thirty (30) days prior to (i) the withdrawal of LPC's 403-Declaration and (ii) the filing of LPC's intention to terminate its remaining liability under the 403-Declaration.

## **LEASEPLAN CORPORATION N.V.**

### **Introduction**

LPC was incorporated by notarial deed of 27 February 1963 as a public limited company (*naamloze vennootschap*) under Dutch law, for an indefinite period. LPC is registered with the Trade Register of the Gooi-, Eem- and Flevoland Chamber of Commerce under number 39037076. LPC has its statutory seat in Amsterdam, the Netherlands and its registered office at P.J. Oudweg 41, 1314 CJ Almere-Stad, the Netherlands. The general telephone number of LPC is: +31 36 539 3911.

LPC is a bank and is authorised by the Dutch Central Bank (*De Nederlandsche Bank N.V.*) to pursue the business of a bank in the Netherlands in accordance with section 2.11 of the Wft. It holds shares in the respective legal entities that have been established in the various countries where LeasePlan is active. LPC is actively managing this international network of operating entities. In the areas of (among other things) procurement, IT development, marketing & product development, human resources, operations, car remarketing and risk management, an internationally harmonised and coordinated strategy is pursued. As LPC is operating in many countries, its contractual obligations are subject to the laws of differing jurisdictions. Throughout this section, "LeasePlan" is used as a reference to the group of companies which is headed by LPC, as common shareholder, and which has common business characteristics.

At 31 December 2013, the LeasePlan group employed over 6,571 people and its fleet comprised 1.37 million vehicles of various brands worldwide. As at December 2013, the total book value of leases and lease receivables was EUR 14.5 billion.

### **Profile**

LeasePlan is a global fleet management and driver mobility provider. LeasePlan operates in 32 countries across Europe, North and South America and the Asia-Pacific region and holds a leading market position based on total fleet size in the majority of LeasePlan's markets. LeasePlan offers a comprehensive portfolio of fleet management solutions covering vehicle acquisition, leasing, full-service fleet management, strategic fleet selection and management advice, fleet funding, ancillary fleet and driver services and car remarketing. It capitalises on its status as a bank by centrally supporting the group's financing activities. Euro Insurances, LPC's own insurance subsidiary, supports the insurance solutions offered by the group companies as part of their integrated service offer. As at 31 December 2013, LeasePlan's fleet comprised 1.37 million vehicles of various brands worldwide which makes LeasePlan the largest fleet and vehicle management provider by total fleet size. Over the past 15 years, LeasePlan has rapidly expanded into new territories and now has offices in 32 countries and alliances in the Baltic States. The group companies rank among the major players in their respective local markets, and many are market leader in terms of fleet size.

LPC launched LeasePlan Bank in 2010, an online savings bank in the Netherlands, aimed at retail clients. LeasePlan Bank attracted deposits of around EUR 4 billion by the end of 2013 and more than 130,000 corporate and private clients.

LeasePlan is one of the few organisations with the broad geographical presence necessary to offer a global service in vehicle leasing and fleet and vehicle management to large multinational companies. LeasePlan International B.V., a subsidiary of LPC plays an important role in sales and marketing of cross border services and manages the accounts of large international customers worldwide. LPC's long term credit ratings are: BBB+ from Standard & Poor's, Baa2 from Moody's Investor Services and A- from Fitch Ratings.

### Shareholders

Global Mobility Holding B.V. holds 100% of LPC's shares. Global Mobility Holding B.V. is a company owned by the Volkswagen group headed by Volkswagen AG (50%) and Fleet Investments B.V. (50%) which is a company indirectly wholly-owned by German banker Friedrich von Metzler. Volkswagen Group agreed with Fleet Investments that Fleet Investments would become the new co-investor in Global Mobility Holding in 2010 for an initial period of two years. The agreements relating to the joint venture were prolonged by a further two years in 2013 and are currently scheduled to expire in January 2016.

### Managing Board

The Managing Board of LPC currently consists of the following members:

Name	Born	Title	Member of Managing Board since
V. Daemi	1956	Chairman and Chief Executive Officer	1998
A.B. Stoelinga	1963	Chief Financial Officer	2007
H.S.T. Huster	1958	Chief Operating Officer	2011
N.J. Salkeld	1959	Chief Commercial Officer	2014

Outside their function in LPC, the Managing Board members' principal activities consist of holding several executive, non-executive and supervisory board memberships within LeasePlan.

There are no potential conflicts between any duties to LPC and the private interests and/or other duties of the Managing Board members of LPC. The Managing Board members avoid any form of conflicting interest in the performance of their duties. The articles of association of LPC provide that where a member of the Managing Board has an interest which conflicts directly or indirectly with LPC's interests, he will not participate in deliberations and the decision making process. If the Managing Board would be incapable of adopting a resolution the decision shall

be referred to and adopted by the Supervisory Board. Further rules with respect to conflicts of interests have been adopted separately in the Managing Board regulations.

Pursuant to the Dutch Corporate Governance Decree of 20 March 2009 implementing further accounting standards for annual reports (*Besluit Corporate Governance*) and based on the listing of LeasePlan debt securities issued on regulated markets in the EU, LPC is subject to the lighter regime under the Corporate Governance Decree, pursuant to which the Corporate Governance Statement in the annual report (directly or incorporated by reference) must contain information on the main features of LPC's internal control and risk management system in relation to the financial reporting process of LPC and its group companies. The Corporate Governance Statement in the 2013 annual report contains information on the main features of the internal control and risk management system in relation to the financial reporting process of LPC and its group companies.

### **Supervisory Board**

#### **F. Witter, Chairman**

*Chief Executive Officer of Volkswagen Financial Services AG*

#### **M. Klaus, Deputy Chairman**

*Personally liable Partner, B. Metzler seel. Sohn & Co. Kommanditgesellschaft auf Aktien and Member of the Managing Board, B. Metzler seel. Sohn & Co. Holding AG*

#### **A.H. Möhle**

*Global Head of Global markets and Group Funding of Volkswagen AG*

#### **C. Schlögell**

*General Counsel of B. Metzler seel. Sohn & Co. Holding AG*

#### **A.P.M. van der Veer – Vergeer**

*Independent Board Advisor for Strategy and Corporate Governance*

There are no potential conflicts between any duties to LPC and the private interests and/or other duties of the Supervisory Board members of LPC. In other situations, the Supervisory Board members avoid any form of conflicting interest in the performance of their duties. The Articles of Association of LPC provide that where a Supervisory Board member has an interest which conflicts directly or indirectly with the interests of LPC, the Supervisory Board member will not participate in the deliberations and the decision making process and the other Supervisory Board members will deliberate and take the decision. If the Supervisory Board would be incapable of adopting a resolution the decision shall be referred to and adopted by the general meeting of shareholders. Further rules with respect to conflict of interests will be adopted separately in the Supervisory Board Regulations.

The chosen address of the Supervisory Board and Managing Board is the registered office of LPC.

## 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 501,000,000 Class A Notes and EUR 36,000,000 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 net proceeds of the Notes are expected to amount to EUR 537,000,000.

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, SUBORDINATED LOAN AGREEMENT AND RESERVES FUNDING AGREEMENT

On the Closing Date, the Issuer will apply the net proceeds of the Notes and the Initial Subordinated Loan Advance drawn under the Subordinated Loan Agreement to make the Initial Issuer Advances to LPNL pursuant to the Issuer Facility Agreement. Furthermore, the Issuer will, on the Closing Date, draw the Liquidity Reserve Advance under the Reserves Funding Agreement and credit the Required Liquidity Reserve Amount to the Transaction Account with a corresponding credit to the Liquidity Reserve Ledger.

### SUBORDINATED LOAN AGREEMENT

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

#### *The Subordinated Loan Advances*

On the Closing Date, the Subordinated Loan Provider will make available to the Issuer an advance to enable the Issuer to pay part of the Initial Issuer Advances under the Issuer Facility Agreement (the "**Initial Subordinated Loan Advance**"). Additionally, if on any Payment Date, the Available Distribution Amounts as calculated on the immediately preceding Calculation Date is insufficient for the Issuer to make any Issuer Increase Advance subject to and in accordance with the relevant Priority of Payment, the Subordinated Loan Provider will be obliged to grant an advance (a "**Subordinated Increase Advance**") to the Issuer in the amount equal to the amount by which the Available Distribution Amounts falls short to pay the required Issuer Increase Advances pursuant to the Issuer Facility Agreement on such Payment Date (the "**Required Subordinated Increase Amount**"). The Initial Subordinated Loan Advance together with any Subordinated Increase Advance are collectively, the "**Subordinated Loan Advances**" and each, a "**Subordinated Loan Advance**".

For a more detailed description of the terms and conditions of the Subordinated Loan Agreement see the section entitled "*Description of certain Transaction Documents*".

## **RESERVES FUNDING AGREEMENT**

On the Signing Date, the Issuer, the Reserves Funding Provider, the Security Trustee and the Issuer Administrator will enter into a Reserves Funding Agreement pursuant to which the Issuer will be entitled to draw the Reserve Advances in accordance with the terms of the Reserves Funding Agreement.

### *The Reserve Advances*

On the Closing Date, the Reserves Funding Provider will make available to the Issuer an advance equal to the Required Liquidity Reserve Amount (the "**Liquidity Reserve Advance**"). Upon the occurrence of a Reserves Trigger Event and as long as such Reserves Trigger Event is continuing, the Reserves Funding Provider will make available to the Issuer amounts up to (i) the Required Set-Off Reserve Amount (the "**Set-Off Reserve Advance**"), (ii) the Required Commingling Reserve Amount (the "**Commingling Reserve Advance**") and (iii) the Required Maintenance Reserve Amount (the "**Maintenance Reserve Advance**") and together with the Set-Off Reserve Advance and the Commingling Reserve Advance, the "**Reserve Trigger Advances**"). The Reserve Trigger Advances together with the Liquidity Reserve Advance are collectively the "**Reserve Advances**" and each, a "**Reserve Advance**").

The Liquidity Reserve Advance and the Reserve Trigger Advances provide structural subordination protection and rights as follows:

### *Liquidity Reserve Advance*

The Liquidity Reserve Advance is a mechanism to provide credit enhancement to cover potential payment disruptions that could arise due to non-payments by Lessees of any Lease Receivables due in respect of the Purchased Vehicles and the associated Lease Agreements. The purpose of the Liquidity Reserve Advance is to provide the Issuer with additional liquidity on each Payment Date in order to make interest payments on the Notes under the relevant Priority of Payments.

### *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 LPNL. 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 LPNL, acting in its capacity as Servicer or Realisation Agent, as the case may be, would not transfer any Lease Receivables and/or Vehicle Realisation Proceeds collected by it during the immediately preceding Collection Period to the Issuer due to its Insolvency.

### *The 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 LPNL in its capacity as Maintenance Coordinator.

#### *Set-Off Reserve Advance*

The Set-Off Reserve is a mechanism to provide credit enhancement to cover potential losses due to a breach by LPNL of its obligation to pay to the Issuer any amount that any Lessees has set off (*verrekend*) against any of the Lease Receivables (the "**Compensated Amounts**"). The purpose of the Set-Off Reserve is to allow the Issuer to meet its payment obligations pursuant to the relevant Priority of Payments if at such time the Issuer would not have received such amounts due to any Lessee invoking a right of set-off (*verrekening*) against LPNL in relation to a relevant Lease Agreement.

For a more detailed description of the terms and conditions of the Reserves Funding Agreement 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, the Issuer Administrator and the Security Trustee, the Issuer will maintain with the Account Bank, the Issuer Accounts. The Account Bank is required to have at least the Requisite Credit Ratings (unless its obligations under the Account Agreement are guaranteed by an entity with the Requisite Credit Ratings). If the Account Bank ceases to have the Requisite Credit Ratings (or its obligations under the Account Agreement cease to be guaranteed by an entity with the Requisite Credit Ratings), and an alternative bank having at least the Requisite Credit 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 (with a minimum of zero per cent.).

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. The Issuer Administrator will identify all amounts paid into the Transaction Account.

### **Capital Account**

On or prior to the Closing Date, the Issuer will open an account (the "**Capital Account**") into which the Issuer's paid-up share capital (*gestort aandelenkapitaal*) will be deposited. The annual minimum taxable profit, being an amount equal to the higher of (i) 10% of the management fee due and payable to the Director of the Issuer and (ii) € 2,500 (the "**Issuer Profit Amount**") will be deposited in the Capital Account on the Payment Date falling in January of each calendar year on which the Notes are outstanding. Any amount standing to the credit of the Capital Account may be applied by the Issuer to pay any corporate income tax payable to the Dutch tax authorities (*Belastingdienst*). No security rights will be granted over the amounts standing to the credit of the Capital Account.

### **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 Liquidity Reserve Ledger, the Commingling Reserve Ledger, the Maintenance Reserve Ledger, the Set-Off Reserve Ledger, the Maintenance Surplus Reserve Ledger, the Lease Incidental Surplus Reserve 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 payable by the RV Guarantee Provider 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 Period Priority of Payments, 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. 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 and provided that on any Calculation Date the sum of the Principal Amount Outstanding of the Notes and the principal balance of the Initial Subordinated Loan Advance exceeds the Aggregate Discounted Balance of the Portfolio at such Calculation Date, 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.

#### *Liquidity Reserve Ledger*

On or prior to the Closing Date the Reserves Funding Provider shall advance the Liquidity Reserve Advance up to the Required Liquidity Reserve Amount to the Issuer pursuant to the terms of the Reserves Funding Agreement, following which the Issuer will record an amount equal to the Required Liquidity Reserve Amount to the credit of a ledger (the "**Liquidity Reserve Ledger**"). Subsequently, the Issuer Administrator will on each Payment Date credit the Liquidity Reserve Ledger with amounts from Available Distribution Amounts subject to and in accordance with the relevant Priority of Payments, such that the balance standing to the credit of the Liquidity Reserve Ledger is equal to the Required Liquidity Reserve Amount.

At each Payment Date any amounts standing to the credit of the Liquidity Reserve Ledger will form part of Available Distribution Amounts (and if applied, a corresponding debit will be recorded to the Liquidity Reserve Ledger).

#### *Commingling Reserve Ledger*

Upon the occurrence of a Reserves Trigger Event, LPNL will advance the Commingling Reserve Advance up to the Required Commingling Reserve Amount to the Issuer pursuant to the terms of the Reserves Funding Agreement, 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 LPNL (in its capacity as Servicer and/or the Realisation Agent) 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 "*Reserves Funding Agreement*" under the section entitled "*Description of certain Transaction Documents*".

#### *Maintenance Reserve Ledger*

LPNL will upon the occurrence of a Reserves Trigger Event, advance the Maintenance Reserve Advance up to the Required Maintenance Reserve Amount to the Issuer pursuant to the terms of the Reserves Funding Agreement, following which the Issuer will credit such Required Maintenance Reserve Amount to a ledger (the "**Maintenance Reserve Ledger**").

If and to the extent LPNL in its capacity as Maintenance Coordinator 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 amount standing to the credit of the Maintenance Reserve Ledger will be applied towards the payment of any Maintenance Costs which are not settled by the Maintenance Coordinator, 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 "*Reserves Funding Agreement*" under the section entitled "*Description of certain Transaction Documents*".

#### *Set-Off Reserve Ledger*

Upon the occurrence of a Reserves Trigger Event, LPNL will advance the Set-Off Reserve Advance to the Issuer pursuant to the terms of the Reserves Funding Agreement. The Issuer will record an amount equal to the Required Set-Off Reserve Amount to the credit of a ledger (the "**Set-Off Reserve Ledger**").

On each Payment Date, the Set-Off Reserve Ledger will be debited up to an amount equal to the aggregate amount in respect of which Lessees have invoked a right of set-off, or deducted or otherwise withheld amounts due as Lease Receivables to LPNL to the extent the relevant amounts have not yet been paid by LPNL to the Issuer as a Deemed Collection. Any amount debited from the Set-Off Reserve Ledger shall form part of the Available Distribution Amounts.

See for a further description of the mechanics by which amounts are being credited to and debited from the Set-Off Reserve Ledger, the paragraph headed "*Reserves Funding Agreement*" under the section entitled "*Description of certain Transaction Documents*".

#### *Maintenance Surplus Reserve Ledger*

The Issuer Administrator shall, on behalf of the Issuer open a ledger (the "**Maintenance Surplus Reserve Ledger**"). If following the occurrence of a Maintenance Coordinator Termination Event the Back-Up Maintenance Coordinator has taken over the provision of the Maintenance Services owed to the Lessees from LPNL in its capacity as Maintenance Coordinator, any amount by which all Lease Servicing Collections collected over the immediately preceding Collection Period and actually received by the Issuer exceed the Maintenance Costs and Maintenance Coordinator Fee payable by the Issuer to the Back-Up Maintenance Coordinator (acting as Maintenance Coordinator) will be credited to the Maintenance Surplus Reserve Ledger.

If, after the Back-Up Maintenance Coordinator has taken over the provision of the Maintenance Services owed to the Lessees from LPNL in its capacity as Maintenance Coordinator, on any Payment Date the sum of the Maintenance Costs and the Maintenance Coordinator Fee exceeds the Lease Servicing Collections collected over the immediately preceding Collection Period, any amount standing to the credit of the Maintenance Surplus Reserve Ledger will form

part of the Available Distribution Amounts up to the amount by which the Lease Servicing Collections are insufficient to discharge the Maintenance Costs and Maintenance Coordinator Fee payable (following which a corresponding debit will be recorded to the Maintenance 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 Maintenance Surplus Reserve Ledger will be applied as follows (with a corresponding debit to the Maintenance Surplus Reserve Ledger):

- (i) *first*, to repay the Maintenance Reserve Advance to the extent the amount on the Maintenance Reserve Ledger is insufficient to repay such tranche in full; and
- (ii) *second*, any remaining amount will be paid to LPNL.

#### *Lease Incidental Surplus Reserve Ledger*

Following the occurrence of an LPNL 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 sum of all Lease Incidental Receivables actually received by the Issuer exceeds the sum of all Lease Incidental Debts in respect of the relevant Collection Period ("**Lease Incidental Surplus**"). Moreover, following the occurrence of an LPNL Event of Default, the Issuer will reserve any Net RV Guarantee Payments. 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 and Net RV Guarantee Payments will be credited following the occurrence of an LPNL Event of Default.

On any Payment Date, following the occurrence of an Insolvency Event relating to LPNL on which the sum of all Lease Incidental Debts exceeds the sum of all Lease Incidental Receivables actually received by the Issuer, any amount standing to the credit of 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 Receivables 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 Administrator shall, on behalf of the Issuer open a ledger (the "**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.

#### **Interest Shortfall Ledger**

The Issuer Administrator shall, on behalf of the Issuer open 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.

#### **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 to be received by the Issuer in respect of each Lease Interest Component, each Lease Principal Component and any Vehicle Realisation Proceeds.

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

## PRIORITY OF PAYMENTS

Prior to service of a Note Acceleration Notice by the Security Trustee, the sum of the following amounts (without counting double) calculated as at each Calculation Date as being held or received by or on behalf of the Issuer with respect to the immediately preceding Collection Period, or, as the case may be, to be received by the Issuer on the immediately succeeding Payment Date (the items (i) up to and including (xvi), to the extent actually received by the Issuer, 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, *minus* amounts to be credited to the Maintenance Surplus Reserve Ledger;
- (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 LPNL;
- (vii) any Required Subordinated Increase Amount drawn under the Subordinated Loan Agreement in respect of the immediately succeeding Payment Date;
- (viii) any interest accrued on the Transaction Account;
- (ix) any Net Swap Receipts under the Swap Agreement (excluding any Swap Replacement Excluded Amounts and amounts credited to the Swap Collateral Account but including amounts received from the Swap Collateral Account to form part of the Available Distribution Amounts as Net Swap Receipts);
- (x) any sum standing to the credit of the Replenishment Ledger on the immediately succeeding Payment Date;
- (xi) any sum standing to the credit of the Liquidity Reserve Ledger on the immediately succeeding Payment Date;
- (xii) 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;
- (xiii) 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;
- (xiv) 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;

- (xv) any amount to be debited from the Set-Off Reserve Ledger to the extent available 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 Set-Off Reserve Ledger;
- (xvi) any Maintenance Surplus to be debited from the Maintenance 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 Maintenance Surplus Reserve Ledger; and
- (xvii) 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, other than corporation tax on the Issuer's retained profit (see item (e) (ii) below);
- (b) *second*, until the earlier of (i) the occurrence of an LPNL Event of Default and (ii) the appointment of LPNL as Maintenance Coordinator being terminated, in or towards satisfaction of the Senior Maintenance Coordinator Fee to the Maintenance Coordinator;
- (c) *third*, in or towards satisfaction *pari passu* and *pro rata* of any Ordinary Expenses and Extraordinary Expenses (other than those paid elsewhere pursuant to or outside the Revolving Period Priority of Payments);
- (d) *fourth*, in or towards satisfaction *pari passu* and *pro rata* of (i) until the occurrence of an LPNL Event of Default any Net RV Guarantee Payments due to the RV Guarantee Provider and any Lease Incidental Surplus due to the Seller and (ii) following an LPNL Event of Default any (x) Lease Incidental Debt due to the relevant Lessee and (y) any Net RV Guarantee Payments and any Lease Incidental Surplus to be credited to the Lease Incidental Surplus Reserve Ledger;
- (e) *fifth*, in or towards satisfaction *pari passu* and *pro rata* of (i) to the extent not paid from the Swap Collateral Account or the Swap Replacement Ledger, any Net Swap Payments, if any, due and payable by the Issuer to the Swap Counterparty, and (ii) the Issuer Profit Amount in as far as necessary at such time;
- (f) *sixth*, in or towards satisfaction of the amounts of interest accrued but unpaid in respect of the Class A Notes;
- (g) *seventh*, in or towards satisfaction of the amounts of interest accrued but unpaid in respect of the Class B Notes;



- (h) *eighth*, in or towards satisfaction of any sums to replenish the Liquidity Reserve Ledger up to the Required Liquidity Reserve Amount;
- (i) *ninth*, in or towards disbursement of any Issuer Increase Advance pursuant to the terms of the Issuer Facility Agreement;
- (j) *tenth*, in or towards satisfaction *pari passu* and *pro rata* of (i) any Additional Issuer Advance pursuant to the terms of the Issuer Facility Agreement and (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 *pari passu* and *pro rata* of the amounts of interest due and payable in respect of any Subordinated Loan Advance outstanding in accordance with the Subordinated Loan Agreement;
- (l) *twelfth*, in or towards satisfaction *pari passu* and *pro rata* of the amounts of interest due and payable in respect of any Reserve Advance outstanding in accordance with the Reserves Funding Agreement;
- (m) *thirteenth*, in or towards satisfaction *pari passu* and *pro rata* of the amounts of principal due and payable in respect of any Subordinated Increase Advance outstanding in accordance with the Subordinated Loan Agreement;
- (n) *fourteenth*, in or towards satisfaction *pari passu* and *pro rata* of the amounts of principal due and payable in respect of any Reserve Advance outstanding in accordance with the Reserves Funding Agreement;
- (o) *fifteenth*, to the extent not paid from the Swap Collateral Account or 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; and
- (p) *sixteenth*, (i) provided that each Required Reserve Amount has been credited to the relevant Trigger Reserve Ledger or the Notes have been redeemed in full in accordance with the Conditions, in or towards satisfaction of any Variable Success Fee to the Seller, or otherwise (ii) to be withheld at the Transaction Account with a corresponding credit to the Collection Ledger.

#### **Normal Amortisation Period Priority of Payments**

Following the termination or expiry of the Revolving Period and provided that no Note 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 Period Priority of Payments**"):

- (a) *first*, in or towards satisfaction of any taxes due and payable by the Issuer, other than corporation tax on the Issuer's retained profit (see item (e) (ii) below);

- (b) *second*, until the earlier of (i) the occurrence of an LPNL Event of Default and (ii) the appointment of LPNL as Maintenance Coordinator being terminated, in or towards satisfaction of the Senior Maintenance Coordinator Fee to the Maintenance Coordinator;
- (c) *third*, in or towards satisfaction *pari passu* and *pro rata* of any Ordinary Expenses and Extraordinary Expenses (other than those paid elsewhere pursuant to or outside the Normal Amortisation Period Priority of Payments);
- (d) *fourth*, in or towards satisfaction *pari passu* and *pro rata* of (i) until the occurrence of an LPNL Event of Default any Net RV Guarantee Payments due to the RV Guarantee Provider and any Lease Incidental Surplus due to the Seller and (ii) following an LPNL Event of Default any (x) Lease Incidental Debt due to the relevant Lessee and (y) any Net RV Guarantee Payments and any Lease Incidental Surplus to be credited to the Lease Incidental Surplus Reserve Ledger;
- (e) *fifth*, in or towards satisfaction *pari passu* and *pro rata* of (i) to the extent not paid from the Swap Collateral Account or the Swap Replacement Ledger, any Net Swap Payments, if any, due and payable by the Issuer to the Swap Counterparty and (ii) the Issuer Profit Amount in as far as necessary at such time;
- (f) *sixth*, in or towards satisfaction of the amounts of interest accrued but unpaid in respect of the Class A Notes;
- (g) *seventh*, in or towards satisfaction of the amounts of interest accrued but unpaid in respect of the Class B Notes;
- (h) *eighth*, in or towards satisfaction of any sums to replenish the Liquidity Reserve Ledger up to the Required Liquidity Reserve Amount;
- (i) *ninth*, in or towards disbursement *pari passu* and *pro rata* of any Issuer Increase Advances pursuant to the terms of the Issuer Facility Agreement;
- (j) *tenth*, in or towards satisfaction of principal amounts due on the Class A Notes, up to the Required Principal Redemption Amount;
- (k) *eleventh*, 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 Required Principal Redemption Amount *less* amounts paid under (j) above;
- (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 in accordance with the Subordinated Loan Agreement;
- (m) *thirteenth*, in or towards satisfaction *pari passu* and *pro rata* of the amounts of interest due and payable in respect of any Reserve Advance outstanding in accordance with the Reserves Funding Agreement;
- (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 in accordance with the Subordinated Loan Agreement;

- (o) *fifteenth*, in or towards satisfaction *pari passu* and *pro rata* of the amounts of principal due and payable in respect of any Reserve Advance outstanding in accordance with the Reserves Funding Agreement;
- (p) *sixteenth*, to the extent not paid from the Swap Collateral Account or 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; and
- (q) *seventeenth*, (i) provided that each Required Reserve Amount has been credited to the relevant Trigger Reserve Ledger or the Notes have been redeemed in full in accordance with the Conditions, in or towards satisfaction of any Variable Success Fee to the Seller, or otherwise (ii) to be withheld at the Transaction Account with a corresponding credit to the Collection Ledger.

#### **Accelerated Amortisation Period Priority of Payments**

Following the service of a Note Acceleration Notice by the Security Trustee, all funds available to the Issuer (including any amounts standing to the credit of the Transaction Account and all monies received or recovered by the Security Trustee, but excluding any Excess Swap Collateral and any amount credited to the Capital Account) 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 Period Priority of Payments**"):

- (a) *first*, until the earlier of (i) the occurrence of an LPNL Event of Default and (ii) the appointment of LPNL as Maintenance Coordinator being terminated, in or towards satisfaction of the Senior Maintenance Coordinator Fee to the Maintenance Coordinator;
- (b) *second*, in or towards satisfaction *pari passu* and *pro rata* of any Ordinary Expenses and Extraordinary Expenses (other than those paid elsewhere pursuant to or outside the Accelerated Amortisation Period Priority of Payments);
- (c) *third*, in or towards satisfaction *pari passu* and *pro rata* of (i) until the occurrence of an LPNL Event of Default any Net RV Guarantee Payments due to the RV Guarantee Provider and any Lease Incidental Surplus due to the Seller and (ii) following a LPNL Event of Default any Lease Incidental Debt due to the relevant Lessee;
- (d) *fourth*, to the extent not paid from the Swap Collateral Account or 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;
- (e) *fifth*, in or towards satisfaction of the amounts of interest accrued but unpaid in respect of the Class A Notes;
- (f) *sixth*, in or towards satisfaction of principal amounts due on the Class A Notes until fully redeemed in accordance with the Conditions;
- (g) *seventh*, in or towards satisfaction of the amounts of interest due or accrued but unpaid in respect of the Class B Notes;

- (h) *eighth*, 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;
- (i) *ninth*, 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 in accordance with the Subordinated Loan Agreement;
- (j) *tenth*, in or towards satisfaction *pari passu* and *pro rata* of the amounts of interest due and payable in respect of any Reserve Advance outstanding in accordance with the Reserves Funding Agreement;
- (k) *eleventh*, 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 in accordance with the Subordinated Loan Agreement;
- (l) *twelfth*, in or towards satisfaction *pari passu* and *pro rata* of the amounts of principal due and payable in respect of any Reserve Advance outstanding in accordance with the Reserves Funding Agreement;
- (m) *thirteenth*, to the extent not paid from the Swap Collateral Account or 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; and
- (n) *fourteenth*, in or towards satisfaction of any Variable Success Fee to the Seller.

#### **Payments outside Priority of Payments**

Any amount due and payable to third parties (other than pursuant to any of the Transaction Documents) under obligations incurred in the Issuer's business at a date which is not a Payment Date may be made by the Issuer on the relevant due date from the Transaction Account to the extent that the funds available on the Transaction Account are sufficient to make such payment.

## 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. 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 been 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 made 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*) within two (2) Business Days following the relevant Purchase Date.

*Risks, benefit, proceeds and assignment*

As of the relevant 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 LPNL 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, LPNL will be appointed to perform such obligations and exercise such rights subject to and in accordance with, respectively, the Servicing Agreement, the Maintenance Coordination Agreement and the Realisation Agency Agreement.

For each Purchased Vehicle it is agreed in the Master Hire Purchase Agreement that all associated Lease Receivables will qualify as proceeds (*vruchten*) 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 as from the relevant Cut-Off Date. To the extent this is not effective for any Lease Receivable for any reason, the Seller in the applicable 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 LPNL 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 on any Purchase Date represent and warrant with respect to the Leased Vehicles to be purchased by the Issuer on such Purchase Date and each associated Lease Agreement and Lease Receivables (collectively, the "**Leased Assets**") or, as the case may be, relating to the Portfolio including such Leased Assets on such Purchase Date, that the following representations and warranties are true and correct in any material respect and not misleading:

- (a) no restrictions on the transfer of the Leased Assets are in effect and the Leased Assets are capable of being transferred;
- (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 Cut-Off Date;
- (d) the Portfolio after giving effect to the purchase of the Leased Assets on the relevant Purchase Date, satisfies the Replenishment Criteria;
- (e) the particulars of each Leased Vehicle forming part of any Portfolio included in any Combined Transfer Deed are true and accurate as of the relevant Cut-Off Date in all material respects;
- (f) each of the Leased Vehicles is well-maintained in accordance with the 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 Leased 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 LPNL's obligations which have fallen due under or in connection with its associated Lease Agreements have been performed in all material respects and, in so far as LPNL is aware, the relevant Lessee has not threatened or commenced any legal action which has not been resolved against LPNL for any failure on the part of LPNL 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, is not subject to annulment and is enforceable against such parties in accordance with the terms of the associated Lease Agreement and there is sufficient written evidence of the such Lease Agreement;
- (j) LPNL 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 LPNL'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;
- (l) prior to entering into a Lease Agreement the Seller has checked the creditworthiness of the relevant Lessee in accordance with its standard guidelines;
- (m) the Seller is not aware that (i) any Lessee is in material breach, default or violation of any obligation under any of the Lease Agreements or (ii) 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;

- (n) none of the associated Lease Agreements are subject to any withholding tax in the Netherlands.

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

*Eligibility Criteria*

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

- (a) the Leased Vehicle qualifies as a Passenger Vehicle, a Commercial Vehicle, a Heavy Goods Vehicle (HGV) or a Light Commercial Vehicle (LCV);
- (b) subject to potential 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, including as branch operation of a legal entity located in a Rome I Country;
- (d) the Lease Agreement is governed by Dutch law;
- (e) the relevant Leased Vehicle was acquired in the Netherlands and 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 Combined Transfer Deed will not violate any agreement binding on LPNL;
- (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 or on behalf of LPNL 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 and any sale and purchase agreement pertaining to the Leased Vehicle and each prior Vehicle delivered by such supplier, do not extend to ongoing maintenance or other services;
- (m) no amount relating to interest or principal due under an associated Lease Agreement is in arrear for more than 31 calendar days and for an amount exceeding (i) if the Lease Agreement is classified as a Corporate Lease Agreement or Public Sector Lease Agreement, EUR 1,000 and (ii) if the Lease Agreement is classified as an SME Lease Agreement, EUR 50;
- (n) 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, which terms and conditions did not materially differ from the terms and conditions applied by a prudent lessor of vehicles in the Netherlands;
- (o) each Lease Agreement is in full force and effect and constitutes the legal, valid, binding and enforceable obligations of all parties thereto;
- (p) the associated Lease Agreement is not a Defaulted Lease Agreement;
- (q) the Lessee does not form part of the LeasePlan Group and is not an employee of LPNL;
- (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 2027;
- (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 hundred twenty (120) months;
- (x) the associated Lease Agreement does not qualify as a financial lease (*huurkoop*);
- (y) the associated Lease Agreement does not prohibit or restrict LPNL'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 500,000;

- (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 or LPC; and
- (bb) the associated Lease Agreement does not permit the Lessee to sublease the Leased Vehicle.

*Replenishment Criteria*

In addition, during the Revolving Period the Leased Vehicles intended to be purchased on any Purchase Date 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 Discounted Balance accounts individually for more than 2% of the Aggregate Discounted Balance;
- (b) none of the top 6 to 10 Lessees measured by their respective financial proportion to the Aggregate Discounted Balance accounts individually for more than 1.25% of the Aggregate Discounted Balance;
- (c) none of the top 11 to 15 Lessees measured by their respective financial proportion to the Aggregate Discounted Balance accounts individually for more than 1% of the Aggregate Discounted Balance;
- (d) none of the top 16 to 30 Lessees measured by their respective financial proportion to the Aggregate Discounted Balance accounts individually for more than 0.75% of the Aggregate Discounted Balance;
- (e) none of the top 31 and above Lessees measured by their respective financial proportion to the Aggregate Discounted Balance accounts individually for more than 0.5% of the Aggregate Discounted Balance;
- (f) the Aggregate Discounted Balance resulting from Estimated Residual Value does not account for more than 48% of the Aggregate Discounted Balance;
- (g) the Aggregate Discounted Balance resulting from associated Lease Agreements in respect of which the Lessee is classified by the Servicer in a specific sector according to the NACE Hierarchic Classification does not account for more than 20% of the Aggregate Discounted Balance;
- (h) the Aggregate Discounted Balance resulting from SME Lease Agreements does not account for more than 25% of the Aggregate Discounted Balance;

- (i) the Aggregate Discounted Balance resulting from Lease Agreements with a remaining term of more than 60 months does not account for more than 5% of the Aggregate Discounted Balance; and
- (j) the Aggregate Discounted Balance resulting from the Heavy Goods Vehicles and the Commercial Vehicles does not account for more than 4% of the Aggregate Discounted 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 all Purchase 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 in accordance with the standard guidelines upon the entering into of such Lease Agreement. 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 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 (A) in the case of a Matured Lease, the Estimated Residual Value of the relevant Purchased Vehicle as calculated by the Servicer in accordance with the standard guidelines upon the entering into of such Lease Agreement or (B) in the case of a Lease Agreement Early Termination, the sum of (i) the Present Value of the Estimated Residual Value of the relevant Purchased Vehicle on such date and (ii) the Present Value of all scheduled Lease Interest Components and Lease Principal Components that would have become due and payable under the relevant associated Lease Agreement after the Lease Early Termination Date in the event such Lease Agreement would not have been subject to a Lease Agreement Early Termination. 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 each remaining Purchase Instalment at the Discount Rate.

#### *Lease Agreement Recalculations*

In the event that a Lease Agreement Recalculation for any Lease Agreement during a Collection Period leads to an increase in the relevant Purchase Price as of the end of the Collection Period, an amount equal to the Purchase Instalment Increase Amount will result in an increase of the remaining Purchase Instalments payable in respect of such Purchased Vehicle by the Issuer to the Seller pursuant to the relevant Hire Purchase Contracts.

In the event that a Lease Agreement Recalculation for any Lease Agreement which has been recalculated during a Collection Period leads to a reduction in the relevant Purchase Price as of the end of the Collection Period, the Issuer is entitled to demand from the Seller by way of a rebate of part of the Purchase Price an amount equal to the Purchase Instalment Decrease Amount. The Purchase Instalment Decrease Amount owed by the Seller to the Issuer will be a Deemed Collection.

Each Deemed Collection actually received by the Issuer in return, will be part of the Available Distribution Amounts and will as such be applied on the following Payment Date, together with the other amounts forming the Available Distribution Amounts, subject to and in accordance with the applicable Priority of Payments.

Following notice from the Servicer that a reduction in the Purchase Price has occurred following a Lease Agreement Recalculation, the Seller shall on the immediately following Payment Date (i) pay to the Issuer an amount equal to the Purchase Instalment Decrease Amount as a Deemed Collection and (ii) provide the Issuer and the Servicer with a list of recalculation of Leased Vehicles and related Lease Receivables.

Following notice from the Servicer that an increase of the Purchase Price has occurred following a Lease Agreement Recalculation an amount equal to the Purchase Instalment Increase Amount will result in a *pro rata* increase of the remaining Purchase Instalments payable by the Issuer pursuant to the relevant Hire Purchase Contracts.

A Purchase Instalment Decrease Amount or Purchase Instalment Increase Amount will, as the case may be, result in a partial prepayment of the relevant Issuer Advance or an Issuer Increase Advance, as the case may be, under the Issuer Facility Agreement.

#### ***Breach of Asset Warranty or Corporate 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 effective as of the relevant 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.

If the breach relates to a warranty other than an Asset Warranty (i.e. a breach of 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 warranty.

#### *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 (i) such amendment is not in accordance with the conditions set out in the Master Hire Purchase Agreement and/or the Servicing Agreement, which include the condition that such amendment does not adversely affect the position of the Issuer or the Security Trustee and (ii) after such amendment the relevant Lease Agreement, the associated Lease Receivables or the relevant Purchased Vehicle fails to meet each 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.

#### *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 (i) the Aggregate Discounted Balance is less than 10% of the Aggregate Discounted Balance as of the Initial Cut-Off Date or (ii) the Notes including any interest accrued but unpaid are redeemed in full, 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 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 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 an LPNL Event of Default the Servicer on behalf of the Issuer, or, following the occurrence of a notification event as referred to in the Lease Receivables Pledge Agreement, 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 a notification event as referred to in the Lease Receivables Pledge Agreement, in the Security Trustee's name, to all or any of the Lessees that LPNL (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 a notification event as referred to in the Lease Receivables Pledge Agreement, 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 and/or Maintenance Coordinator and/or Realisation Agent to the Transaction Account; and/or
- (d) take such other action as the Issuer or, following the occurrence of a notification event as referred to in the Lease Receivables Pledge Agreement, the Security Trustee 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 an LPNL Event of Default, the Issuer or the Security Trustee may 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 will become due and payable to the Seller on or after the date of termination of the Master Hire Purchase Agreement under or in connection with each Hire Purchase Contract concluded pursuant to the Master Hire Purchase Agreement in respect of the Purchased Vehicles. In such event the Issuer will be entitled to a discount on each remaining Purchase Instalment at the Discount Rate.

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 then having become Insolvent.

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**

### **General**

On or prior to the Signing Date the Issuer, the Security Trustee, LPNL (in its capacity as Servicer) and the Back-Up Servicer Facilitator will enter into a servicing agreement (the "**Servicing Agreement**") pursuant to which LPNL 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.

#### *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) deal with early repayments under the associated Lease Agreements;
- (d) (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;
- (e) prepare and publish the financial and other reporting on the performance of the Portfolio, including the Servicer Monthly Report;
- (f) 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;

- (g) 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;
- (h) 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;
- (i) 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, unequivocally and physically identifiable from data contained in any Hire Purchase Contract;
- (j) take all actions on behalf and in the name of LPNL to repossess and return or transfer the relevant Purchased Vehicles to the Realisation Agent (i) where the Call Option Buyer has not exercised its Repurchase Option, or (ii) where the relevant Lessee is obliged to and has failed to return the relevant Purchased Vehicle to LPNL or, upon payment of the Final Purchase Instalment, to the Issuer in accordance with the terms of the relevant Lease Agreement;
- (k) give access to LPNL's records to the Issuer or the Security Trustee (or any agent) upon request;
- (l) 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;
- (m) determine, as required, any Lease Agreement Recalculations and notify the Issuer, the Seller, the Issuer Administrator and following an Issuer Event of Default, the Security Trustee of any Purchase Instalment Increase Amount or Purchase Instalment Decrease Amount resulting from such recalculation;
- (n) deal with any Lease Agreement which under its term is in default in accordance with the terms of the Servicing Agreement, including notifying the Issuer, the Security Trustee, the Administrator and the Realisation Agent of any Lease Agreements that have become Defaulted Lease Agreements; and



- (o) perform other tasks incidental to the above.

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 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 and all Deemed Collections collected at any time during the immediately preceding Collection Period are paid on each Payment Date directly into the Transaction Account and (ii) upon the occurrence of a Reserves Trigger Event and as long as a Reserves Trigger Event is continuing, (A) all Lease Collections other than any Lease Servicing Collections and/or Lease VAT Collections 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. In addition, any Lease Servicing Collections and Lease VAT Collections collected at any time during the immediately preceding Collection Period and any Deemed Collections are directly paid into the Transaction Account on each Payment 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 Reserves 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 Reserves 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*

During each Collection Period, the Servicer will determine on each Calculation Date the Lease Agreement Recalculations with respect to each Lease Agreement subject to and in accordance with the Credit and Collection Procedures of LPNL. Any Lease Agreement Recalculation might then lead to an increase in the associated Purchase Price on the following Payment Date effective as of the immediately preceding Cut-Off Date relating to this Lease Agreement in an amount equal to the Purchase Instalment Increase Amount. Or, as the case may be, a Lease Agreement Recalculation might lead to a decrease of the Purchase Price on the following Payment Date effective as of the immediately preceding Cut-Off Date Agreement in the amount equal to the Purchase Instalment Decrease Amount.

The Servicer will notify the Issuer, the Seller and the Issuer Administrator on the same Calculation Date of each Purchase Instalment Increase Amount and Purchase Instalment Decrease Amount 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 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 should first be applied and allocated to Lease Interest Collections, then to Lease Principal Collections and thereafter to Lease Servicing 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 each of the Realisation Agent, Maintenance Coordinator and the Seller, pursuant to the Servicing Agreement, prepare and deliver a servicer monthly report (each a "**Servicer Monthly Report**") to the Issuer Administrator. Upon their appointment only, (and on the date of their appointment) the Servicer shall deliver the Servicer Monthly Report to the Back-Up Servicer, the Back-Up Maintenance Coordinator and the Back-Up Realisation Agent.

If the information given in the Servicer Monthly Report is not sufficient for a recipient to perform its respective tasks (including the preparation of any reports or provisions of other information) under the Servicing Agreement or the other Transaction Documents, the Servicer has undertaken to give such assistance as reasonably requested by the relevant party.

#### *Appointment of Back-Up Servicer*

LPNL will covenant and agree with the Issuer and the Security Trustee to use its best endeavours to procure that the Issuer will be able to within 120 calendar days from the

occurrence of an Appointment Trigger Event appoint a Suitable Entity to act as the Back-Up Servicer pursuant to the terms of the Back-Up Servicing Agreement. 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, the occurrence of an Appointment Trigger Event or the occurrence of a Servicer Termination Event (or any event which with the giving of notice or lapse of time, or both, would become a Servicer Termination Event).

On entry into the Back-Up Servicing Agreement, whilst acting as Back-Up Servicer, the Back-Up Servicer will agree that it will (a) on receipt of the Servicer Monthly Report and all other information delivered to it pursuant to the Servicing Agreement, promptly review such information and (b) promptly notify the Servicer if it requires any further assistance or information reasonably required by it in order to enable it to perform its roles or duties pursuant to the Back-Up Servicing Agreement, such that in each case it is in a position that it is able, on its assumption of the Servicer role, to immediately perform services contained in the Servicing Agreement (together, the "**Back-Up Servicer Role**").

Following the occurrence of a Servicer Termination Event and termination of the appointment of the Servicer, the Back-Up Servicer will take over the services of the Servicer under the Servicing Agreement.

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 (payable by the Issuer in accordance with the relevant Priority of Payments) in such an amount to be agreed between the Issuer, the Back-Up Servicer and (only where such Back-Up Servicer Stand-By Fee is proposed to exceed 0.05% per annum of the Aggregate Discounted Balance of the Portfolio) LPNL.

#### *Appointment of Back-Up Servicer Facilitator*

Pursuant to the Servicing Agreement, the Issuer will appoint a Back-Up Servicer Facilitator. Pursuant to the Servicing Agreement the Back-Up Servicer Facilitator shall, if upon the occurrence of a Servicer Termination Event no Back-Up Servicer has been appointed, use its reasonable endeavours to identify and approach any potential Suitable Entity to arrange for the appointment by the Issuer of a substitute servicer. If a Suitable Entity has been selected, the Back-Up Servicer Facilitator will arrange for the appointment by the Issuer of such substitute servicer subject to the terms and conditions set out in the Servicing Agreement, provided that such appointment (i) shall be approved by the Security Trustee, (ii) shall be effective not later than the date of the termination of the appointment of the Servicer, (iii) shall be on substantially the same terms as the terms of the Servicing Agreement, providing for remuneration at such a rate that does not exceed the rate then commonly charged by providers of credit management and administration services for provision of such services on such terms and (iv) shall be notified to the Rating Agencies.

#### *Termination and replacement of the Servicer*

After the occurrence of a Servicer Termination Event, the Issuer and Security Trustee, acting jointly, or, following the service of a Note Acceleration Notice, the Security Trustee, 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 a new servicer or Back-Up Servicer has been appointed and has taken over the services performed by the Servicer on terms substantially similar to the existing Servicing Agreement.

## **REALISATION AGENCY AGREEMENT**

### *General*

On or prior to the Signing Date the Issuer, the Security Trustee and LPNL as Realisation Agent will enter into a realisation agency agreement (the "**Realisation Agency Agreement**") pursuant to which LPNL will agree to act as the Realisation Agent. The Realisation Agent shall be responsible for selling 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 LPNL or the Issuer by the Servicer in accordance with the Servicing Agreement. The Realisation Agent shall only sell the related Purchased Vehicles at such time as would not result in a breach of the relevant Lease Agreement.

### *Realisation Procedure Rules*

The Realisation Agent has undertaken to comply with certain criteria, when realising the Purchased Vehicles (the "**Realisation Procedure Rules**"), including the following:

- (a) conduct its realisation activities in accordance with a standard of care such that the Realisation Agent shall 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 Realisation Services 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 and the exercise of those rights as it would exercise if it were providing the Realisation Services in respect of Vehicles 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 Realisation Agency 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 Realisation Services but the Realisation Agent 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;
- (b) comply with the Realisation Agent's customary realisation procedures;
- (c) maintain its books and Records relating to the Purchased Vehicles in accordance with applicable accounting standards in all material respects and to adequately store and preserve the records that are in its possession;
- (d) maintain Records in relation to the Purchased Vehicles and keep them in such a manner that they are readable by a computer, can be easily distinguished from other similar records, and can be accessed by the Issuer and, following the occurrence of an Issuer Event of Default, the Security Trustee at all reasonable times;

- (e) use commercially reasonable efforts to arrange for the sale of the Purchased Vehicles (other than in respect of which the Call Option Buyer has exercised the Repurchase Call) to a third party purchaser in a manner which maximises the sale price thereof (having regard to the then current market value of such Purchased Vehicle and taking into account the available method of sale); and
- (f) not arrange for the sale of a Purchased Vehicle to a third party purchaser on credit terms.

#### *Reporting*

On or prior to the date falling three (3) Business Days prior to each Calculation Date the Realisation Agent will provide the Servicer with such information as the Servicer may reasonably require to prepare the Servicer Monthly Report. Such information shall (a) cover the Collection Period immediately preceding the relevant Calculation Date and (b) summarise the status of the Vehicle Realisation Proceeds (to the extent relating to the sale of Purchased Vehicles in respect of which the Call Option Buyer has not exercised the Repurchase Option).

The Realisation Agent will agree and covenant to the Issuer to also provide the Issuer and the Issuer Security Trustee with any information the Issuer or the Issuer Security Trustee may reasonably request in connection with the realisation of the Vehicles and, in addition, in the case of the Servicer, the preparation of the Servicer Monthly Report.

#### *Collections and commingling*

As long as no Reserves Trigger Event is continuing, the Realisation Agent, the Seller (in case of a breach of an Asset Warranty), the Call Option Buyer (in case of the exercise of a Repurchase Option) or the RV Guarantee Provider, as applicable, will agree and covenant to the Issuer to pay to the Transaction Account, the Vehicle Realisation Proceeds and any RV Excess Amount related to or received during the immediately preceding Collection Period on each Payment Date.

The Realisation Agent, the Seller (in case of a breach of an Asset Warranty), the Call Option Buyer (in case of the exercise of the Repurchase Option) or the RV Guarantee Provider Seller will agree and covenant to the Issuer that upon the occurrence of a Reserves Trigger Event and as long as a Reserves Trigger Event is continuing, the Vehicle Realisation Proceeds and any RV Excess Amount will be paid into the Transaction Account on each relevant Commingling Transfer Date.

#### *Realisation Agent Fee*

In consideration for the Realisation Services the Issuer will pay to the Realisation Agent a Realisation Agent Fee equal to 1.00% of the sale proceeds for each Purchased Vehicle sold by the Realisation Agent pursuant to the Realisation Agency Agreement. The Realisation Agent Fee will be paid out of the Available Distribution Amounts in accordance with the relevant Priority of Payments.

#### *Appointment of Back-Up Realisation Agent*

Pursuant to the terms of the Realisation Agency Agreement LPNL will covenant and agree with the Issuer and the Security Trustee to use its best endeavours to procure that the Issuer will be

able to appoint within 120 calendar days from the occurrence of an Appointment Trigger Event a Suitable Entity to act as Back-Up Realisation Agent. The Realisation Agent must notify the parties to the Realisation Agency Agreement in writing immediately on the occurrence of an Insolvency Event in relation to the Realisation Agent, the occurrence of an Appointment Trigger Event or the occurrence of a Realisation Agency Termination Event (or any event which with the giving of notice or lapse of time, or both, would become a Realisation Agency Termination Event).

On entry into the Back-Up Realisation Agency Agreement, whilst acting as Back-Up Realisation Agent, the Back-Up Realisation Agent will covenant with the Issuer that it will (a) on receipt of the Servicer Monthly Report and all other information delivered to it pursuant to the Realisation Agency Agreement, promptly review such information and (b) promptly notify the Realisation Agent if it requires any further assistance or information reasonably required by it in order to enable it to perform its roles or duties pursuant to the Back-Up Realisation Agreement, such that in each case it is in a position that it is able, on its assumption of the Realisation Agent role, to immediately perform services contained in the Realisation Agency Agreement (together, the **"Back-Up Realisation Agent Role"**).

Prior to the occurrence of a Realisation Agent Termination Event, the Back-Up Realisation Agent will not be required to carry out the Realisation Services and will in consideration for agreeing to provide the Realisation Services on termination of the Realisation Agency Agreement, receive the Back-Up Realisation Agent Stand-By Fee (payable by the Issuer in accordance with the relevant Priority of Payments) in such an amount to be agreed between the Issuer, the Back-Up Realisation Agent and (only where such Back-Up Realisation Agent Stand-By Fee is proposed to exceed 0.05% per annum of the Aggregate Discounted Balance of the Portfolio) LPNL.

#### *Termination and replacement of the Realisation Agent*

After the occurrence of a Realisation Agent Termination Event, the Issuer and Security Trustee, acting jointly, or, following the service of a Note Acceleration Notice, the Security Trustee, may, at once or at any time thereafter while such a Realisation Agent Termination Event continues, by notice in writing to the a Realisation Agent terminate the Realisation Agency 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 than when a Back-Up Realisation Agent has been appointed and (acting as Realisation Agent) has taken over the services performed by the Realisation Agent on terms substantially similar to the existing Realisation Agency Agreement.

### **MAINTENANCE COORDINATION AGREEMENT**

#### *General*

On the Signing Date the Issuer will appoint LPNL to carry out the Maintenance Services on its behalf pursuant to the terms of a maintenance coordination agreement entered into between, *inter alia*, the Issuer, LPNL (in its capacity as Maintenance Coordinator), the Back-Up Maintenance Coordinator and the Security Trustee (the **"Maintenance Coordination Agreement"**).

The Maintenance Coordinator shall, at all times during the term of the Maintenance Coordination Agreement, devote or procure that there is devotion to the performance of its obligations, exercise of its discretions and its exercise of the rights of the Issuer and following the occurrence of an Issuer Event of Default, the Security Trustee in respect of the Maintenance Services at least the same (i) amount of time, (ii) attention and (iii) level of skill, care and diligence in the performance of those obligations and discretions and the exercise of those rights as it would if it were coordinating the Maintenance Services in respect of motor vehicle lease agreements and/or maintenance and service contracts 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 Maintenance Coordination Agreement and consider the interest of the Issuer and, following the occurrence of an Issuer Event of Default, the Security Trustee at all times whilst coordinating the Maintenance Services under the Maintenance Coordination Agreement but the Maintenance Coordinator 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.

Pursuant to the Maintenance Coordination Agreement, the Maintenance Coordinator will prepare and, on or prior to the date falling three (3) Business Days prior to each Calculation Date, deliver to the Servicer such information as the Servicer may reasonably require to prepare the Servicer Monthly Report applicable to the relevant Collection Period immediately preceding the relevant Calculation Date. The Maintenance Coordinator has agreed that if the information given by it to the Servicer is not sufficient for the Servicer to prepare the Servicer Monthly Report, it will give such assistance as reasonably requested by the Servicer.

#### *Maintenance Coordinator Fee*

In consideration of the performance of the Maintenance Services, LPNL as Maintenance Coordinator will receive the Senior Maintenance Coordinator Fee. Upon the occurrence of an LPNL Event of Default or a Maintenance Coordinator Termination Event, the Maintenance Coordinator will receive the Maintenance Coordinator Fee. Both the Senior Maintenance Coordinator Fee and the Maintenance Coordinator Fee will be payable by the Issuer subject to and in accordance with the applicable Priority of Payments.

#### *Appointment of Back-Up Maintenance Coordinator*

Pursuant to the terms of the Maintenance Coordination Agreement, the Back-Up Maintenance Coordinator will be appointed. To allow the Back-Up Maintenance Coordinator to take over the Maintenance Services upon the occurrence of a Maintenance Coordinator Termination Event, LPNL in its capacity as Maintenance Coordinator undertakes to provide the Back-Up Maintenance Coordinator with a reasonable period of time to allow it to do proper diligence and to prepare for and take over the Maintenance Services. Pursuant to the terms of the Maintenance Coordination Agreement the Back-Up Maintenance Coordinator agrees (i) to take over the Maintenance Services within 60 calendar days following the occurrence of a Maintenance Coordinator Termination Event if LPC is at such time rated Baa3 or higher by Moody's and BBB- or higher by S&P, or (ii) if LPC is rated below Baa3 by Moody's or below BBB- by S&P upon the occurrence of a Maintenance Coordinator Termination Event to (x) start performing any transition phase tasks within 48 hours, and (y) ensure that it is able to perform



all Maintenance Services as soon as is reasonably possible following the supply of all reasonably required information.

The Maintenance Coordinator must notify the parties to the Maintenance Coordination Agreement in writing immediately on the occurrence of an Insolvency Event in relation to the Maintenance Coordinator or the occurrence of a Maintenance Coordinator Termination Event (or any event which with the giving of notice or lapse of time, or both, would become a Maintenance Coordinator Termination Event).

On entry into the Maintenance Coordination Agreement, whilst acting as Back-Up Maintenance Coordinator, the Back-Up Maintenance Coordinator will covenant to the Issuer that it shall store the information delivered to it pursuant to the relevant provisions of the Maintenance Coordination Agreement (together, the "**Back-Up Maintenance Coordinator Role**").

Following the occurrence of a Maintenance Coordinator Termination Event and termination of the appointment of the Maintenance Coordinator, the Back-Up Maintenance Coordinator will take over the maintenance services of the Maintenance Coordinator under the Maintenance Coordination Agreement.

As long as the Back-Up Maintenance Coordinator has not taken over the Maintenance Services of LPNL as Maintenance Coordinator, the Back-Up Maintenance Coordinator will receive the Back-Up Maintenance Coordinator Stand-By Fee to be paid by the Issuer on each Payment Date subject to and in accordance with the applicable Priority of Payments.

#### *Termination and replacement of the Maintenance Coordinator*

After the occurrence of a Maintenance Coordinator Termination Event, the Issuer and Security Trustee, acting jointly, or, following the service of a Note Acceleration Notice, the Security Trustee, may, at once or at any time thereafter while such Maintenance Coordinator Termination Event continues, by notice in writing to the Maintenance Coordinator terminate the Maintenance Coordination 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 a new maintenance coordinator has been appointed and such new maintenance coordinator (which may be the Back-Up Maintenance Coordinator) has taken over the maintenance services performed by the Maintenance Coordinator on the terms of the Maintenance Coordination Agreement.

The Back-Up Maintenance Coordinator will following the occurrence of a Maintenance Coordinator Termination Event, subject to the terms of the Maintenance Coordination Agreement, take over the Maintenance Services for an initial term of 5 (five) years, unless the Maintenance Coordination Agreement is terminated earlier in accordance with its terms, after which 5 (five) year period the Maintenance Coordination Agreement will expire automatically without any notification being required. The parties to the Maintenance Coordination Agreement may agree to renew the Maintenance Coordination Agreement following good faith discussions prior to the expiry date of Maintenance Coordination Agreement. Additionally, subject to the terms of the Maintenance Coordination Agreement, the Back-Up Maintenance Coordinator shall be authorised to terminate its appointment as Back-Up Maintenance Coordinator by giving not less than a 90 calendar days' notice under certain limited circumstances, including if a change of law, rule, regulation or professional standard or a change in circumstance causes the

continued provision of services under the Maintenance Coordination Agreement by the Back-Up Maintenance Coordinator to violate such law, rule, regulation or professional standard or would otherwise, in the reasonable opinion of the Back-Up Maintenance Coordinator, prejudice the Back-Up Maintenance Coordinator's ability to comply with any applicable auditor independence requirement.

## SWAP AGREEMENT

On the Signing Date, the Issuer will enter into the interest rate swap agreement (the "**Swap Agreement**") with ABN AMRO Bank N.V. (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 to be received by the Issuer in respect of the Purchased Vehicles from any Lease Interest Component, Lease Principal Component and Vehicle Realisation Proceeds (if any).

Under the Swap Agreement the Issuer will pay to the Swap Counterparty on each Payment Date an amount determined by reference to a fixed rate of interest applied to the Principal Amount Outstanding of the Class A Notes and the Class B Notes. The Swap Counterparty will pay to the Issuer on each Payment Date an amount determined by reference to the floating rate of interest payable in respect of the Notes, applied to the Principal Amount Outstanding of the Class A Notes and the Class B Notes.

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 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 Requisite Credit Ratings and subsequently 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 Note 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 the 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).

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 Requisite Credit 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.

In the event that the Swap Counterparty suffers a rating downgrade to below the Requisite Credit Ratings, or any such rating is withdrawn, the Swap Counterparty will be required to take certain remedial measures which may include the provision of collateral for the obligations of the Swap Counterparty under the Swap Agreement, arranging for the obligations of the Swap Counterparty under the Swap Agreement to be transferred to an entity with the Requisite Credit Ratings, procuring another entity with at least the Requisite Credit 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.

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 and calculations relating to the providing of collateral by the Swap Counterparty.

The Issuer will maintain a separate account, the Swap Collateral Account, 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.

## **SUBORDINATED LOAN AGREEMENT**

### **General**

On the Signing Date, the Issuer, the Security Trustee, the Issuer Administrator and the Subordinated Loan Provider will enter into a subordinated loan agreement (the "**Subordinated Loan Agreement**") to enable the Issuer to draw, subject to the terms and conditions of the Subordinated Loan Agreement, (i) the Initial Subordinated Loan Advance and (ii) the aggregate of any Required Subordinated Increase Amount.

### **The Subordinated Loan Advances**

On the Closing Date, the Subordinated Loan Provider will make available to the Issuer the Initial Subordinated Loan Advance. Additionally, if on any Payment Date the Available Distribution Amounts as calculated on the immediately preceding Calculation Date are insufficient for the Issuer to satisfy its obligation to make any Issuer Increase Advance under the Issuer Facility Agreement subject to and in accordance with the relevant Priority of Payment, the Subordinated Loan Provider will grant a Subordinated Increase Advance to the Issuer up to the Required Subordinated Increase Amount.

### **Repayment of Subordinated Loan Advances**

In respect of any Subordinated Increase Advance, the Issuer will prior to the service of a Note Acceleration Notice on each Payment Date apply the Available Distribution Amounts subject to and in accordance with the relevant Priority of Payments to repay such Subordinated Increase Advance. 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.

Following the service of a Note Acceleration Notice, the Issuer shall repay the Subordinated Loan Advances in accordance with the Accelerated Amortisation Period Priority of Payments.

### **Interest on the Subordinated Loan**

Subject to the applicable Priority of Payment, the fixed rate of interest payable in respect of any Subordinated Loan Advance for each interest period pursuant to the Subordinated Loan Agreement (the "**Subordinated Loan Interest Period**") in respect of that Subordinated Loan Advance shall be 1.95% per annum.

## **RESERVES FUNDING AGREEMENT**

### **General**

On the Signing Date, the Issuer, the Security Trustee, the Issuer Administrator and the Reserves Funding Provider will enter into a reserves funding agreement (the "**Reserves Funding Agreement**") to enable the Issuer to draw, subject to the terms and conditions of the Reserves Funding Agreement, (i) the Required Liquidity Reserve Amount, (ii) the Required Set-Off Reserve Amount, (iii) the Required Commingling Reserve Amount and (iv) the Required Maintenance Reserve Amount (the "**Reserves Funding Commitment**").

### **The Reserve Advances**

On the Closing Date, the Reserves Funding Provider will make available to the Issuer the Liquidity Reserve Advance. Following the occurrence of a Reserves Trigger Event and for as long as a Reserves Trigger Event is continuing, the Reserves Funding Provider will make available to the Issuer (i) the Set-Off Reserve Advance, (ii) the Commingling Reserve Advance and (iii) the Maintenance Reserve Advance.

### **Further Reserve Advances**

Following the occurrence of a Reserves Trigger Event and for as long as a Reserves Trigger Event is continuing, on each Payment Date, the Reserves Funding Provider will advance to the Issuer further advances, in the amount equal to (if such amount is greater than zero), respectively:

- (a) the Required Commingling Reserve Amount *minus* the amount standing to the credit of the Commingling Reserve Ledger (a "**Further Commingling Reserve Advance**");
- (b) the Required Maintenance Reserve Amount *minus* the amount standing to the credit of the Maintenance Reserve Ledger (a "**Further Maintenance Reserve Advance**"); and
- (c) the Required Set-Off Reserve Amount *minus* the amount standing to the credit of the Set-Off Reserve Ledger (a "**Further Set-Off Reserve Advance**" and together with the Further Commingling Reserve Advance and the Further Maintenance Reserve Advance, the "**Further Reserve Advances**").

On the date on which a Reserves Trigger Event occurs and thereafter on or prior to the Calculation Date immediately preceding each Payment Date the Issuer (or the Issuer Administrator on its behalf) will deliver to the Reserves Funding Provider a drawdown notice specifying the amount of such 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.

### **Repayment of Reserve Advances**

In respect of the Liquidity Reserve Advance, the Issuer will prior to the service of a Note Acceleration Notice on each Payment Date apply the Available Distribution Amounts subject to and in accordance with the relevant Priority of Payments to repay the Liquidity Reserve Advance up to the amount by which the amount standing to the credit of the Liquidity Reserve Ledger exceeds the Required Liquidity Reserve Amount, as calculated on the immediately preceding Calculation Date.

In addition, if at any Payment Date prior to the service of a Note Acceleration Notice, the amounts recorded to the credit of the Commingling Reserve Ledger, the Maintenance Reserve Ledger or the Set-Off Reserve Ledger, as the case may be, as calculated on the immediately preceding Calculation Date, exceeds respectively the Required Commingling Reserve Amount, the Required Maintenance Reserve Amount and/or the Required Set-Off 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 respectively the Commingling Reserve Advance, the Maintenance Reserve Advance and/or the Set-Off Reserve Advance outstanding, as the case may be, in accordance with the terms of the Reserves Funding Agreement.

If following an upgrade in the ratings of LPC such that a Reserves Trigger Event is no longer continuing and provided that no Insolvency Event in relation to LPNL has occurred and no Note Acceleration Notice has been served, the Issuer (or the Issuer Administrator on its behalf) shall on the next following Business Day:

- (a) apply amounts standing to the credit of the Commingling Reserve Ledger in excess of the Required Commingling Reserve Amount towards repayment of the Commingling Reserve Advance;
- (b) apply amounts standing to the credit of the Maintenance Reserve Ledger in excess of the Required Maintenance Reserve Amount towards repayment of the Maintenance Reserve Advance; and
- (c) apply amounts standing to the credit of the Set-Off Reserve Ledger in excess of the Required Set-Off Reserve Amount towards repayment of the Set-Off Reserve Advance.

For the avoidance of doubt, any Reserve Trigger Advances not repaid in full from amounts standing to the credit of the Commingling Reserve Ledger, the Maintenance Reserve Ledger or the Set-Off Reserve Ledger following service of a notice that no Reserves Trigger Event is continuing, will be repaid from Available Distribution Amounts, such Available Distribution Amounts to be applied *pro rata* and *pari passu* amongst themselves to repay the Reserve Advances in accordance with the relevant Priority of Payments.

If following an upgrade in the ratings of LPC such that a Reserves Trigger Event is no longer continuing a subsequent Reserves Trigger Event occurs, the Reserves Funding Provider shall

advance to the Issuer Further Reserve Advances in accordance with the terms of the Reserves Funding Agreement.

Following the service of a Note Acceleration Notice, the Issuer shall repay the Reserve Advances in accordance with the Accelerated Amortisation Period Priority of Payments.

#### **Interest on the Reserve Advances**

Subject to the applicable Priority of Payment, the rate of interest payable in respect of each Reserve Advance for each interest period pursuant to the Reserves Funding Agreement (the "**Reserves Funding Interest Period**") in respect of that Reserve Advance shall be 1.95% per annum.

#### **ISSUER FACILITY AGREEMENT**

On the Signing Date, LPNL, the Issuer and the Security Trustee will enter into a facility agreement (the "**Issuer Facility Agreement**"). On the Closing Date, the Issuer will make Initial Issuer Advances in an amount equal to the Present Value of the aggregate Purchase Price payable in respect of the Purchased Vehicles together with the associated Lease Receivables forming part of the Initial Portfolio as calculated as of the Initial Cut-Off Date.

After the Closing Date, further Issuer Advances will be made during the Revolving Period, if on any Calculation Date the Issuer (or the Issuer Administrator on its behalf) calculates that the Available Distribution Amounts, up to any amount standing to the credit of the Replenishment Ledger is sufficient to purchase any additional Leased Vehicles, in which case such Additional Issuer Advances will be made on the first following Purchase Date, each in an amount equal to the Present Value of the Purchase Price of such Additional Leased Vehicle as calculated as of the relevant Additional Cut-Off Date.

#### **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 equal the product of (A) the Discount Rate, (B) the result of the actual number of days in the relevant Collection Period divided by 365 and (C) the amount of the relevant Issuer Advance on the first day of the immediately preceding Collection Period.

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 (i) the sum of the Lease Principal Component and the Lease Interest Component of the Regular Purchase Instalment payable in respect of the associated Purchase Vehicle on such Payment Date less (ii) the amount of interest payable on such Payment Date in respect of such Issuer



Advance; *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 the relevant Final Purchase Instalment, in the case of a Lease Agreement Early Termination as discounted in accordance with the relevant provision of the Master Hire Purchase Agreement; 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.

#### **Increase and decrease of Issuer Advance**

Pursuant to the Issuer Facility Agreement, if on a Calculation Date (i) a Purchase Instalment Increase Amount is calculated, the Issuer will make to the Seller an additional advance by which the relevant Issuer Advance will be increased with an amount equal to such Purchase Instalment Increase Amount and/or (ii) a Purchase Instalment Decrease Amount is calculated, the Seller will prepay to the Issuer the relevant Issuer Advance up to an amount equal to such Purchase Instalment Decrease Amount, in either case on the first following Payment Date.

#### **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.

#### **LPNL Event of Default, Lease Early Termination Date**

The Issuer Facility Agreement provides that upon the occurrence (and continuation of) an LPNL 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 LPNL Event of Default under such terms it deems fit.

The Issuer Facility Agreement furthermore provides that upon (i) the occurrence of a Lease Early Termination Date in relation to any Lease Agreement associated with a Purchased Vehicle or (ii) the Issuer expressing a desire to prepay any Purchase Price, the associated Issuer Advance shall be immediately due and payable together with accrued interest thereon.

#### **Authority to set off**

Pursuant to the Issuer Facility Agreement, 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 the relevant provisions of the Master Hire Purchase Agreement or the Issuer Facility Agreement.

## ISSUER ADMINISTRATION AGREEMENT

On the Signing Date, Intertrust Administrative 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 Agreement, drawing and arranging for repayment of all Subordinated Loan Advances in accordance with the terms of the Subordinated Loan Agreement;
- (d) on behalf of the Issuer calculating and determining amounts required to be drawn or repaid by the Issuer in respect of the Reserves Advances outstanding under the Reserves Funding Agreement, drawing and arranging for repayment of all Reserve Advances in accordance with the terms of the Reserves Funding Agreement;
- (e) on behalf of the Issuer calculating and determining amounts required to be advanced to LPNL pursuant to the Issuer Facility Agreement and disbursing and arranging for repayment of any and all required amounts by LPNL in accordance with the terms of the Issuer Facility Agreement;
- (f) opening and maintaining each Transaction Account Ledger and keeping adequate record of any and all amounts to be recorded to the debit and credit of the relevant Transaction Account Ledger in accordance with the Transaction Documents;
- (g) 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;
- (h) 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

- (i) 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 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.

## **BUMPER 6 (NL) FINANCE B.V.**

The Issuer was incorporated as a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) under Dutch law on 25 August 2014. The official seat (*statutaire zetel*) of the Issuer is in Amsterdam, the Netherlands and its registered office is at Prins Bernhardplein 200, 1097 JB Amsterdam, the Netherlands and its telephone number is +31 20 521 47 77. The Issuer is registered with the Trade Register under number 61318795.

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 debt instruments, granting participations or by entering into loan agreements for the acquisition of assets and receivables mentioned under (a) and to enter into agreements in connection herewith, (c) to invest (amongst others by lending) any funds held by the Issuer, (d) to hedge interest rate and other financial risks amongst others by entering into derivative agreements, including swap agreements and option agreements, (e) if incidental to the foregoing, (i) to borrow, amongst others to repay the obligations under any debt instruments, participations and loan agreements mentioned under (b), and (ii) to grant property and personal security rights (*goederenrechtelijke en persoonlijke zekerheidsrechten*), or to release security rights granted to it by third parties and (f) to do all that is connected therewith or may be conducive thereto, all to be interpreted in the broadest sense.

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 1.00, of which EUR 1.00 has been issued and fully paid. All shares of the Issuer are held by the Shareholder.

The sole managing director of the Issuer is Intertrust Management B.V. Intertrust Management B.V. has elected domicile at the registered office of the Issuer at Prins Bernhardplein 200, 1097 JB Amsterdam, telephone number +31 20 521 47 77. The managing directors of Intertrust Management B.V. are R. Posthumus, A.R. van der Veen, D.J.C. Niezing, P. de Langen and O.J.A. van der Nap.

The objectives of Intertrust Management B.V. are (a) advising of and mediation by financial and related transactions, (b) finance company and (c) management of legal entities.

Intertrust Management B.V. belongs to the same group of companies as Amsterdamsch Trustee's Kantoor B.V., being the sole Director of the Security Trustee, and of (ii) the Issuer Administrator. Therefore, a conflict of interest may arise. In this respect it is of note that in the management agreements entered into by each of the Directors with the entity of which it has been appointed as managing director (*statutair directeur*), each of the Directors agrees and undertakes to, *inter alia*, (i) do all that an adequate managing director (*statutair directeur*) should do or should refrain from doing, and (ii) refrain from taking any action detrimental to the

obligations of the relevant entity under any of the Transaction Documents.

In addition each of the Directors agrees in the relevant management agreement that it will procure that the relevant entity will not enter into any agreement in relation to the Issuer and/or the Shareholder and/or the Security Trustee other than the Transaction Documents to which it is a party, unless permitted under the Transaction Documents, without the prior written consent of the Security Trustee and that the Security Trustee will not enter into any agreement other than the Transaction Documents to which it is a party, unless permitted under the Transaction Documents, without the prior written consent of the Issuer.

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 Bumper 6 (NL) Finance B.V.**

Bumper 6 (NL) Finance B.V. was incorporated on 25 August 2014 with an issued share capital of EUR 1.00. Since its incorporation there has been no material adverse change in the financial position or prospects 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 2015.

#### **Capitalisation**

The following table shows the capitalisation of the Issuer as of 25 August 2014 as adjusted to give effect to the issue of the Notes. Copies of the deed of incorporation and the articles of association and the deed of amendment of 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 1.00
Issued Share Capital	EUR 1.00

## **Borrowings**

Class A Notes	EUR 501,000,000
Class B Notes	EUR 36,000,000
Initial Subordinated Loan Advance	EUR 177,999,998
Liquidity Reserve Advance	EUR 4,000,000

## **Wft**

The Issuer is not subject to any licence requirement under section 2:11 of the Wft as amended, due to the fact that the Notes will only be offered to Non-Public Lenders.

## **SHAREHOLDER**

The Shareholder was established as a foundation (*stichting*) under Dutch law on 21 August 2014. The official seat (*statutaire zetel*) of the Issuer is in Amsterdam, the Netherlands and its registered office is at Prins Bernhardplein 200, 1097 JB Amsterdam, the Netherlands and its telephone number is +31 20 521 47 77. The Shareholder is registered with the Trade Register under number 61295841.

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, including the exercise of voting rights, to borrow and to lend, as well as everything pertaining to the foregoing, relating thereto or conducive thereto, all to be interpreted in the broadest sense. 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 the Issuer is Intertrust Management B.V. Intertrust Management B.V. has elected domicile at the registered office of the Issuer at Prins Bernhardplein 200, 1097 JB Amsterdam, telephone number +31 20 521 47 77. The managing directors of Intertrust Management B.V. are R. Posthumus, A.R. van der Veen, D.J.C. Niezing, P. de Langen and O.J.A. van der Nap.

## SECURITY TRUSTEE

Stichting Security Trustee Bumper 6 (NL) Finance (the "**Security Trustee**") is a foundation (*stichting*) established under Dutch law on 21 August 2014. It has its official seat (*statutaire zetel*) in Amsterdam, the Netherlands and its registered office at Prins Bernhardplein 200, 1097 JB Amsterdam, the Netherlands. The Security Trustee is registered with the Trade Register under number 61294942.

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 Amsterdamsch Trustee's Kantoor B.V., a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) incorporated under Dutch law and having its official seat (*statutaire zetel*) in Amsterdam, the Netherlands. The managing directors of Amsterdamsch Trustee's Kantoor B.V. are D.P. Stolp and M. Pereboom.

The sole shareholder of Amsterdamsch Trustee's Kantoor B.V. is Intertrust (Netherlands) B.V., a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) incorporated under Dutch law and having its official seat (*statutaire zetel*) in Amsterdam, the Netherlands, which entity is also the sole shareholder of each of the Issuer Administrator and Intertrust Management B.V., being the managing director of the each of the Issuer and the Shareholder.

## ISSUER ADMINISTRATOR

Intertrust Administrative Services B.V. will be appointed as Issuer Administrator in accordance with and under the terms of the Issuer Administration Agreement. Intertrust Administrative Services B.V. is a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) incorporated under Dutch law on 20 June 1963. It has its official seat (*statutaire zetel*) in Amsterdam, the Netherlands and its registered office at Prins Bernhardplein 200, 1097 JB 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, R. Posthumus, M. Pereboom, D.J.C. Niezing, P. de Langen and O.J.A. van der Nap. The sole shareholder of the Issuer Administrator is Intertrust (Netherlands) B.V., a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) incorporated under Dutch law and having its official seat (*statutaire zetel*) in Amsterdam, the Netherlands, which entity is also the sole shareholder of each of the Directors.



## SWAP COUNTERPARTY

### ABN AMRO Bank N.V.

ABN AMRO Bank N.V. is a public limited liability company (*naamloze vennootschap*) incorporated under Dutch law on 9 April 2009 and registered in the Trade Register under number 34334259. ABN AMRO in its capacity as Swap Counterparty, acting through its office at Gustav Mahlerlaan 10, 1082 PP Amsterdam, the Netherlands, will act as Swap Counterparty.

### History and recent developments

On 1 July 2010, a legal merger was effectuated between ABN AMRO Bank N.V. (ABN AMRO, in the period between 6 February 2010 and the legal merger, "**ABN AMRO Bank Standalone**") and Fortis Bank (Nederland) N.V. into a combined bank operating under the name ABN AMRO Bank N.V. (the "**Legal Merger**"), a wholly-owned subsidiary of ABN AMRO Group N.V. At the Legal Merger ABN AMRO Bank Standalone was the surviving entity (*verkrijgende vennootschap*) and Fortis Bank (Nederland) N.V. was the disappearing entity (*verdwijnende vennootschap*). Pursuant to the Legal Merger, the businesses that are now included in ABN AMRO Bank are a combination of the businesses of ABN AMRO Bank Standalone and the businesses of Fortis Bank (Nederland) N.V.

## **USE OF PROCEEDS**

The net proceeds of the Notes will be used on the Closing Date by the Issuer to advance part of the Initial Issuer Advances subject to and in accordance with the Issuer Facility Agreement. The remainder of the Initial Issuer Advances will be funded by the Issuer by making a drawing under the Subordinated Loan 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 (if appointed), (v) the Maintenance Coordinator, (vi) the Back-Up Maintenance Coordinator, (vii) the Realisation Agent, (viii) the Back-Up Realisation Agent (if appointed), (ix) the Paying Agent, (x) the Reference Agent, (xi) the Account Bank, (xii) the Swap Counterparty, (xiii) the Seller, (xiv) the Subordinated Loan Provider, (xv) the Reserves Funding Provider, (xvi) the Back-Up Servicer Facilitator and (xvii) 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 right 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 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 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 an LPNL Event of Default. 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.

#### *Transaction Account Pledge Agreement*

On the Signing Date, the Issuer, the Issuer Security Trustee and the Account Bank will enter into a pledge agreement (the "**Transaction Account 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 the Transaction Account.

The right of pledge to be created pursuant to the Transaction Account 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 Transaction Account 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 Transaction Account 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 Transaction Account Pledge Agreement will be governed by Dutch law.

#### *Issuer Rights Pledge Agreement*

On the Signing Date, the Issuer, the Security Trustee, LPNL (in its capacity as Seller, Servicer, Maintenance Coordinator, Realisation Agent, Call Option Buyer, RV Guarantee Provider, Subordinated Loan Provider, Reserves Funding Provider and borrower under the Issuer Facility Agreement), the Back-Up Servicer Facilitator and the Swap Counterparty 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 Realisation Agency Agreement, (iv) the Maintenance Coordination Agreement, (v) the Swap Agreement, (vi) the Subordinated Loan Agreement, (vii) the Reserves Funding Agreement and (viii) 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 Realisation Agent, the Call Option Buyer, the RV Guarantee Provider, the Maintenance Coordinator, the Subordinated Loan Provider, the Reserves Funding Provider, the Back-Up Maintenance Coordinator, the Back-Up Servicer Facilitator, the Swap Counterparty and LPNL in its capacity as borrower under the Issuer Facility Agreement) 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 Transaction Account 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).

## 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 501,000,000 class A floating rate notes due 2029 (the "**Class A Notes**") and the EUR 36,000,000 class B floating rate notes due 2029 (the "**Class B Notes**" and together with the Class A Notes, the "**Notes**") was authorised by a resolution of the managing director of Bumper 6 (NL) Finance B.V. (the "**Issuer**") passed on 27 October 2014. The Notes have been issued under a trust deed (the "**Trust Deed**") dated 10 November 2014 (the "**Signing Date**") between the Issuer, the Shareholder and Stichting Security Trustee Bumper 6 (NL) Finance (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, ABN AMRO Bank N.V. as paying agent (the "**Paying Agent**" and ABN AMRO Bank N.V. as reference agent (the "**Reference Agent**"), and, together with 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 LeasePlan Nederland N.V. ("**LPNL**") as seller (the "**Seller**"), the Issuer and the Security Trustee, (iv) a servicing agreement (the "**Servicing Agreement**") dated the Signing Date between, *inter alios*, the Issuer, LPNL as servicer (the "**Servicer**") and the Security Trustee, (v) a maintenance coordination agreement (the "**Maintenance Coordination Agreement**") dated the Signing Date between, *inter alios*, the Issuer, LPNL as maintenance coordinator (the "**Maintenance Coordinator**") and the Security Trustee, (vi) a realisation agency agreement (the "**Realisation Agency Agreement**") dated the Signing Date between the Issuer, LPNL as realisation agent (the "**Realisation Agent**") and the Security Trustee, (vii) an issuer administration agreement (the "**Issuer Administration Agreement**") dated the Signing Date between the Issuer, Intertrust Administrative Services B.V., as Issuer administrator (the "**Issuer Administrator**") 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**") dated the Signing Date 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*, LPNL, the Issuer and the Security Trustee and (xii) a transaction account pledge agreement (the "**Transaction Account 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) and (xi), 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.

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 Paying 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: Prins Bernhardplein 200, 1097 JB 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 501,000,000 for the Class A Notes and EUR 36,000,000 for the Class B Notes. The Temporary Global Note representing the Class A Notes has been deposited on behalf of the subscribers of the Class A Notes with Euroclear Bank S.A/N.V. ("**Euroclear**") for Clearstream Banking, société anonyme ("**Clearstream, Luxembourg**") and Euroclear and together with Clearstream, Luxembourg, the "**Clearing Systems**") on the Closing Date. The Temporary Global Note representing the Class B Notes has been deposited on behalf of the subscribers of the Class B Notes with Bank of America N.A. for 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 relevant 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 requires 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 (*Interest*), 6 (*Redemption*) and 9 (*Issuer Events of Default*) 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 the delivery of a Note Acceleration Notice, 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. Following the delivery of a Note Acceleration Notice, 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 (*Status*)).

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 (the "**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 November 2014 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 Trust Deed or the Pledge Agreements, 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, unless all rights in relation to such accounts (other than any Swap Collateral Account and the Capital Account) will have been pledged to the Security Trustee as provided in Condition 2 (*Status, relationship between the Notes and Security*);
- (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) 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 19<sup>th</sup> 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 19<sup>th</sup> 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, the 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 December 2014.

#### 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-month deposits in euro plus a margin which will be 0.45% per annum for the Class A Notes and 0.67% per annum for the Class B Notes.

The interest rate applicable for each successive Interest Period to the Class A Notes shall be one-month EURIBOR plus 0.45% 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 plus 0.67% per annum (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 Business Day prior to the commencement of each Interest Period (each such day, an "**Interest Determination Date**"), the Reference Bank 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 market 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 of Interest Amount*

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 Fraction**")

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 the relevant 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 the relevant 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** *Notification of the Notes Interest Rates and Interest Amounts*

The Reference Agent will cause the relevant Notes Interest Rate and 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 ("**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 Rate or fails to calculate the relevant Interest Amounts in accordance with paragraph 4.5 above, the Security Trustee shall determine the relevant Notes Interest Rate 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 (*Interest*), 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 (*Interest*).

#### **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 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 back of the Prospectus. 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) 1 October 2014 and ends on (and includes) 30 November 2014.

**"Principal Amount Outstanding"** on any Calculation Date shall be the principal amount of a 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 received by the relevant Noteholder since the Closing Date.

**"Required Principal Redemption Amount"** means on any Payment Date following the termination of the Revolving Period and prior to the service of an Acceleration Notice, 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 items (a) to (i) of the Normal Amortisation Period Priority of Payments:

whereby **"Theoretical Principal Amount"** means on the Calculation Date immediately preceding the relevant Payment Date:

- (i) the Principal Amount Outstanding of the Notes and the principal balance of the Initial Subordinated Loan Advance; *minus*
- (ii) the Aggregate Discounted Balance of the Portfolio as at the immediately preceding Cut-Off Date.

## 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 2029 (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 Note Acceleration Notice by the Security Trustee, the Issuer shall subject to and in accordance with the applicable Priority of Payments apply the Available Distribution Amounts, towards redemption, at their respective Principal Amount Outstanding, of (i) *firstly*, Class A Notes up to the Required Principal Redemption Amount and (ii) *secondly*, the Class B Notes up to the Required Principal Redemption Amount.

The principal amount so redeemable in respect of each Note (each a **"Principal Redemption Amount"**) on the relevant Payment Date shall be the Available Distribution Amounts on the Calculation Date relating to that Payment Date divided by the number of Notes of the relevant Class subject to such redemption (rounded down to the nearest euro), provided always that the Principal Redemption Amount may never exceed the Principal Amount Outstanding of the relevant Note. Following application of the Principal Redemption Amount to redeem a Note, the Principal Amount Outstanding of such Note shall be reduced accordingly.

On and after the service of a Note Acceleration Notice by the Security Trustee, the Issuer shall redeem the Notes in accordance with the Accelerated Amortisation Period Priority of Payments.

For the avoidance of doubt, 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 sixty (60) nor less than thirty (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 (*Optional redemption in whole for taxation*), 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 Discounted Balance is less than 10% of the Aggregate Discounted Balance as of the Initial 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 Required Principal Redemption Amount, (b) the Available Distribution Amounts and (c) the Principal Redemption Amount in respect of 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 Required Principal Redemption Amount, Available Distribution Amounts or the Principal Redemption Amount in respect of and 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 *No purchase by the Issuer*

The Issuer will not be permitted to purchase any of the Notes.

## 6.9 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, or the United States of America under Sections 1471 through 1474 of the U.S. Internal Revenue Code or regulations and other authoritative guidance thereunder, 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 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 "**Note 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 Note 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.

## 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 Note 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 Period 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 (*Enforcement*) 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; and
- (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 change is sanctioned by an Extraordinary Resolution of the Noteholders of the other Class of Notes, except that, if the Security Trustee is of the opinion that such a change 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 relevant 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 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 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, except as provided in Condition 11.2 and Condition 11.4 in which case such Extraordinary Resolution shall not take effect unless either (i) 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.
- 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 Rating Agency Confirmation.

11.10 *Resolution not in the interest of Noteholders*

11.11 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.

11.12 At the second meeting of the Noteholders of the relevant Class referred to in Condition 11.11, 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.

11.13 The resolution shall become final if the Security Trustee does not exercise its rights under Condition 11.11 within 14 days of the relevant meeting, or if earlier, confirms that it does not intend to exercise such rights.

11.14 *No Indemnification for individual Noteholders*

11.15 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.

11.16 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.

11.17 *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.

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

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 made in order for the Issuer to comply with its EMIR obligations or is required pursuant to mandatory law to the extent such modification is not considered to be a Basic Terms Modification, is of a formal, minor or technical nature or is made to correct a manifest error and, in each case, 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 having provided a Rating Agency Confirmation in respect of the relevant event or matter.

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*).

By obtaining a Rating Agency Confirmation each of the Security Trustee, the Noteholders and the other Secured Creditors will be deemed to have agreed and/or acknowledged that (i) a credit rating is an assessment of credit only and does not address other matters that may be of relevance to the Noteholders or the other Secured Creditors (ii) neither the Security Trustee nor the Noteholders nor the other Secured Creditors have any right of recourse to or against the relevant Rating Agency in respect of the relevant Rating Agency Confirmation which is relied upon by the Security Trustee and that (iii) reliance by the Security Trustee on a Rating Agency Confirmation does not create, impose on or extend to the relevant Rating Agency any actual or contingent liability to any person (including, without limitation, the Security Trustee and/or the Noteholders and/or the other Secured Creditors) or create any legal relations between the relevant Rating Agency and the Security Trustee, the Noteholders, the other Secured Creditors or any other person whether by way of contract or otherwise.

#### **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 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**

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 payable 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 its accounts (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 15 (*Subordination of interest by deferral*) 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.

#### **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 501,000,000 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 36,000,000. The Temporary Global Note representing the Class A Notes will be deposited with Euroclear Bank S.A./N.V., as operator of the Euroclear System ("**Euroclear**") for Euroclear and Clearstream Banking, société anonyme ("**Clearstream, Luxembourg**") on or about 12 November 2014. The Temporary Global Note representing the Class B Notes will be deposited with Bank of America N.A. as common safekeeper for Euroclear and Clearstream, Luxembourg on or about 12 November 2014. 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) the Notes become immediately due and payable by reason of accelerated maturity following an Issuer Event of Default, or (ii) 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 (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 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 United States Internal Revenue Code of 1986 (the **Code**)) who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in section 165 (j) and 1287 (a) of the 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 summary solely addresses the principal Dutch tax consequences of the acquisition, ownership and disposal of Notes. It does not purport to describe every aspect of taxation that may be relevant to a particular Holder of Notes (as defined below).

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. Where in this summary the terms "the Netherlands" and "Dutch" are used, these refer solely to the European part of the Kingdom of the Netherlands. 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 summary is based on the tax law of the Netherlands (unpublished case law not included) as it stands at the date of this Prospectus. 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 section entitled "*Taxation*" 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, with respect to property that has been segregated, for instance in a trust or a foundation.

### **Withholding tax**

All payments under 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.



## ***Residency***

A Holder of Notes will not be deemed to be resident in the Netherlands for Dutch tax purposes by reason only of (i) the execution and/or enforcement of the documents relating to the issue of Notes or (ii) the performance by the Issuer of its obligations under such documents or under the Notes.

## ***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 or pursuant to a co-entitlement to the net value of such enterprise, other than as a shareholder, such enterprise 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.

If a 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, has a substantial interest in the Issuer.

Generally, a person has a substantial interest in the Issuer if such person – either alone or, in the case of an individual, together with his partner (*partner*), if any – 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, 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, or profit participating certificates relating to five per cent. or more of the annual profit of the Issuer or to five per cent. or more of the liquidation proceeds of the Issuer.

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 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 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 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.

#### *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 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 which is taxable 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.

A deemed substantial interest may be present if its shares, profit participating certificates or rights to acquire shares in the Issuer 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 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 Notes.

#### ***Gift and inheritance taxes***

If a Holder of Notes disposes of 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 is deemed to be made at the time the condition precedent is satisfied.

#### ***Registration 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 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.

#### ***Value Added Tax***

No Dutch VAT should be due in respect of or in connection with (i) issuing the Notes, or (ii) payment on the Notes.

## 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 and the Issuer (the "**Subscription Agreement**") agreed with the Issuer, subject to certain conditions, to jointly and severally subscribe for the Notes at their issue price. The Seller and the Issuer have agreed to indemnify and reimburse the Managers against certain liabilities and expenses in connection with the issue of the 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 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 Notes 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 Manager 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 Notes shall require the Issuer or any Manager 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.

### United Kingdom

Each of the Managers 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 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 Notes, respectively, in circumstances in which Section 21 (1) of the FSMA does not apply to the Issuer.

## France

Each Manager has represented and agreed that it has not offered or sold and will not offer or sell, directly or indirectly, any Notes 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 Notes 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 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 Manager has represented and agreed that any offer, sale or delivery of the Notes or distribution of copies of this Prospectus or any other document relating to the Notes in the Republic of Italy will be effected in accordance with all Italian securities, tax and exchange control and other applicable laws and regulation.

Any such offer, sale or delivery of the Notes or distribution of copies of this Prospectus or any other document relating to the Notes in Italy 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; and
- (b) 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 any other Italian authority.

## 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, or for the account or benefit of, U.S.

persons. Terms used in this paragraph have the respective meanings given to them by Regulation S.

Each of the Managers has agreed that except as permitted by the Subscription Agreement, it will not offer or sell the Notes, (a) as part of their distribution at any time or (b) otherwise, until 40 days after the later of the commencement of the offering and the Closing Date, within the United States or to, or for the account or benefit of, U.S. persons, and that it will have sent to each dealer to which it sells the Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the respective meanings given to them by Regulation S.

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.

## WEIGHTED AVERAGE LIFE OF THE NOTES

The average life of each Class of Notes cannot be 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 possible average life of each Class of Notes can be made under 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) payments on the Notes will be made on each Interest Payment Date, commencing on 19 December 2014;
- (i) the Notes will be issued on 12 November 2014;
- (j) the Revolving Period is assumed to end on (but excludes) the Payment Date falling on 19 December 2015 and the amortisation profile of the Additional Portfolio is identical to the amortisation profile of the Initial Portfolio;
- (k) during the Revolving Period the Aggregate Discounted Balance of the Portfolio is equal to the sum of the Principal Amount Outstanding of the Notes on the Closing Date and the Initial Subordinated Loan Advance; and
- (l) the Initial Portfolio is the same as the Provisional Portfolio,

the approximate average life of each Class of 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:

<b>Class A Notes</b>			
<b>CPR</b>	<b>Weighted Average Life (in years)</b>	<b>First Principal Payment Date</b>	<b>Expected Maturity Date</b>
0%	2.35	19 December 2015	19 July 2018
5%	2.23	19 December 2015	19 May 2018
10%	2.12	19 December 2015	19 March 2018
15%	2.02	19 December 2015	19 January 2018
20%	1.93	19 December 2015	19 November 2017
25%	1.84	19 December 2015	19 September 2017

In respect of the Class B Notes:

<b>Class B Notes</b>			
<b>CPR</b>	<b>Weighted Average Life (in years)</b>	<b>First Principal Payment Date</b>	<b>Expected Maturity Date</b>
0%	3.76	19 July 2018	19 September 2018
5%	3.60	19 May 2018	19 August 2018
10%	3.42	19 March 2018	19 June 2018
15%	3.26	19 January 2018	19 March 2018
20%	3.11	19 November 2017	19 February 2018
25%	2.97	19 September 2017	19 December 2017

Assuming 0% defaults. Simplified WAL calculation that does not take into account day count convention or Business Days.

An exercise of the Seller Clean-Up Call will have no impact on the average life of the Class A Notes or the Class B Notes given the above assumptions.

Assumptions (a), (b), (c), (d), (e), (f), (g), (h), (i), (j), and (k) relate to circumstances which are not predictable.

The information contained in this section entitled “*Weighted average life of the Notes*” has been subject to certain agreed-upon procedures defined by the Seller and upon which checks have



been performed by external auditors; it has not been audited by the Issuer, the Security Trustee, the Arranger, the Managers, the Seller or any other independent entity.

The actual characteristics and performance of the assigned receivables will differ from these assumptions.

The weighted average life of each Class of 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 Sale 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 Notes which are outstanding over time and the weighted average life of each Class of Notes. As a result, the average life of each Class of 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

The data shown above is based on the Initial Cut-Off Date.

#### *Assumed amortisation of the Notes*

This amortisation scenario is based on the assumptions listed above under *Weighted Average Life of the Notes* and assuming a CPR of 5%. It should be noted that the actual amortisation of the Notes may differ substantially from the amortisation scenario indicated below.

Payment Date	Principal Amount Outstanding Class A Notes (EUR)	Principal Amount Outstanding Class B Notes (EUR)	Amortisation of Class A Notes (EUR)	Amortisation of Class B Notes (EUR)
November 2014	501,000,000.00	36,000,000.00		
December 2014	501,000,000.00	36,000,000.00	0	0
January 2015	501,000,000.00	36,000,000.00	0	0
February 2015	501,000,000.00	36,000,000.00	0	0
March 2015	501,000,000.00	36,000,000.00	0	0
April 2015	501,000,000.00	36,000,000.00	0	0
May 2015	501,000,000.00	36,000,000.00	0	0
June 2015	501,000,000.00	36,000,000.00	0	0
July 2015	501,000,000.00	36,000,000.00	0	0
August 2015	501,000,000.00	36,000,000.00	0	0
September 2015	501,000,000.00	36,000,000.00	0	0
October 2015	501,000,000.00	36,000,000.00	0	0
November 2015	501,000,000.00	36,000,000.00	0	0
December 2015	483,319,404.84	36,000,000.00	17,680,595.16	0
January 2016	464,557,551.53	36,000,000.00	18,761,853.31	0
February 2016	445,989,649.63	36,000,000.00	18,567,901.90	0
March 2016	427,914,379.66	36,000,000.00	18,075,269.97	0
April 2016	410,911,574.88	36,000,000.00	17,002,804.78	0
May 2016	392,552,532.67	36,000,000.00	18,359,042.21	0
June 2016	375,367,578.97	36,000,000.00	17,184,953.69	0
July 2016	357,540,781.95	36,000,000.00	17,826,797.03	0
August 2016	339,126,562.57	36,000,000.00	18,414,219.38	0
September 2016	320,632,462.17	36,000,000.00	18,494,100.40	0
October 2016	303,466,607.51	36,000,000.00	17,165,854.66	0
November 2016	286,465,005.70	36,000,000.00	17,001,601.81	0
December 2016	268,395,652.36	36,000,000.00	18,069,353.34	0
January 2017	250,752,430.56	36,000,000.00	17,643,221.80	0
February 2017	233,522,900.70	36,000,000.00	17,229,529.87	0
March 2017	216,766,190.75	36,000,000.00	16,756,709.94	0
April 2017	201,774,981.61	36,000,000.00	14,991,209.14	0
May 2017	185,296,572.68	36,000,000.00	16,478,408.93	0
June 2017	170,157,394.66	36,000,000.00	15,139,178.01	0
July 2017	153,589,958.34	36,000,000.00	16,567,436.33	0
August 2017	132,103,091.93	36,000,000.00	21,486,866.41	0
September 2017	113,441,538.16	36,000,000.00	18,661,553.76	0
October 2017	96,042,591.68	36,000,000.00	17,398,946.48	0
November 2017	80,399,287.11	36,000,000.00	15,643,304.58	0
December 2017	63,728,889.19	36,000,000.00	16,670,397.92	0
January 2018	46,667,725.82	36,000,000.00	17,061,163.37	0
February 2018	31,094,737.97	36,000,000.00	15,572,987.85	0

March 2018	15,935,562.53	36,000,000.00	15,159,175.44	0
April 2018	3,713,537.99	36,000,000.00	12,222,024.54	0
May 2018	-	26,335,711.29	3,713,537.99	9,664,288.71
June 2018	-	14,015,725.56	-	12,319,985.73
July 2018	-	827,072.69	-	13,188,652.87
August 2018	-	-	-	827,072.69
September 2018	-	-	-	-
October 2018	-	-	-	-

## 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 27 October 2014. 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.

### 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
<b>Class A</b>	112213821	XS1122138214
<b>Class B</b>	112214836	XS1122148361

The address of Euroclear is 1 Boulevard de Roi Albert II, 1210 Brussels, Belgium. The address of Clearstream, Luxembourg is 42 Avenue J.F. Kennedy, L-1855 Luxembourg.

### Documents available

Copies of the following documents will, when published, be available for inspection at the specified offices of the Security Trustee and the Paying Agent during normal business hours, as long as the Notes are outstanding:

- (a) this Prospectus and any supplements thereto;
- (b) an English translation of the deed of incorporation (*akte van oprichting*) including the articles of association (*statuten*) of the Issuer;
- (c) an English translation of the deed of incorporation (*akte van oprichting*) including the articles of association (*statuten*) of the Security Trustee;
- (d) the following agreements entered into in connection with the transactions set out in this Prospectus:
  - (i) the Master Definitions and Common Terms Agreement;
  - (ii) the Paying Agency Agreement;
  - (iii) the Issuer Facility Agreement;
  - (iv) the Swap Agreement;

- (v) the Account Agreement;
- (vi) the Issuer Administration Agreement;
- (vii) the Subordinated Loan Agreement;
- (viii) the Reserves Funding Agreement;
- (ix) the Trust Deed;
- (x) the Management Agreements;
- (xi) the Master Hire Purchase Agreement;
- (xii) the Security Documents;
- (xiii) the Servicing Agreement;
- (xiv) the Maintenance Coordination Agreement; and
- (xv) the Realisation Agency Agreement.

#### **Annual accounts**

No statutory or non-statutory accounts in respect of any financial year of the Issuer have been prepared. So long as the Notes are listed on Euronext Amsterdam, the most recently published audited annual accounts of the Issuer from time to time will be available at the specified offices of the Security Trustee.

The auditors at PricewaterhouseCoopers Accountants N.V. are a member of the Netherlands Institute of Chartered Accountants (*Nederlandse Beroepsorganisatie van Accountants*).

#### **Incorporation by reference**

The deed of incorporation dated 25 August 2014 which includes the articles of association of the Issuer and the deed of amendment of the articles of association dated 21 October 2014 are incorporated by reference, a free copy of each is available at the office of the Issuer located: Prins Bernhardplein 200, 1097 JB, Amsterdam, the Netherlands.

#### **Reports**

As long as the Notes are outstanding, a monthly investor report on the performance, including the arrears and the losses, of the transaction, together with current stratification tables can be obtained at: <http://cm.intertrustgroup.com>, [www.bumperfinance.com](http://www.bumperfinance.com) and/or [www.loanbyloan.eu](http://www.loanbyloan.eu) and will be available at the specified offices of the Paying Agent and at the Issuer's registered office free of charge.

The Issuer Administrator will make available data derived from loan-by-loan information (i) on the Provisional Portfolio prior to the Closing Date which information will be (a) accessible via the following website until 13 November 2014: <http://cm.intertrustgroup.com> and (b) available upon request at the registered office of the Servicer and (ii) after the Closing Date, on a monthly basis, which information can be obtained at the website of the European DataWarehouse <http://www.eurodw.eu/edwin.html> within one month after the relevant Payment Date, for as long as such requirement is effective.

The defined terms used in the monthly investor report shall, by reference, incorporate the defined terms set out generally in the Prospectus and more specifically in the Glossary of Certain Defined Terms.

### **Estimated upfront costs**

The estimated aggregate upfront cost of the transaction amount to approximately 0.32 per cent. of the proceeds of the Notes. 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.

### **Prospectus Directive**

This Prospectus constitutes a prospectus for the purpose of the Prospectus Directive. A free copy of the Prospectus is available at the offices of the Issuer and the Paying Agent, or can be obtained at <http://cm.intertrustgroup.com>.

### **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 will be governed by Dutch law. The Swap Agreement will be governed by English law.

### **Responsibility statements**

The Issuer is responsible for the information contained in this Prospectus. In addition to the Issuer, LPNL is responsible for the information as referred to in the following paragraph. To the best of its knowledge and belief (having taken all reasonable care to ensure that such is the case) the information contained in this Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information. The Issuer accepts responsibility accordingly.

For the LPNL Information, the Issuer has relied on information from LPNL as Seller, Servicer, Realisation Agent and Maintenance Coordinator, for which LPNL is responsible. To the best of LPNL's knowledge and belief (having taken all reasonable care to ensure that such is the case) the LPNL Information is in accordance with the facts and does not omit anything likely to affect the import of such information. LPNL accepts responsibility accordingly. The LPNL Information and any other information from third parties set forth and specified as such in this Prospectus 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. No representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by LPNL as Seller, Servicer, Realisation Agent and Maintenance Coordinator as to the accuracy or completeness of any information (other than the LPNL Information).

To the fullest extent permitted by law, neither the Arranger any of the Managers accepts any responsibility for the contents of this Prospectus or for any statement or information contained in or consistent with this Prospectus. The Arranger and each Manager accordingly disclaims 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.

## 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.

**"Additional Cut-Off Date"** means the last day of the Collection Period immediately preceding the relevant Additional Purchase Date.

**"Additional Issuer Advance"** means any advance made available by the Issuer to the Seller on any Additional Purchase Date under the Issuer Facility Agreement in respect of an Additional 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 Initial Purchase 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 Date"** means each Payment Date during the Revolving Period excluding the Initial Purchase Date on which a Hire Purchase Contract is concluded.

**"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;
- (c) it becomes unlawful under Dutch law for the Issuer Administrator to perform the Administration Services in any material respect.

**"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.

**"Appointment Trigger Event"** means in relation to the Servicing Agreement, the Maintenance Coordination Agreement and/or the Realisation Agency Agreement, as the case may be, the occurrence of any of the following events:

- (a) an LPC Downgrade Event;
- (b) (i) in respect of the Servicing Agreement, a Non-Insolvency Servicer Termination Event, (ii) in respect of the Realisation Agency Agreement, a Non-Insolvency Realisation Agent Termination Event and (iii) in respect of the Maintenance Coordination Agreement, a Non-Insolvency Maintenance Coordinator Termination Event (as applicable).



**"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.

**"Class"** means either the Class A Notes or the Class B Notes.

**"Collection Account"** means any account maintained by LPNL with The Royal Bank of Scotland N.V. 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 Agreements.

**"Combined Transfer Deed"** means a deed substantially in the form of the schedule named '*Combined Transfer Deed*' to the Master Hire Purchase Agreement including, among other things, the relevant (i) Hire Purchase Contract and (ii) Assignment Deed.

**"Commercial Vehicle"** means a Vehicle which is not a Passenger Vehicle and which has a maximum authorised mass of over 3,500kg but less than or equal to 7,500kg.

**"Commingling Transfer Date"** means, if pursuant to the Reserves Funding Agreement, the Reserves Funding Provider 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.

**"Control"** in respect of a company means, the power to direct the management and policies of such company whether through the ownership of voting capital, by contract or otherwise.

**"Corporate Lease Agreement"** means any Lease Agreement that is not an SME Lease Agreement or a Public Sector Lease Agreement.

**"Cumulative Default Ratio"** means in relation to a Payment Date:

- (a) the sum of the Present Value of (i) the Estimated Residual Value of the relevant Purchased Vehicles subject to Defaulted Lease Agreements and (ii) the associated Lease Interest Components and Lease Principal Components, which would have been received if each Defaulted Lease Agreement was not a Defaulted Lease Agreement, as calculated as at the date the Lease Agreement first was declared a Defaulted Lease Agreement,

*divided by*

- (b) the sum of the Aggregate Discounted Balance of the Initial Portfolio and the Aggregate Discounted Balance of any Additional Portfolio as calculated as of the relevant Cut-Off Date referred to under item (i) and (ii) respectively of the definition of Cut-Off Date.

**"Cut-Off Date"** means in respect of (i) the Initial Portfolio and each Initial Leased Vehicle, the Initial Cut-Off Date, (ii) any Additional Portfolio and each Additional Leased Vehicle, the relevant Additional Cut-Off Date and (iii) any termination of a Hire Purchase Contract or the calculation of the Aggregate Discounted Balance, the Available Distribution Amounts and any related item to be calculated for that purpose, the last date of the Collection Period immediately preceding the date on which such sale, termination or calculation takes place.

**"DBRS Equivalent Rating"** means (i) if a Fitch public rating, a Moody's public rating and an S&P public rating are all available, (a) the remaining rating (upon conversion on the basis of the DBRS Equivalent Chart) once the highest and the lowest rating have been excluded or (b) in the case of two or more same ratings, any of such ratings (upon conversion on the basis of the DBRS Equivalent Chart); (ii) if the DBRS Equivalent Rating cannot be determined under paragraph (i) above, but public ratings by any two of Fitch, Moody's and S&P are available, the lower rating available (upon conversion on the basis of the DBRS Equivalent Chart); and (iii) if the DBRS Equivalent Rating cannot be determined under paragraph (i) or paragraph (ii) above, and therefore only a public rating by one of Fitch, Moody's and S&P is available, such rating will be the DBRS Equivalent Rating upon conversion on the basis of the DBRS Equivalent Chart).

**"DBRS Equivalent Chart"** means:

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

**"Decryption Key"** means the decryption key required to decrypt, where relevant, any Records or other information subject to and in accordance with the Servicing Agreement.

**"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 LPNL that reduce the amount due by the relevant Lessee to LPNL; 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.

**"Defaulted Lease Agreement"** means:

- (a) a Corporate Lease Agreement or a Public Sector Lease Agreement in respect of which the relevant Lessee is in arrear with respect to any Lease Interest Component or Lease Principal Component in respect of which the Servicer has determined that there is no reasonable chance that the Lessee is able to pay and that the outstanding amounts will be collected; or
- (b) an SME Lease Agreement in respect of which the relevant Lessee is in arrear with respect to any Lease Interest Component or Lease Principal Component by more than ninety (90) days from their due date; or
- (c) a Lease Agreement in respect of which an Insolvency Event relating to the Lessee has occurred.

**"Delinquency Ratio"** means in relation to the Portfolio including any Additional Leased Vehicles to be hire purchased on such Payment Date:

- (a) the sum of the Lease Interest Components and Lease Principal Components forming part of Lease Instalments which are in arrear for a period from and including 61 days on;

*divided by:*

- (b) the Aggregate Discounted Balance on the relevant Calculation Date,

each as calculated as of the relevant Cut-Off Date.

**"Discount Rate"** means 5% per annum.

**"EMIR"** means Regulation (EU) No 648/2012 of the European Parliament and of the Council on OTC derivatives, central counterparties and trade repositories dated 4 July 2012.

**"Estimated Residual Value"** means in respect of a Purchased Vehicle, the estimated residual value at the Lease Maturity Date as calculated and recalculated from time to time by the Servicer in accordance with the Servicing Agreement.

**"Eurosysteem Eligible Collateral"** means collateral recognised as eligible collateral for Eurosysteem monetary policy and intra-day credit operations by the Eurosysteem.

**"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 Required 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 (i) expenses relating to (a) the Insolvency of the Issuer, (b) amendments to the deed of incorporation and any Transaction Document and (c) legal enforcement of Security Documents, (ii) extraordinary audit and legal counsel expenses, (iii) any other extraordinary charges supported by the Issuer or the Issuer Director acting on behalf of the Issuer or the Security Trustee or the Security Trustee Director and (iv) any indemnity payments due and payable by the Issuer under or in connection with any Transaction Document.

**"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 the 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.

**"Heavy Goods Vehicle"** means a Vehicle which is not a Passenger Vehicle and which has a maximum authorised mass of over 7,500kg.

**"Highest Rated Supported Notes"** means at any time the Class of Notes then outstanding, which has the highest rating of all Notes assigned by S&P.

**"Initial Cut-Off Date"** means 30 September 2014.

**"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 Initial Purchase Date.

**"Initial Portfolio"** means a 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 Date"** means the Closing Date.

**"Initial Purchase Instalment"** means the first Regular Purchase Instalment payable in respect of a Purchased Vehicle.

**"Insolvency"** means 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 for Insolvency having been filed.

**"Insolvent"** means, in relation to a person or legal entity, that Insolvency applies to such person or entity.

**"Investment Grade Rating"** means with respect to the long term, unsecured, unsubordinated and unguaranteed debt obligations a rating which is at least as high as:

- (a) "BBB-" by S&P;
- (b) "Baa3" by Moody's; and
- (c) "BBB(low)" by DBRS.

**"Investor Report"** means the monthly report a copy of which is published to <http://cm.intertrustgroup.com>, [www.bumperfinance.com](http://www.bumperfinance.com) and/or [www.loanbyloan.eu](http://www.loanbyloan.eu) in accordance with the terms and conditions of the Issuer Administration Agreement.

**"Issuer Advance"** means any Initial Issuer Advance, any Additional Issuer Advance or any Issuer Increase Advance made or to be made available under the Issuer Facility Agreement.

**"Issuer Event of Default"** has the meaning given thereto 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 the Signing Date between LPNL, the Issuer and the Security Trustee.

**"Issuer Facility Final Maturity Date"** means the Final Maturity Date.

**"Issuer Increase Advance"** means, any advance made or to be made available under the Issuer Facility in respect of a Purchase Instalment Increase Amount.

**"Issuer Rights"** has the meaning ascribed to such term in the Issuer Rights Pledge Agreement.

**"Lease Agreement"** means in respect of a Purchased Vehicle, the operational lease agreement entered into between LPNL and the relevant Lessee (including under or pursuant to any master agreement and the relevant schedules thereto) under which Lease Receivables are generated as specified in the annex to the relevant Combined Transfer Deed.

**"Lease Agreement Early Termination"** means the termination of a Lease Agreement that takes place before the relevant Lease Maturity Date.

**"Lease Agreement Early Termination Fee"** means, following a Lease Agreement Early Termination, the penalty payable by the relevant Lessee pursuant to the relevant Lease Agreement as a result of the early termination of such Lease Agreement.

**"Lease Agreement Recalculation"** means the recalculation of the Purchase Price 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 on behalf of the Issuer 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 Fees if applicable and any other 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*) or (ii) 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 of 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 Fee payable by the relevant Lessee in such Collection Period.

**"Lease Incidental Shortfall"** means on any Payment Date the amount (if any) by which the sum of all Lease Incidental Debts in respect of the immediately preceding Collection Period exceeds the sum of all Lease Incidental Receivables actually received in respect of such Collection Period.

**"Lease Incidental Surplus"** means on any Payment Date, the amount (if any) by which the sum of all Lease Incidental Receivables actually received in respect of the immediately preceding Collection Period exceeds the sum of all Lease Incidental Debts payable in respect of such 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) the Lease Management Fee Component, and (f) where applicable, the Lease Agreement Early Termination Fees, 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 Services"** has the meaning ascribed to such term in the Servicing Agreement.

**"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 LPNL to which such Lease Receivables are related.

**"Leased Vehicle"** means each Vehicle which is subject to an operational lease agreement originated between LPNL and the Lessee.

**"LeasePlan Group"** means LPC and each company which forms part of its group (within the meaning of section 2:24b of the Dutch Civil Code).

**"Lessee"** means each entity, corporation or person acting in its profession and trade (*handelend in de uitoefening van beroep op bedrijf*) that is a lessee under a Lease Agreement.

**"Lessor"** means LPNL in its capacity as lessor in relation to Lease Agreements entered into 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).

**"Light Commercial Vehicle"** means a Vehicle which is not a Passenger Vehicle and which has a maximum authorised mass of 3,500 kilogrammes.

**"LPC"** means LeasePlan Corporation N.V.

**"LPC Downgrade Event"** means:

- (a) in respect of a Reserves Trigger Event, that LPC ceases to have at least the following ratings:
  - (i) by S&P: a long-term rating of "BBB" with an "A-2" short-term rating, otherwise a long-term rating of "BBB+";
  - (ii) by Moody's: a long-term rating of "Baa3"; and
  - (iii) by DBRS: BBB(low);
- (b) in respect of an Appointment Trigger Event, that LPC:
  - (i) does not have at least an Investment Grade Rating by S&P, Moody's, or DBRS;
  - (ii) ceases to (a) have direct or indirect Control in respect of LPNL.

**"LPNL Event of Default"** means the occurrence of any of the following events:

- (a) an Insolvency Event in respect of LPNL;
- (b) a default is made by LPNL 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 LPNL;
- (c) LPNL 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 LPNL or (ii) otherwise becoming aware of such failure; or
- (d) an Asset Warranty is breached and LPNL does not comply with its termination and repayment obligation pursuant to the Master Hire Purchase Agreement.

**"Maintenance Coordinator Termination Event"** means the occurrence of any of the following events:

- (a) an Insolvency Event relating to the Maintenance Coordinator;



- (b) a failure to pay by the Maintenance Coordinator that is not remedied within five (5) Business Days;
- (c) a default (other than a failure to pay) by the Maintenance Coordinator in the performance or observance of any of its other covenants and obligations under the Maintenance Coordination 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 Maintenance Coordinator requiring the same to be remedied; or
- (d) it becomes unlawful under Dutch law for the Maintenance Coordinator to perform any material part of the services under the Maintenance Coordination Agreement.

**"Maintenance Costs"** means the amounts paid to third party garages and service providers (including any VAT thereon) for the provision of the 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.

**"Maintenance Services"** has the meaning ascribed to such term in the Maintenance Coordination Agreement.

**"Maintenance Settlement Ledger"** means the ledger maintained by the Servicer in which (i) amounts received from Lessees for which the Lease Agreements are included in the Portfolio with respect to invoices in relation to the provision of Maintenance Services are credited and (ii) invoices costs in relation to the Purchased Vehicles and paid on behalf of the Lessees are debited.

**"Maintenance Surplus"** means on each Payment Date, the amount by which (i) the Lease Servicing Collections relating to the immediately preceding Collection Period exceed (b) the sum of (x) the actual costs incurred by the Maintenance Coordinator when providing the Maintenance Services in relation to the immediately preceding Collection Period and payable prior to or on that Payment Date, and (y) the Maintenance Coordinator Fee payable on that Payment Date.

**"Maintenance Surplus Reserve Ledger"** means the ledger of such name maintained in respect of the Transaction Account.

**"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.

**"NACE Hierarchic Classifications"** means Hierarchic Classifications of the NACE, Rev. 2 (as most recently published in 2008) being the classification of economic activities as set out by Eurostat, the statistical department of the European Union.

**"Net RV Guarantee Payments"** means the higher of (i) zero and (ii) the aggregate RV Excess Amount due by the Issuer to the RV Guarantee Provider *minus* the aggregate RV Shortfall Amount due by the RV Guarantee Provider to the Issuer under the Master Hire Purchase Agreement.

**"Net RV Guarantee Receipts"** means the higher of (i) zero and (ii) the aggregate RV Shortfall Amount due by the RV Guarantee Provider to the Issuer *minus* the aggregate RV Excess Amount due by the Issuer to the RV Guarantee Provider under the Master Hire Purchase 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.

**"Non-Insolvency Maintenance Coordinator Termination Event"** means each Maintenance Coordinator Termination Event, other than an Insolvency Event in respect of the Maintenance Coordinator.

**"Non-Insolvency Realisation Agent Termination Event"** means each Realisation Agent Termination Event other than an Insolvency Event in respect of the Realisation Agent.

**"Non-Insolvency Servicer Termination Event"** means each Servicer Termination Event other than an Insolvency Event in respect of the Servicer.

**"Non-Public Lender"** means (i) until the competent authority publishes its interpretation of the term "public" (as referred to in article 4.1(1) of the Capital Requirements Regulation (EU/575/2013)), an entity that is or qualifies as a professional market party (*professionele marktpartij*) as defined in the applicable law of the Netherlands, or (ii) following publication by the competent authority of its interpretation of the term "public" (as referred to in article 4.1(1) of the Capital Requirements Regulation (EU/575/2013)), such person which is not considered to be part of the public.

**"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 Facilitator under the Servicing Agreement, (iv) if appointed, the Back-Up Servicer under the Back-Up Servicing Agreement, (v) the Maintenance Coordinator under the Maintenance Coordination Agreement (excluding the Senior Maintenance Coordinator Fee), (vi) the Back-up Maintenance Coordinator under the Maintenance Coordination Agreement, (vii) the Realisation Agent under the Realisation Agency Agreement, (viii) if appointed, the Back-Up Realisation Agent under the Back-Up Realisation Agency Agreement, (ix) the Account Bank under the Account Agreement, (x) the Issuer Administrator under the Issuer Administration Agreement, (xi) the Swap Counterparty under the Swap Agreement, (xii) the Managers under the Subscription Agreement, (xiii) the Rating Agencies to the extent relating to ongoing services, (xiv) any expenses relating the accounting registry of the Notes, (xv) any other fees and expenses payable pursuant to the Transaction Documents and (xvi) 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.

**"Passenger Vehicle"** means a motor vehicle having not more than eight passenger seats.

**"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.

**"Present Value"** means the present value of the relevant cashflows calculated at the Discount Rate.

**"Priority of Payments"** means the Revolving Period Priority of Payments, the Normal Amortisation Period Priority of Payments or the Accelerated Amortisation Period Priority of Payments.

**"Public Sector Lease Agreement"** means a Lease Agreement entered into between the Originator and a local authority or other public sector entity.

**"Purchase Date"** means the Initial Purchase Date or any Additional Purchase Date.

**"Purchase Instalment Decrease Amount"** means in respect of a Payment Date following a Calculation Date on which it is determined in accordance with the relevant provision of the Master Hire Purchase Agreement that any Purchase Instalment in relation to a Purchased Vehicle will be amended on the first following Payment Date, an amount equal to the amount by which the sum of the Present Value of each relevant scheduled Purchase Instalment remaining after such Payment Date as if no such amendment had occurred exceeds the sum of the Present Value of each relevant scheduled Purchase Instalment as amended remaining after such Payment Date.

**"Purchase Instalment Increase Amount"** means in respect of a Payment Date following a Calculation Date on which it is determined in accordance with the relevant provision of the Master Hire Purchase Agreement that any Purchase Instalment in relation to a Purchased Vehicle will be amended on the first following Payment Date, an amount equal to the amount by which the sum of the Present Value of each relevant scheduled Purchase Instalment remaining after such Payment Date as if no such amendment had occurred falls short of the sum of the

Present Value of each relevant scheduled Purchase Instalment as amended remaining after such Payment 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, the purchase price agreed upon (and payable in instalments) pursuant to a Hire Purchase Contract, each as amended and/or discounted from time to time in accordance with the Master Hire Purchase Agreement.

**"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.

**"Rating Agency Confirmation"** means, with respect to a matter which requires Rating Agency Confirmation under the Transaction Documents and which has been notified to each Rating Agency with a request to provide a confirmation, receipt by the Security Trustee, in form and substance satisfactory to the Security Trustee, of:

- (a) a confirmation from each Rating Agency that its then current ratings of the Notes will not be adversely affected by or withdrawn as a result of the relevant matter (a **"confirmation"**);
- (b) if no confirmation is forthcoming from any Rating Agency, a written indication, by whatever means of communication, from such Rating Agency that it does not have any (or any further) comments in respect of the relevant matter (an **"indication"**); or
- (c) if no confirmation and no indication is forthcoming from any Rating Agency and such Rating Agency has not communicated that the then current ratings of the Notes will be adversely affected by or withdrawn as a result of the relevant matter or that it has comments in respect of the relevant matter:
  - (i) a written communication, by whatever means, from such Rating Agency that it has completed its review of the relevant matter and that in the circumstances (x) it does not consider a confirmation required or (y) it is not in line with its policies to provide a confirmation; or
  - (ii) if such Rating Agency has not communicated that it requires more time or information to analyse the relevant matter, evidence that thirty (30) days have passed since such Rating Agency was notified of the relevant matter and that reasonable efforts were made to obtain a confirmation or an indication from such Rating Agency.

**"Realisation Agent Termination Event"** means the occurrence of any of the following events:

- (a) an Insolvency Event relating to the Realisation Agent;

- (b) a failure to pay by the Realisation Agent that is not remedied within five (5) Business Days;
- (c) a default (other than a failure to pay) is made by the Realisation Agent in the performance or observance of any of its other covenants and obligations under the Realisation Agency Agreement, which (except where such default is incapable of remedy, when no such continuation and/or notice as is hereinafter mentioned shall be required) such default continues unremedied for a period of fifteen (15) Business Days after the date of the written notice from the Issuer to the Realisation Agent requiring the same to be remedied; or
- (d) it becomes unlawful under Dutch law for the Realisation Agent to perform any material part of the Realisation Services.

**"Realisation Services"** has the meaning ascribed to such term in the Realisation Agency Agreement.

**"Records"** means:

- (a) in respect of the Seller and the Servicer, the Lease 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 from which the Lease Receivables are generated and relating to the Lessees in respect thereof;
- (b) in respect of the Realisation Agent, 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 Realisation Services, (including without limitation the list of all seller intermediaries used by the Realisation Agent, their correspondence addresses and any contracts entered into with them) the relevant Purchased Vehicles and relating to the Lessees in respect thereof; and
- (c) in respect of the Maintenance Coordinator, 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 Maintenance Services, (including without limitation the list of all garages/repairers used by the Maintenance Coordinator, their correspondence addresses and any contacts entered into with them) the Lease Agreements and the Lessees in respect thereof.

**"Regular Purchase Instalments"** means all Purchase Instalments other than the Final Purchase Instalment.

**"Replenishment Ledger"** means the ledger with such name maintained in respect of the Transaction Account.

**"Required Commingling Reserve Amount"** means an amount equal to:

- (a) as long as (i) no Reserves Trigger Event has occurred and (ii) following the occurrence of a Reserves Trigger Event no such Reserves Trigger Event is continuing and no Insolvency Event in respect of LPNL has occurred: zero;

- (b) if a Reserves Trigger Event has occurred and is continuing and the Issuer has been informed by LPNL 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 Reserves Trigger Event has occurred and is continuing and the Issuer has not been informed by LPNL 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:
  - (i) if LPNL has decided to make payments on any Twice Weekly Payment Date to the Transaction Account: an amount equal to the sum of:
    - (x) 82% 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; and
    - (y) 25% of the highest estimated income from the monthly sale of any Purchased Vehicles which appears in the last available Realisation Agent Monthly Report.

*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 LPNL has decided to make payments on any Payment Date to the Transaction Account: an amount equal to the sum of:
    - (x) 182% 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; and
    - (y) 125% of the highest estimated income from the monthly sale of any Purchased Vehicles which appears in the last available Realisation Agent Monthly Report,

*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 Notes have been or will be redeemed in full: zero.

**"Required Liquidity Reserve Amount"** means on any Payment Date an amount equal to:

- (a) on the Closing Date: EUR 4,000,000;

- (b) thereafter on any Payment Date provided that the sum of (x) the Principal Amount Outstanding of the Class A Notes and (y) the Principal Amount Outstanding of the Class B Notes, as calculated per the immediately preceding Payment Date, or the Closing Date as the case may be, is not zero, an amount equal to the higher of:
  - (i) EUR 3,500,000; and
  - (ii) 0.75% of the sum of (x) the Principal Amount Outstanding of the Class A Notes and (y) the Principal Amount Outstanding of the Class B Notes, as calculated per the immediately preceding Payment Date, or the Closing Date as the case may be;
- (c) following the Payment Date on which any and all amounts of interest and principal in respect of the Notes have been or will be redeemed in full: zero.

**"Required Maintenance Reserve Amount"** means an amount equal to:

- (a) as long as (i) no Reserves Trigger Event has occurred and (ii) following the occurrence of a Reserves Trigger Event no such Reserves Trigger Event is continuing and no Insolvency Event in respect of LPNL has occurred: zero;
- (b) following the Payment Date on which any and all amounts of interest and principal in respect of the Notes have been or will be redeemed in full: zero;
- (c) in all other circumstances, an amount equal to the higher of (i) the balance of the Maintenance Settlement Ledger as notified in the most recent Servicer Monthly Report (for the avoidance of doubt if such global balance is negative, it will be zero) and (ii) 1% of the Aggregate Discounted Balance.

**"Required Principal Redemption Amount"** means on any Payment Date following the termination of the Revolving Period and prior to the service of an Acceleration Notice, 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 items (a) to (i) of the Normal Amortisation Period Priority of Payments.

**"Required Replenishment Amount"** means on any Payment Date during the Revolving Period an amount equal to 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) to (i) of the Revolving Period Priority of Payments on such Payment Date.

**"Required Reserve Amount"** means in respect of the (i) Set-off Reserve Ledger, the Required Set-Off Reserve Amount, (ii) Commingling Reserve Ledger, the Required Commingling Reserve Amount or (iii) Maintenance Reserve Ledger, the Required Maintenance Reserve Amount.

**"Required Set-Off Reserve Amount"** means the amount equal to:

- (a) as long as (i) no Reserves Trigger Event has occurred and (ii) following the occurrence of a Reserves Trigger Event no such Reserves Trigger Event is continuing and no Insolvency Event in respect of LPNL has occurred: zero;
- (b) following the Payment Date on which any and all amounts of interest and principal in respect of the Notes have been or will be redeemed in full: zero;
- (c) otherwise, an amount equal to the positive difference between:
  - (A) the sum of:
    - (i) EUR 3,350,000;
    - (ii) an amount equal to the aggregate deposits made by the Lessees to guarantee their obligations under the Lease Agreements which appear in the last available Servicer Monthly Report; and
    - (iii) any amount equal to potential year-end calculation amounts that may be payable by the Originator in accordance with open calculation Lease Agreements as notified in the most recent Servicer Monthly Report; and
  - (B) any amounts previously withdrawn from the Set-Off Reserve Ledger and used as Available Distribution Amounts (other than any amount withdrawn from the Set-Off Reserve Ledger to repay the Set-Off Reserve Advance).

**"Requisite Credit Ratings"** means

- (a) with respect to Moody's:
  - (i) in respect of the Swap Counterparty, a rating for the long-term unsecured, unsubordinated and unguaranteed debt obligations of such entity at least A3 by Moody's; and
  - (ii) in respect of the Account Bank, a rating for the short-term unsecured, unsubordinated and unguaranteed debt obligations of such entity of at least Prime-1 by Moody's,

or such other rating from time to time notified by Moody's;

- (b) with respect to S&P, a rating assigned to the long-term and/or short-term unsecured, unsubordinated and unguaranteed debt obligations of an entity which is at least equal to the relevant S&P Minimum Counterparty Rating to support a security with the rating assigned to the Highest Rated Supported Notes by S&P at such time (or, in the event that any Notes are downgraded by S&P as a result of a downgrade of such entity, the rating as was assigned to the Highest Rated Supported Notes by S&P immediately prior to such downgrade) or such other rating from time to time notified by S&P, which S&P



Minimum Counterparty Rating at the Closing Date for each of the Swap Counterparty and the Account Bank is (x) A with respect to the long-term unsecured, unsubordinated and unguaranteed debt obligations of such entity (if the short-term, unsecured and unsubordinated debt obligations of such entity are also rated at least as high as A-1 by S&P) or (y) A+ by S&P with respect to the long-term unsecured, unsubordinated and unguaranteed debt obligations of such entity (if the short-term, unsecured and unsubordinated debt obligations of such entity are not rated, or are rated below A-1 by S&P); and

- (c) with respect to DBRS,
  - (i) with respect to the Account Bank, a rating of at least A by DBRS with respect to the long-term unsecured, unsubordinated and unguaranteed debt obligations, or in the absence of a rating assigned by DBRS, a DBRS Equivalent Rating at least equal to A by DBRS, or such other rating from time to time notified or published by DBRS replacing any of the above ratings or implementing a rating requirement;
  - (ii) with respect to the Swap Counterparty, a rating of at least A by DBRS with respect to the long-term unsecured, unsubordinated and unguaranteed debt obligations, or in the absence of a rating assigned by DBRS, a DBRS Equivalent Rating at least equal to A by DBRS.

**"Reserves Funding Agreement"** means the reserves funding agreement entered into by and the Issuer, LPNL and the Security Trustee on the Signing Date pursuant to which LPNL agrees to make available (i) on or prior to the Closing Date, the Liquidity Reserve Advance and (ii) upon a Reserves Trigger Event, the Maintenance Reserve Advance, the Commingling Reserve Advance and the Set-off Reserve Advance, subject to and in accordance with the terms thereof.

**"Reserves Trigger Event"** means the occurrence of the earlier of (i) any LPC Downgrade Event, or (ii) LPC ceasing to have direct or indirect Control in respect of LPNL.

**"Revolving Period Termination Event"** means the occurrence of any of the following events:

- (a) an LPNL Event of Default;
- (b) 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 Discounted Balance on the Closing Date;
- (c) the Cumulative Default Ratio exceeds 3% on any Payment Date;
- (d) the Delinquency Ratio exceeds 0.40% on any Payment Date;
- (e) on any Payment Date after application of the Revolving Period Priority of Payments on the relevant Payment Date, the Aggregate Discounted Balance plus the amount standing to the credit of the Replenishment Ledger is lower than the sum of (i) the Principal Amount Outstanding of the Class A Notes, (ii) the Principal Amount Outstanding of the Class B Notes, (iii) the principal amount outstanding of the Initial Subordinated Loan Advance and (iv) the principal amount outstanding of the Subordinated Increase Advances (if any);

- (f) on any Payment Date, after application of the Revolving Period Priority of Payments on the relevant Payment Date, the amount standing to the credit of the Liquidity Reserve Ledger is below the Required Liquidity Reserve Amount on such Payment Date;
- (g) a Servicer Termination Event;
- (h) a Realisation Agent Termination Event;
- (i) a Maintenance Coordinator Termination Event;
- (j) the RV Guarantee Provider defaults in its payment obligation in respect of any RV Shortfall Amount or the Net RV Guarantee Receipts;
- (k) an Event of Default or Termination Event (each as defined in the Swap Agreement);
- (l) 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 to purchase any Leased Vehicles;
- (m) LPNL fails to fulfil its obligations under the Subordinated Loan Agreement;
- (n) LPNL fails to fulfil its obligations under the Reserves Funding Agreement;
- (o) no Back-Up Servicer has been appointed in accordance with the relevant provisions of the Servicing Agreement or no Back-Up Realisation Agent has been appointed in accordance with the relevant provisions of the Realisation Agency Agreement, in each case within one hundred and twenty (120) calendar days following the occurrence of an Appointment Trigger Event;
- (p) LPC ceasing to have direct or indirect Control in respect of LPNL; or
- (q) the service of a Note Acceleration Notice by the Security Trustee.

**"Rome I Country"** means any Member State to which the Regulation (EC) No 593/2008 of the European Parliament and of the council of 17 June 2008 on the law applicable to contractual obligations (Rome I) applies.

**"S&P Minimum Counterparty Rating"** means the minimum counterparty rating that S&P requires the relevant counterparty to have in respect of its long-term and/or short-term unsecured, unsubordinated and unguaranteed debt obligations set out in the S&P structured finance report, dated 25 June 2013, titled "Counterparty Risk Framework Methodology And Assumptions", as amended, supplemented or replaced from time to time to support a security with the rating assigned to the Highest Rated Supported Notes by S&P at such time.

**"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.

**"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 Administrator.

**"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 five (5) 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 in any material respect, 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; or
- (d) it becomes unlawful under Dutch law for the Servicer to perform any material part of the services under the Servicing Agreement.

**"SME Lease Agreement"** means any Lease Agreement entered into with a client (i) having a fleet with a book value of less than EUR 1,000,000 and (ii) having no dedicated account manager and (iii) having a standard product with LPNL.

**"Subordinated Loan Agreement"** means the facility agreement entered into by and the Issuer, LPNL and the Security Trustee on the Signing Date pursuant to which LPNL agrees to make available on or prior to the Closing Date, the Initial Subordinated Loan Advance and any Subordinated Increase 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 (each as defined in the Swap Agreement) relating to the credit rating of a Relevant Entity (as defined in the Swap Agreement).

**"Suitable Entity"** means, an entity which (i) is located in the Netherlands, (ii) is authorised and experienced in the field of business it is required to operate as Back-Up Servicer or Back-Up Realisation Agent, as the case may be, and (iii) is capable of performing the Back-Up Servicer Role in the case of the Back-Up Servicer or the Back-Up Realisation Agent Role in the case of the Back-Up Realisation Agent.

**"TARGET 2 Settlement Day"** means a day on which the TARGET 2 System is open.

**"Trade Register"** means the trade register of the Chambers of Commerce (*handelsregister van de Kamer van Koophandel*) 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.

**"Trigger Reserve Ledger"** means (i) the Set-off Reserve Ledger, (ii) the Commingling Reserve Ledger, or (iii) the Maintenance Reserve Ledger.

**"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 is the relevant Business Day.

**"Twice Weekly Transfer"** means a transfer on any Twice Weekly Payment Date.

**"Variable Success Fee"** means any excess of cash remaining for the Available Distribution Amounts after payment of items (a) up to and including (o) of the Revolving Period Priority of Payments, the items (a) up to and including (p) of the Normal Amortisation Period Priority of Payments and the items (a) up to and including (m) of the Accelerated Amortisation Period Priority of Payments as applicable.

**"Vehicle"** means any passenger vehicle, van, truck, trailer or public utility vehicle.

**"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 *less* any realisation costs incurred in connection with such realisation (including, where relevant, any fees payable to the Realisation Agent) 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.

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