

IMPORTANT NOTICE – PROSPECTUS

NOT FOR DISTRIBUTION TO ANY U.S. PERSON OR TO ANY PERSON OR ADDRESS IN THE UNITED STATES

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

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER TO SELL OR A SOLICITATION OF AN OFFER TO BUY THE NOTES DESCRIBED IN THE PROSPECTUS IN ANY JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THE PROSPECTUS IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.

THE NOTES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**") OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR OTHER RELEVANT JURISDICTION AND THE SECURITIES MAY NOT BE OFFERED OR SOLD WITHIN THE U.S. OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT ("**REGULATION S**"), BY ANY PERSON REFERRED TO IN RULE 903(B)(2)(III), (X) AS PART OF THEIR DISTRIBUTION AT ANY TIME OR (Y) OTHERWISE UNTIL 40 CALENDAR DAYS AFTER THE COMPLETION OF THE DISTRIBUTION OF THE SECURITIES AS DETERMINED AND CERTIFIED BY THE JOINT LEAD MANAGERS, EXCEPT IN EITHER CASE IN ACCORDANCE WITH REGULATION S UNDER THE SECURITIES ACT. IN ORDER TO BE ELIGIBLE TO READ THE PROSPECTUS OR MAKE AN INVESTMENT DECISION WITH RESPECT TO THE NOTES DESCRIBED THEREIN, YOU MUST NOT BE A "**U.S. PERSON**" AS DEFINED IN REGULATION S.

The Prospectus is being sent at your request and by accepting the email and accessing the Prospectus, you shall be deemed to have represented to us that you have understood the agreed terms set out herein and that you are not a U.S. person (within the meaning of Regulation S) or acting for the account or benefit of a U.S. person and the electronic mail address that you have given to us and to which this email has been delivered is not located in the United States or its territories or possessions (including Puerto Rico, the US Virgin Islands, Guam, American Samoa, Wake Island and the North Mariana Islands), and that you consent to delivery of the Prospectus by electronic transmission.

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

In the United Kingdom, this Prospectus is directed only at persons who (i) are investment professionals having professional experience in matters relating to investments, who fall within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Order**") or (ii) are persons falling within Article 49(2)(a) to (d) ("**high net worth companies, unincorporated associations etc**") of the Order (all such persons together being referred to as "**relevant persons**"). This Prospectus must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this Prospectus relates is available only to relevant persons and will be engaged in only with relevant persons.

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

The Prospectus has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently none of Banco Santander, S.A., Deutsche Bank AG, London Branch, J.P. Morgan Securities plc and RBC Europe Limited (together, the "**Joint Lead Managers**") nor any person who controls the Joint Lead Managers nor any director, officer, employee, agent or affiliate of any such person accepts any liability or responsibility whatsoever in respect of any difference between the Prospectus distributed to you in electronic format herewith and the hard copy version available to you on request from the Issuer and/or the Joint Lead Managers.



BILKREDITT 3 LIMITED

(incorporated with limited liability in Ireland)

EUR 670,000,000 Class A Series A1 Floating Rate Secured Notes due April 2027 Issue Price: 100%
NOK 1,096,100,000 Class A Series A2 Floating Rate Secured Notes due April 2027 Issue Price: 100%
NOK 1,061,345,000 Class B Floating Rate Secured Notes due April 2027 Issue Price: 100%

Class/Series	Initial Class Principal Amount	Interest Rate	Issue Price	Expected Ratings (Fitch/Moody's)	Maturity Date	ISIN
A1	EUR 670,000,000	EURIBOR + 0.52%	100%	AAAsf/Aaa(sf)	Payment Date falling in April 2027	XS0808637218
A2	NOK 1,096,100,000	NIBOR + 0.90%	100%	AAAsf /Aaa(sf)	Payment Date falling in April 2027	N/A
B	NOK 1,061,345,000	NIBOR + 1.15%	100%	Unrated	Payment Date falling in April 2027	N/A

The Class A Series A1 Notes and the Class A Series A2 Notes (respectively, the "**Series A1 Notes**" and the "**Series A2 Notes**"; each a "**Series**" of Notes (and together the "**Class A Notes**") and the Class B Notes (the Class A Notes and the Class B Notes each being a "**Class**" of Notes and together being the "**Notes**") issued by Bilkreditt 3 Limited (the "**Issuer**") are backed by a portfolio, purchased by the Issuer from Santander Consumer Bank AS (the "**Seller**"), of vehicle loans (the "**Purchased Auto Loans**") made by the Seller to finance the purchase of (i) motor vehicles (*motorvogn*) as defined in the Norwegian Road Traffic Act 1965 (including but not limited to cars, light commercial vehicles, motor homes and motor cycles), and (ii) other vehicles (*kjøretøy*) as defined in the Norwegian Road Traffic Act 1965 (including but not limited to caravans) (the "**Financed Vehicles**"). The Purchased Auto Loans may be secured by auto chattel mortgages (*salgs pant*), may have the benefit of (i) any applicable and assignable type of vehicle insurance (comprehensive, collision, medical insurance etc.), and (ii) credit protection insurance policies relating to the debtor's debt outstanding to the Seller pursuant to a Purchased Auto Loan (where the Seller has been named as beneficiary in respect of those claims), and may have the benefit of guarantees provided (in a small number of cases) by third parties (such security and other benefits, together with other related rights and proceeds, the "**Related Collateral**" and, together with the Purchased Auto Loans, the "**Portfolio**"). The Issuer will not acquire any auto loans or collateral from the Seller other than the Portfolio.

The Notes are issued pursuant to a Note Trust Deed dated the Note Issuance Date (as defined below) (the "**Note Trust Deed**") between the Issuer and Deutsche Trustee Company Limited as note trustee (the "**Note Trustee**"). The obligations of the Issuer under the Notes and other obligations will be secured by first-ranking security interests granted to Deutsche Trustee Company Limited as security trustee (the "**Security Trustee**") in favour of the holders of the Notes (the "**Noteholders**") and the other Issuer Secured Parties (as defined below) pursuant to an English law security deed dated the Note Issuance Date (the "**Security Trust Deed**"), a Norwegian security agreement dated the Note Issuance Date (the "**Norwegian Security Agreement**"), and an Irish security deed of assignment dated the Note Issuance Date (the "**Irish Security Deed**"). Although the Notes will share in the same security, the Class A Notes will rank in priority to the Class B Notes in the event of the security being enforced. The Issuer will, on the Note Issuance Date, purchase and acquire from the Seller the Portfolio pursuant to the provisions of Chapter 2V of the Norwegian Financial Institutions Act

1988 (*finansieringsvirksomhetsloven*) (the "**FIA**"). Certain characteristics of the Portfolio are described under "**DESCRIPTION OF THE PORTFOLIO**" herein.

The Class A Notes and the Class B Notes will each be issued at the issue price equal to 100% of their initial principal amount on or about 28 November 2012 (the "**Note Issuance Date**").

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

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

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

Banco Santander, S.A., Deutsche Bank AG, London Branch, J.P. Morgan Securities plc and RBC Europe Limited (together the "**Joint Lead Managers**") will subscribe for or, on a best efforts basis, procure subscriptions for, the Series A1 Notes, Banco Santander, S.A. and RBC Europe Limited will subscribe for or, on a best efforts basis, procure subscriptions for, the Series A2 Notes, and, in each case, to the extent the Joint Lead Managers subscribe for and purchase any Class A Notes, will offer the Class A Notes from time to time, in negotiated transactions or otherwise, at varying prices to be determined at the time of the sale. The Class B Notes will be purchased by the Seller and will not be offered pursuant to this Prospectus. The Issuer will draw an advance under the Expenses Loan (as defined herein), to pay amongst other things, certain transaction structuring fees and expenses of the Issuer due to the Joint Lead Managers.

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

The Seller will undertake to the Joint Lead Managers in the Subscription Agreement and to the Issuer and the Note Trustee, on behalf of the Noteholders, in the Security Trust Deed that it will retain a material net economic interest of at least 5 per cent. in accordance with Article 122(a) of Directive 2006/48/EC (as amended by Directive 2009/111/EC) (which does not take into account any implementing rules of the CRD in a relevant jurisdiction), referred to as the Capital Requirements Directive (CRD). As at the Note Issuance Date, such interest will be comprised of the Subordinated Loan and the holding of the Class B Notes, as required by Article 122a.

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

Arrangers

J.P. MORGAN AND SANTANDER GLOBAL BANKING & MARKETS

Joint Lead Managers

DEUTSCHE BANK

J.P. MORGAN

RBC CAPITAL MARKETS

**SANTANDER GLOBAL
BANKING & MARKETS**

The date of this prospectus is 27 November 2012

The Series A1 Notes will be initially represented by a temporary global note certificate in bearer form (each a "**Temporary Global Note**") without interest coupons attached. The Temporary Global Note will be exchangeable, as described herein (see "OUTLINE OF THE TRANSACTION — The Notes — Form and Denomination"), for a permanent global note in bearer form which is recorded in the records of Euroclear and Clearstream (as defined below) (each a "**Permanent Global Note**", and together with the Temporary Global Note, the "**Series A1 Note Certificates**") without interest coupons attached. The Temporary Global Note will be exchangeable not earlier than 40 calendar days and not later than 180 calendar days after the Note Issuance Date, upon certification of non-U.S. beneficial ownership, for interests in a Permanent Global Note. The Series A2 Notes will be represented by one or more Note Certificates in definitive registered form and the Class B Notes will be represented by a Note Certificate in global registered form. The Series A1 Note Certificates will be deposited with a common safekeeper for Euroclear Bank S.A./N.V. ("**Euroclear**") and Clearstream Banking, *société anonyme* ("**Clearstream Luxembourg**" and, together with Euroclear, the "**Clearing Systems**") on or before the Note Issuance Date and recorded in the records of Euroclear and Clearstream Luxembourg. The Series A1 Notes may be transferred in book-entry form only. The Series A2 Note Certificate will be deposited with the Series A2 Noteholder and registered in the name of the Series A2 Noteholder. The Class B Note Certificate will be deposited with the Class B Noteholder and registered in the name of the Class B Noteholder. The Notes will be issued, in the case of the Series A1 Notes, in denominations of EUR 100,000 and integral multiples of EUR 100,000 in excess thereof and, in the case of the Series A2 Notes and the Class B Notes, in denominations of NOK 1,000,000 and integral multiples of NOK 1,000 in excess thereof. The Series A1 Note Certificates will only be exchangeable for definitive securities in certain limited circumstances. See "NOTE CONDITIONS — Form, Denomination and Title".

The Series A1 Notes are intended to be held in a manner which will allow Eurosystem eligibility. This simply means that the Series A1 Notes are intended upon issue to be deposited with either Euroclear or Clearstream, Luxembourg (each an "**ICSD**") as common safekeeper and does not necessarily mean that the Series A1 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. No assurance is given that the Series A1 Notes satisfy such criteria.

The Series A1 Notes will be issued in "new global note" format.

The Notes will be governed by English law.

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

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

Interest on the Class A Notes will accrue on the outstanding principal amount of such Notes at a per annum rate equal, in the case of the Series A1 Notes, to the sum of the one-month Euro Inter-bank Offered Rate ("**EURIBOR**") (in the case of the first Interest Period, the linear interpolation between one and two month EURIBOR) and 0.52% (the "**Series A1 Interest Margin**") and, in the case of the Series A2 Notes, to the sum of the Norwegian Inter-bank Offered Rate for one month ("**NIBOR**") (in the case of the first Interest Period, the linear interpolation of between one and two month NIBOR) and 0.90% (the "**Series A2 Interest Margin**"). Interest on the Class B Notes will accrue on the outstanding principal amount at a per annum rate equal to the sum of NIBOR (in the case of the first Interest Period, the linear interpolation of between one and two month NIBOR) and 1.15% (the "**Class B Interest Margin**"). Interest on the Notes will be payable in euro (in the case of the Series A1 Notes) or in Norwegian kroner (in the case of the Series A2 Notes and the Class B Notes) and by reference to successive interest accrual periods (each, an "**Interest Period**") monthly in arrears on the twenty-fifth day of each calendar month, unless such date is not a Business Day, in which case the Payment Date shall be the next succeeding Business Day (each, a "**Payment Date**"). The first Payment Date will be the

Payment Date falling in January 2013. "**Business Day**" shall mean a day which is a Target 2 Settlement Day, London Banking Day and an Oslo Banking Day. See "NOTE CONDITIONS — Interest".

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

Amortisation of the Notes will commence on the first Payment Date. See "NOTE CONDITIONS — Redemption".

The Notes will mature on the Payment Date falling in April 2027 (the "**Maturity Date**"), unless previously redeemed in full. In addition, the Notes will be subject to partial redemption, early redemption and/or optional redemption before the Maturity Date in specific circumstances and subject to certain conditions. See "NOTE CONDITIONS — Redemption".

Rating Agencies

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

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

Each of Moody's and Fitch is established in the European Union and has been registered under the CRA Regulation as of 31 October 2011. To the extent ratings of Fitch Italia and S&P are referred to herein, such ratings are provided by Fitch Italia S.P.A. ("**Fitch Italia**") and Standard and Poor's Credit Market Services France SAS ("**S&P**") which are established in the European Union and are registered under the the CRA Regulation.

Credit ratings

It is a condition of the issue of the Class A Notes that they are assigned the ratings indicated in the above table. The rating of the Class A Notes by Fitch addresses the likelihood that the holders of the Class A Notes (the "**Class A Noteholders**") will receive all payments to which they are entitled, as described herein, in respect of the Class A Notes. The rating of "AAAsf" is the highest rating that Fitch assigns to long-term obligations. The rating of the Class A Notes by Moody's addresses the expected loss posed to Class A Noteholders by the legal final maturity of the Class A Notes. The rating of "Aaa(sf)" is the highest rating that Moody's assigns to long-term obligations. Moody's ratings address only the credit risks associated with the transaction. Other non-credit risks have not been addressed, but may have a significant effect on yield to investors.

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

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

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

The Issuer has not requested a rating of the Class B Notes by any rating agency.

In this Prospectus, references to "**Norwegian kroner**" or "**NOK**" are to the lawful currency in Norway, and references to "**euro**", "**€**" or "**EUR**" are to the lawful currency of the member states of the European Union that have adopted the single currency in accordance with the EC Treaty.

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

PCS Label

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

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

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

Responsibility for the contents of this Prospectus

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

The Seller accepts responsibility for the information under "OUTLINE OF THE TRANSACTION – The Portfolio: Purchased Auto Loans and Related Collateral" on page 6, "OUTLINE OF THE TRANSACTION – Servicing of the Portfolio" on page 6, "RISK FACTORS – Reliance on administration and collection procedures" on page 40, "CREDIT STRUCTURE – Purchased Auto Loan interest rates" on page 46, "CREDIT STRUCTURE — Cash collection arrangements" on page 46, "EXPECTED MATURITY AND AVERAGE LIFE OF NOTES AND ASSUMPTIONS" on page 154, "DESCRIPTION OF THE PORTFOLIO" on page 113, "CREDIT AND COLLECTION POLICY" on page 155, and "THE SELLER AND THE SERVICER" on pages 162. The Seller also accepts responsibility for the information contained in the section of this Prospectus headed "ARTICLE 122A OF THE CAPITAL REQUIREMENTS DIRECTIVE" on page 186 (but not, for the avoidance of doubt, any information set out in the sections referred to therein). To the best of the knowledge and belief of the Seller (having taken all reasonable care to ensure that such is the case), all information contained in this Prospectus for which the Seller is responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.

The Cross Currency Swap Counterparty accepts responsibility for the information under "THE CROSS CURRENCY SWAP COUNTERPARTY" on page 168 and to the best of its knowledge and belief (having taken all reasonable care to ensure that such is the case), all information contained in this Prospectus for which it is responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.

The Note Trustee and the Security Trustee accept responsibility for the information in the last four paragraphs under "THE NOTE TRUSTEE AND THE SECURITY TRUSTEE" on page 169 and hereby declare that, to the best of their knowledge and belief (having taken all reasonable care to ensure that such is the case), all information contained in this Prospectus for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.

The Principal Paying Agent, the Calculation Agent and the Cash Administrator accept responsibility for the information under "THE PRINCIPAL PAYING AGENT, THE CALCULATION AGENT AND THE CASH ADMINISTRATOR" on page 165 and hereby declare that, to the best of their knowledge and belief (having taken all reasonable care to ensure that such is the case), all information contained in this Prospectus for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.

The Transaction Account Bank and the Custodian accept responsibility for the information under "THE TRANSACTION ACCOUNT BANK AND THE CUSTODIAN" on page 167 and hereby declare that, to the best

of their knowledge and belief (having taken all reasonable care to ensure that such is the case), all information contained in this Prospectus for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.

The Registrar and the Transfer Agent accept responsibility for the information under "THE REGISTRAR AND THE TRANSFER AGENT" on page 170 and hereby declares that, to the best of its knowledge and belief (having taken all reasonable care to ensure that such is the case), all information contained in this Prospectus for which it is responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.

The Corporate Administrator accepts responsibility for the information under "THE CORPORATE ADMINISTRATOR" on page 166 and hereby declares that, to the best of its knowledge and belief (having taken all reasonable care to ensure that such is the case), all information contained in this Prospectus for which it is responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.

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

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

*Prospective purchasers of Notes should conduct such independent investigation and analysis as they deem appropriate to evaluate the merits and risks of an investment in the Notes. **If you are in doubt about the contents of this document, you should consult your stockbroker, bank manager, legal adviser, accountant or other financial adviser.** The Arrangers or the Joint Lead Managers make no representation, recommendation or warranty, express or implied, regarding the accuracy, adequacy, reasonableness or completeness of the information contained herein or in any further information, notice or other document which may at any time be supplied by the Issuer in connection with the Notes and do not accept any responsibility or liability therefor. The Arrangers or the Joint Lead Managers do not undertake to review the financial condition or affairs of the Issuer or to advise any investor or potential investor in the Notes of any information coming to the attention of any Arranger or Joint Lead Manager.*

No action has been taken by the Issuer, the Arrangers or the Joint Lead Managers other than as set out in this Prospectus that would permit a public offering of the Notes, or possession or distribution of this Prospectus or any other offering material in any country or jurisdiction where action for that purpose is required. Accordingly, the Notes may not be offered or sold, directly or indirectly, and neither this Prospectus (nor any part thereof) nor any other information memorandum, prospectus, form of application, advertisement, other offering material or other information may be issued, distributed or published in any country or jurisdiction except in compliance with applicable laws, orders, rules and regulations, and the Issuer, the Arrangers and the Joint Lead Managers have represented that all offers and sales by them have been and will be made on such terms.

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

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

THE NOTES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE SECURITIES ACT OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR OTHER RELEVANT JURISDICTIONS AND MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE OR LOCAL SECURITIES LAWS. EACH JOINT LEAD MANAGER HAS REPRESENTED AND AGREED THAT IT HAS NOT OFFERED OR SOLD THE NOTES, AND WILL NOT OFFER OR SELL THE NOTES (I) AS PART OF

ITS DISTRIBUTION AT ANY TIME AND (II) OTHERWISE UNTIL 40 CALENDAR DAYS AFTER THE COMPLETION OF THE DISTRIBUTION OF ALL NOTES ONLY IN ACCORDANCE WITH RULE 903 OF THE REGULATIONS PROMULGATED UNDER THE SECURITIES ACT AND APPLICABLE STATE OR LOCAL SECURITIES LAWS. NONE OF THE JOINT LEAD MANAGERS, THEIR RESPECTIVE AFFILIATES NOR ANY PERSONS ACTING ON THEIR BEHALF HAVE ENGAGED OR WILL ENGAGE IN ANY DIRECTED SELLING EFFORTS WITH RESPECT TO THE NOTES, AND THEY HAVE COMPLIED AND WILL COMPLY WITH THE OFFERING RESTRICTIONS REQUIREMENTS OF REGULATION S UNDER THE SECURITIES ACT. AT OR PRIOR TO CONFIRMATION OF SALE OF NOTES, EACH JOINT LEAD MANAGER WILL HAVE SENT TO EACH DISTRIBUTOR, DEALER OR PERSON RECEIVING A SELLING CONCESSION, FEE OR OTHER REMUNERATION THAT PURCHASES NOTES FROM IT DURING THE RESTRICTED PERIOD A CONFIRMATION OR NOTICE TO SUBSTANTIALLY THE FOLLOWING EFFECT:

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

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

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

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

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

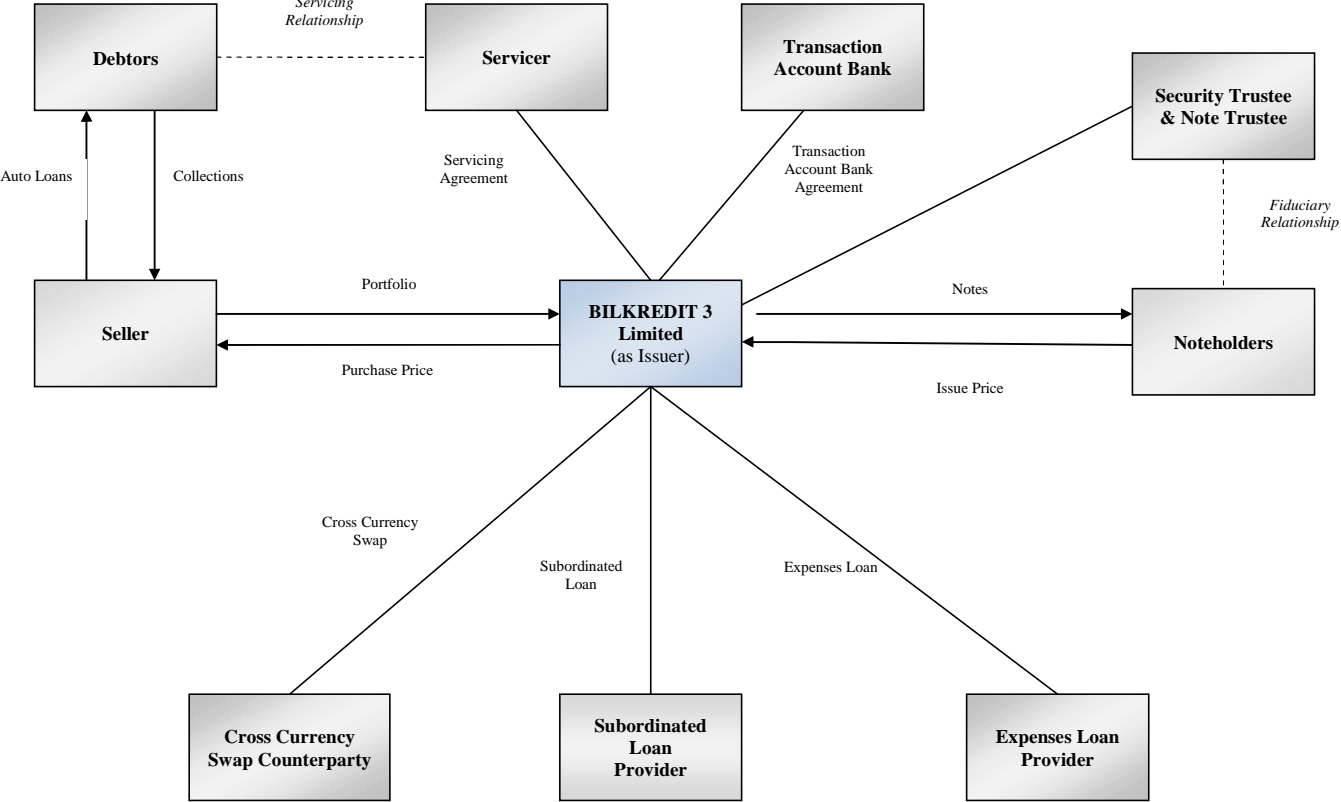
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TRANSACTION STRUCTURE

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

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



OUTLINE OF THE TRANSACTION

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

THE PARTIES

Issuer	Bilkreditt 3 Limited, a special purpose company incorporated with limited liability under the laws of Ireland, which has its registered office at 5 Harbourmaster Place, IFSC, Dublin 1, Ireland, and which has been approved as an issuer pursuant to an approval by the Financial Supervisory Authority of Norway (the " FSAN ") of 17 August 2012 (the " Approval ") on the conditions set out in the Approval.
Corporate Administrator	Deutsche International Corporate Services (Ireland) Limited, 5 Harbourmaster Place, IFSC, Dublin 1, Ireland (the " Corporate Administrator ").
Seller	Santander Consumer Bank AS, Strandvn.18/P.O. Box 177, N-1366 Lysaker, Norway (the " Seller ").
Servicer	The Portfolio will be serviced by the Seller (in this capacity, the " Servicer ").
Back-up Servicer Facilitator	Banco Santander, S.A., Paseo de Pereda 9-12, Santander, Spain (the " Back-up Servicer Facilitator ").
Note Trustee	Deutsche Trustee Company Limited, Winchester House, 1 Great Winchester Street, London EC2N 2DB, England (in this capacity, the " Note Trustee ").
Security Trustee	Deutsche Trustee Company Limited, Winchester House, 1 Great Winchester Street, London EC2N 2DB, England (in this capacity, the " Security Trustee ").
Expenses Loan Provider	Santander Consumer Finance S.A., Ciudad Grupo Santander, Avenida de Cantabria s/n, Dehesa Building, First Floor, 28660 Boadilla del Monte, Spain (the " Expenses Loan Provider ").
Subordinated Loan Provider	The Seller.
Cross Currency Swap Counterparty	Deutsche Bank AG, London Branch (the " Cross Currency Swap Counterparty ").
Collections Account Bank	Skandinaviska Enskilda Banken AB (publ) (" SEB ").
Transaction Account Bank and Custodian	Deutsche Bank AG acting through its London Branch (" Deutsche Bank ") with its office at Winchester House, 1 Great Winchester Street, London EC2N 2DB (in its capacity as (a) transaction account bank, (the " Transaction Account Bank ") and (b) custodian (the " Custodian "), respectively).
Joint Lead Managers	Banco Santander, S.A., Paseo de Pereda 9-12, Santander, Spain, Deutsche Bank AG, London Branch, Winchester House, 1 Great Winchester Street, London EC2N 2DB, England, J.P. Morgan Securities plc, 25 Bank Street, Canary Wharf, London E14 5JP, England and RBC Europe Limited, Thames Court, 1 Queenhithe, London EC4V 3DQ, England.
Principal Paying Agent, Calculation Agent, Cash Administrator, and Common Servicer	Deutsche Bank in its capacity as (a) principal paying agent, (the " Principal Paying Agent "), (b) calculation agent, (the " Calculation Agent "), (c) cash administrator, (the " Cash Administrator ") and (d) common service provider, (the " Common Service Provider ").

Provider

Registrar and Transfer Agent Deutsche Bank Luxembourg S.A. (the "**Registrar**" and the "**Transfer Agent**").

Listing Agent The Bank of New York Mellon (Ireland) Limited (the "**Listing Agent**").

Rating Agencies Fitch Ratings Limited ("**Fitch**") and Moody's Investors Service Limited ("**Moody's**").

THE NOTES

The Transaction The Seller will sell and assign the Portfolio to the Issuer on or before the Note Issuance Date pursuant to a purchase agreement entered into between the Issuer and the Seller (the "**Auto Portfolio Purchase Agreement**"). The Issuer will issue the Notes on the Note Issuance Date and will grant security interests in the Portfolio to secure its obligations under the Notes and the Transaction Documents. The Transaction is not and the Notes are not a re-securitisation, as none of the assets backing the Notes is itself an asset-backed security or other securitisation position, and also are not a "synthetic" securitisation, in which risk transfer would be achieved through the use of credit derivatives or other similar financial instruments.

Classes of Notes The EUR 670,000,000 Class A Series A1 Floating Rate Secured Notes due on the Payment Date falling in April 2027 (the "**Series A1 Notes**"), the NOK 1,096,100,000 Class A Series A2 Floating Rate Secured Notes due on the Payment Date falling in April 2027 (the "**Series A2 Notes**"; together with the Series A1 Notes, the "**Class A Notes**") and the NOK 1,061,345,000 Class B Floating Rate Secured Notes due on the Payment Date falling in April 2027 (the "**Class B Notes**" and, together with the Class A Notes, the "**Notes**") will be backed by the Portfolio.

Following the issue of the Class A Notes and the Class B Notes, the Issuer will not issue any further Notes.

Signing Date 26 November 2012.

Note Issuance Date 28 November 2012.

Form and denomination The Series A1 Notes will be initially represented by a temporary global note in bearer form (the "**Temporary Global Note**") without interest coupons attached. The Temporary Global Note will be exchangeable for a permanent global note in bearer form which is recorded in the records of Euroclear and Clearstream (each a "**Permanent Global Note**", and together with the Temporary Global Notes, the "**Series A1 Note Certificates**") without interest coupons attached. Each Temporary Global Note will be exchangeable not earlier than 40 calendar days and not later than 180 calendar days after the Note Issuance Date, upon certification of non-U.S. beneficial ownership, for interests in a Permanent Global Note. The Series A1 Note Certificates will be deposited with a common safekeeper for Euroclear and Clearstream Luxembourg and on or before the Note Issuance Date and recorded in the records of Euroclear and Clearstream Luxembourg. The Series A2 Notes will be represented by one or more Note Certificates in definitive registered form and the Class B Notes will be represented by a Note Certificate in global registered form. The Series A2 Note Certificate and the Class B Note Certificate will be deposited with the Series A2 Noteholder and the Class B Noteholder respectively. The Series A1 Notes will be transferred in book-entry form only. Except in the limited circumstances described herein, in relation to the Series A2 Notes and the Class B Notes, definitive notes will not be issued in exchange for beneficial interests in a global note certificate. The Series A2 Notes will be transferred upon due registration in the register maintained by the Registrar.

The Notes will be issued, in the case of the Series A1 Notes, in the denomination of EUR 100,000 or an integral multiple of EUR 100,000 in excess thereof and, in the case of the Series A2 Notes and the Class B Notes, in the denomination of NOK 1,000,000 or an integral multiple of NOK 1,000 in excess thereof.

Status and priority	The Notes constitute direct, secured and unconditional obligations of the Issuer (but shall be limited recourse obligations as provided in the terms and conditions of the Notes (the " Note Conditions ")). The Class A Notes rank <i>pari passu</i> among themselves in respect of security. Following the delivery by the Note Trustee of an Enforcement Notice, the Class A Notes rank against all other current and future obligations of the Issuer in accordance with the Post-Enforcement Priority of Payments. The Class B Notes rank <i>pari passu</i> among themselves in respect of security. Following the delivery by the Note Trustee of an Enforcement Notice, the Class B Notes rank against all other current and future obligations of the Issuer in accordance with the Post-Enforcement Priority of Payments. In accordance with the Post-Enforcement Priority of Payments, the Class A Notes rank as to payments and as to security in priority to the Class B Notes.
Limited recourse	All payment obligations of the Issuer under the Notes will be limited recourse obligations of the Issuer to pay only the amounts available for such payment from the Available Distribution Amount in accordance with the Priorities of Payment.
Interest	<p>On each Payment Date, interest on the Notes of each Series and Class is payable monthly in arrear by applying the Reference Rate for the relevant Interest Period plus the relevant margin to the Series A1 Principal Amount, the Series A2 Principal Amount or the Class B Principal Amount (as applicable) outstanding immediately prior to the relevant Payment Date (as these terms are defined in Note Condition 4 (Interest)) of such Note. With respect to the Series A1 Notes, the margin will be 0.52% per annum, with respect to the Series A2 Notes, the margin will be 0.90% per annum and with respect to the Class B Notes, the margin will be 1.15% per annum.</p> <p>The Interest Period with respect to each Payment Date will be the period commencing on (and including) the Payment Date immediately preceding such Payment Date and ending on (but excluding) such Payment Date with the first Interest Period commencing on (and including) the Note Issuance Date and ending on (but excluding) the first Payment Date.</p> <p>Interest will be calculated on the basis of the actual number of days elapsed and a year of 360 days.</p>
Reference Rate	EURIBOR with respect to the Series A1 Notes and NIBOR with respect to the Series A2 Notes and the Class B Notes.
Payment Dates	Payments of principal and interest will be made to the Noteholders on the twenty-fifth day of each calendar month, unless such date is not a Business Day in which case the Payment Date shall be the next succeeding Business Day and the first Payment Date will be the Payment Date falling in January 2013.
Cut-Off Date	" Cut-Off Date " shall mean the last day of each calendar month, beginning 31 October 2012, and the Cut-Off Date with respect to any Payment Date is the Cut-Off Date immediately preceding such Payment Date.
Maturity Date	Unless previously redeemed or purchased and cancelled as described herein, each Class of Notes will be redeemed in full on the Payment Date falling in April 2027, subject to the limitations set forth in Note Condition 2.5 (Limited recourse and non petition). The Issuer will be under no obligation to make any payment under the Notes after the Maturity Date.
Amortisation	<p>On each Payment Date prior to the delivery by the Note Trustee of an Enforcement Notice and prior to the occurrence of a Class A Principal Payment Trigger Event, the Notes will be subject to redemption in accordance with the Pre-Enforcement Priority of Payments sequentially in the following order: first to the Series A1 Notes in an amount equal to the Series A1 Notes EUR Amortisation Amount for that Payment Date and second to the Series A2 Notes in an amount equal to the Series A2 Notes NOK Amortisation Amount for that Payment Date, provided that the Class A Notes shall only be redeemed on any Payment Date up to the excess of the Class A Principal Amount over the Class A Target Principal Amount, and, third, only after the Class A Notes are redeemed in full, the Class B Notes.</p> <p>Following the occurrence of a Class A Principal Payment Trigger Event, the Series A1 Notes will be redeemed <i>pari passu</i> and <i>pro rata</i> with the Series A2 Notes, and once the Class A Notes are redeemed in full, the Class B Notes shall be redeemed.</p>

On and after the delivery by the Note Trustee of an Enforcement Notice, the Notes will be subject to redemption in accordance with the Post-Enforcement Priority of Payments sequentially in the following order: *pari passu* and *pro rata* to the Series A1 Notes and the Series A2 Notes, and once the Class A Notes have been redeemed in full, the Class B Notes.

Clean-up call On any Payment Date on which the Aggregate Outstanding Note Principal Amount has been reduced to less than 10% of the Aggregate Outstanding Note Principal Amount as of the Note Issuance Date, the Seller will have, subject to certain requirements and prior notification to the FSAN, the option under the Auto Portfolio Purchase Agreement to repurchase all outstanding Purchased Auto Loans (together with any Related Collateral) held by the Issuer, and the Issuer shall, upon due exercise of such repurchase option, redeem all (but not some only) of the Notes on the Early Redemption Date (as defined in Note Condition 5.5(a)(ii)). The purchase price for any such repurchase shall equal the sum of (A) the then current Aggregate Outstanding Loan Principal Amount plus (B) any Deemed Collections (defined in the section entitled "Deemed Collections" below) owed by the Seller and other Collections received by the Seller, as Servicer, and not otherwise paid to the Issuer, plus (C) any interest on the Purchased Auto Loans accrued until and outstanding on the Early Redemption Date (and not included in such Deemed Collections). Such repurchase and redemption may take place only if, among other things, the proceeds distributable as a result of such repurchase will be at least equal to the then Class A Principal Amount plus accrued interest thereon together with all amounts ranking prior thereto according to the Pre-Enforcement Priority of Payments.

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

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

Secured Assets The obligations of the Issuer under the Notes will be secured by first ranking security interests granted to the Security Trustee for the benefit of the Noteholders and other Issuer Secured Parties:

- (a) under Norwegian law in respect of (i) the Issuer's monetary claims under the Portfolio acquired by the Issuer pursuant to the Auto Portfolio Purchase Agreement, (ii) the Issuer's monetary claims under the Servicing Agreement and the Issuer Collections Account Agreement, and (iii) the Issuer's right, title and interest in and to the Issuer Collections Account, all of which have been assigned and transferred by way of security or pledged to the Security Trustee pursuant to the Norwegian Security Agreement (collectively, the "**Norwegian Secured Assets**");
- (b) under Irish law in respect of the Issuer's rights under the Corporate Administration Agreement and the Auto Portfolio Purchase Agreement in accordance with the Irish Security Deed (collectively, the "**Irish Secured Assets**"); and
- (c) under English law in respect of the Issuer's rights under the Note Trust Deed, the Cross Currency Swap Agreement and certain other English law Transaction Documents and the rights of the Issuer in and to the Transaction Account and the Reserve Account and the Commingling Reserve Account and the Currency Swap Reserve Account (together the "**Issuer Secured Accounts**"; in accordance with the Security Trust Deed (collectively, the "**English Secured Assets**"; together with the Norwegian Secured Assets and the Irish Secured Assets, the "**Secured Assets**").

Upon the delivery by the Note Trustee of an Enforcement Notice, the Security Trustee will, subject to the terms of the Security Trust Deed, enforce or arrange for the enforcement of the Secured Assets and any proceeds obtained from the enforcement of the Secured Assets pursuant to the Security Documents (together with any other funds forming part of the Post-Enforcement Available Distribution Amount) will be applied exclusively in accordance with the Post-Enforcement Priority of Payments.

The Security Trustee will not be able to exercise any rights in relation to the Portfolio beyond those which may be exercised by the Issuer. The Issuer's rights in relation to the Portfolio will be limited to the rights which the Seller had under the Loan Contracts and Related Collateral and applicable law to enforce the Purchased Auto Loans and Related Collateral. Enforcement against debtors as borrowers (the "**Debtors**") can only take place in accordance with applicable enforcement legislation and provided that, among other things, the relevant Purchased Auto Loan is in default.

**The Portfolio:
Purchased
Auto Loans
and Related
Collateral**

The Portfolio underlying the Notes consists of (i) purchased auto loans ("**Purchased Auto Loans**") evidenced by non-negotiable promissory notes (*enkelt gjeldsbrev*) (each a "**Loan Contract**") executed by Debtors for the purpose of financing (A) the acquisition of the Financed Vehicles and (B) in certain cases where the Debtor has arranged for a CPI Policy with respect to the Debtor's acquisition of that Financed Vehicle, the insurance premium due and payable by the Debtor in relation to that CPI Policy and (ii) the Related Collateral.

The Related Collateral includes, *inter alia*, any security interest in the Financed Vehicles obtained by the Seller as security for the Purchased Auto Loans, any guarantees given for the Purchased Auto Loans, the benefit of any vehicle insurance claims relating to the Financed Vehicles, and the benefit of any credit insurance claims relating to the Debtors' outstanding debt to the Seller pursuant to the Loan Contracts (where the Seller has been named as beneficiary in respect of those claims), in each case only to the extent, if any, that such interests, rights and benefits are assignable and any required third party consent or any other required consent has been obtained.

The Portfolio will be assigned and transferred to the Issuer on the Note Issuance Date pursuant to the Auto Portfolio Purchase Agreement.

The aggregate Principal Amount of the Portfolio as of the beginning of business (in Oslo, Norway) on 30 September 2012 was NOK 7,936,587,183.

**Servicing of
the Portfolio**

The Portfolio will be administered, collected and enforced by the Seller in its capacity as Servicer and on behalf of the Issuer under a servicing agreement with, *inter alios*, the Issuer (the "**Servicing Agreement**") dated on or before the Note Issuance Date, and upon termination of the appointment of the Servicer following the occurrence of a Servicer Termination Event, by a substitute servicer appointed by the Issuer. Any substitute servicer must be a credit institution properly licensed or passported to conduct loan servicing activities in Norway and which has the experience or capability of administering assets similar to the Portfolio.

**Servicer
Termination
Event**

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

- (a) the Servicer fails to remit to the Issuer any Collections received by it or to make any other payment required to be made by the Servicer to the Issuer pursuant to the Servicing Agreement, in each case, on or within three Business Days after the date when such remittance or payment is required to be made in accordance with the Servicing Agreement or, if no such due date is specified, the date of demand for payment, provided however, that a delay or failure to make such a remittance or payment will not constitute a Servicer Termination Event if such delay or failure is caused by an event beyond the reasonable control of the Servicer, an act of God or other similar occurrence; or
- (b) the Servicer fails to perform any of its obligations (other than those referred to in paragraph 1 above) owed to the Issuer under the Servicing Agreement and such failure materially and adversely affects the rights of the Issuer or the Noteholders (as determined by the Note Trustee) and continues for (i) five Business Days in the case of failure by the Servicer to deliver any Monthly Report when due or (ii) 30 calendar days in the case of any other failure to perform, in each case after the date on which the Note Trustee gives written notice thereof to the Issuer and the Servicer or the Servicer otherwise has actual notice knowledge of such failure (whichever is earlier); provided however, that, subject to point 8 below, a delay or failure to perform any obligation will not constitute a Servicer Termination Event if such delay or failure is caused by an event beyond the reasonable control of the Servicer, an act of God or other similar occurrence; or

- (c) any of the representations and warranties made by the Servicer with respect to or in the Servicing Agreement or any Monthly Report or information transmitted is materially false or incorrect, such materiality to be determined by the Note Trustee; or
- (d) (i) proceedings are initiated against the Servicer under any applicable liquidation, insolvency, composition, reorganisation or other similar laws, or an application is made for the appointment of an administrative or other receiver, manager, administrator or other similar official, or an administrative or other receiver, manager, administrator or other similar official is appointed, in relation to the Servicer or, as the case may be, in relation to the whole or a substantial part of the undertaking or assets of the Servicer, or an encumbrancer takes possession of the whole or a substantial part of the undertaking or assets of the Servicer, or a distress, execution, attachment, sequestration or other process is levied, enforced upon, sued out or put in force against the whole or a substantial part of the undertaking or assets of the Servicer and (ii) in any such case (other than the appointment of an administrator), the proceedings, application, appointment, possession or process is not discharged or discontinued within 30 days; or
- (e) any licence, authorisation or registration of the Servicer required with respect to the Servicing Agreement and the Services to be performed thereunder is revoked, restricted or made subject to any material conditions that would be reasonably likely to have a material adverse effect on the Servicer's ability to perform the Services; or
- (f) when (i) the Servicer's Owner ceases to own 100% of the then issued and outstanding shares of capital stock of the Servicer or (ii) a Servicer's Owner Downgrade 4 occurs and has not been waived by the Note Trustee upon the written request of holders of at least 50% of the aggregate Note Principal Amount of the Senior Class of Notes Outstanding (provided that for this purpose Class A Notes held by the Seller or any Affiliate of the Seller shall be deemed not to be Outstanding) or if so directed by an Extraordinary Resolution of the Senior Class of Notes Outstanding (provided for this purpose Class A Notes held by the Seller or any Affiliate of the Seller shall be deemed not to be Outstanding) and in all cases, subject to the Note Trustee having been indemnified and/or prefunded and/or provided with security to its satisfaction; or
- (g) it is or becomes unlawful for the Servicer to perform or comply with any of its obligations under the Servicing Agreement;
- (h) the Servicer is prevented or severely hindered for a period of 60 days or more from complying with its obligations under the Servicing Agreement as a result of a force majeure event and such force majeure event continues for 30 Business Days after written notice of such non-compliance has been given by the Issuer or the Note Trustee.

Collections

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

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

- (a) all payments by or on behalf of any Debtor or any relevant guarantor or insurer in respect of principal (including, for the avoidance of doubt, principal amounts which arose as a result of the addition of Capitalised Interest to principal in accordance with the relevant Loan Contracts), interest, fees, premiums, expenses or otherwise in respect of such Purchased Auto Loan or under the related Loan Contract, including, without limitation, all payments made by CPI Insurers to or for the benefit of the Seller under a CPI Policy with respect to such Purchased Auto Loan, and any and all proceeds from vehicle insurance policies relating to the Financed Vehicles, but excluding, however, any payments in respect of insurance premiums which are identifiable as such and not included in the Principal Amount of such Purchased Auto Loan;
- (b) all cash proceeds in relation to the enforcement of any Related Collateral, any proceeds from the sale of Defaulted Auto Loans (together with the relevant Related Collateral) received by the Servicer on behalf of the Issuer from any third party and any participation in extraordinary profits after realisation of the Related Collateral to which the Issuer is entitled under the relevant Loan Contract;

- (c) all amounts paid to the Issuer by or on behalf of the Seller in respect of any Deemed Collections; and
- (d) interest paid to the Issuer by the Seller or the Collections Account Bank on any Collections on deposit in the Collections Accounts.

Collection Period

"Collection Period" shall mean, in relation to any Cut-Off Date, the period commencing on (but excluding) the Cut-Off Date immediately preceding such Cut-Off Date, and ending on (and including) such Cut-Off Date and with respect to the first Payment Date the period that commenced on 31 October 2012 (excluding such date) and ends on 31 December 2012 (including such date).

Deemed Collections

Pursuant to the Auto Portfolio Purchase Agreement, the Seller has undertaken to pay to the Issuer as a Deemed Collection the Outstanding Principal Amount (or the affected portion thereof) of any Purchased Auto Loan (plus accrued and unpaid interest) if such Purchased Auto Loan proves not to have been an Eligible Auto Loan on the Purchase Cut-Off Date, such Purchased Auto Loan becomes a Disputed Auto Loan, such Purchased Auto Loan is rescheduled or modified other than in accordance with the Servicing Agreement or certain other events occur. In accordance with the terms of the Auto Portfolio Purchase Agreement, in certain circumstances the receipt by the Issuer of a Deemed Collection will result in the relevant Purchased Auto Loan and Related Collateral related thereto being automatically re-assigned to the Seller on the next Payment Date following the payment of the Deemed Collection.

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

- (A) the Outstanding Principal Amount of such Purchased Auto Loan (or, as the context may require, the affected portion of such Outstanding Principal Amount, in each case before giving effect to an event described in this definition), plus accrued and unpaid interest on such Outstanding Principal Amount (or, as applicable, such portion) as of the date when the Seller makes payment to the Seller Collections Account or, as applicable, the Issuer Collections Account with respect to such Deemed Collection, if:
 - (i) such Purchased Auto Loan proves not to have been an Eligible Auto Loan on the Purchase Cut-Off Date;
 - (ii) such Purchased Auto Loan becomes a Disputed Auto Loan (irrespective of any subsequent court determination in respect thereof);
 - (iii) such Purchased Auto Loan is rescheduled (including any extension of its maturity date) or otherwise substantially modified (in each case, other than as a result of a Payment Holiday or otherwise in accordance with the Servicing Agreement and the Credit and Collection Policy, provided that any extension of the maturity date of any Purchased Auto Loan to a date later than 31 March 2025 shall result in a Deemed Collection with respect to that Auto Loan); or
 - (iv) such Purchased Auto Loan is cancelled or otherwise ceases to exist for any reason other than full payment by the Debtor to the Servicer or the Issuer (for example, if the Debtor requests and the Servicer agrees to exchange the Financed Vehicle for a different Financed Vehicle and in connection therewith to replace it with a different Loan Contract covering the replacement Financed Vehicle);

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

- (B) the amount of any reduction of the Outstanding Principal Amount of any Purchased Auto Loan, accrued and unpaid interest or any other amount owed by a Debtor with respect to such Purchased Auto Loan due to:
 - (i) any set-off against the Seller or the Issuer (as the case may be) due to a counterclaim of the Debtor, or any set-off or equivalent action against the relevant Debtor by the Seller;
 - (ii) any discount or other credit in favour of the Debtor (for the avoidance of doubt, the

granting of a Payment Holiday to a Debtor shall not be classified as a credit); or

- (iii) any final and conclusive decision by a court or similar authority with binding effect on the parties, based on any reason (including but not limited to any non-compliance with the minimum cash down payment requirements (*forskrifter om minste kontantinnst*) contained in the Norwegian Financial Agreements Act 1999 (as amended) and the Credit Agreement Regulations 2010).

Defaulted Auto Loans Any Purchased Auto Loan (which is not a Disputed Auto Loan) which has (a) an amount equivalent to at least six Loan Instalments overdue as indicated in the Monthly Report for the preceding Collection Period (provided, however, that any Loan Instalment which has been deferred during a Payment Holiday shall to that extent not be treated as overdue) or (b) been written-off by the Servicer in accordance with the Credit and Collection Policy (a "**Defaulted Auto Loan**").

Expenses Loan Pursuant to the Expenses Loan Agreement, the Expenses Loan Provider will make available to the Issuer an interest-bearing amortising funding loan (the "**Expenses Loan**") denominated in NOK which will not be credit-linked to the Portfolio and which will, subject to certain conditions, be disbursed on the Note Issuance Date to provide the Issuer with the funds necessary to pay certain amounts payable on the Note Issuance Date under the Transaction Documents (including, without limitation, the fees, costs and expenses payable on the Note Issuance Date by the Issuer to the Joint Lead Managers and to other parties in connection with the offer and sale of the Notes) and certain other costs.

The Expenses Loan will be repaid in twenty four (24) instalments on each Payment Date following the Note Issuance Date. The Expenses Loan will be subject to partial repayment, early repayment or optional repayment in specific circumstances and subject to certain conditions.

The claims and rights of the Expenses Loan Provider for repayment of and otherwise in respect of the Expenses Loan will, however, be limited to the amounts received by the Issuer from time to time in respect of a fee (the "**Transaction Cost Fee**") to be paid by the Seller on each Payment Date in accordance with the Auto Portfolio Purchase Agreement (and which will not form part of the Available Distribution Amount).

Collections Accounts As at the date of this Prospectus, the Debtors make payments in respect of Auto Loans into one or more bank accounts in the name of the Seller opened at the Collections Account Bank (together with any additional or substitute accounts of the Seller at the Collections Account Bank as may be permitted under the Transaction Documents, the "**Seller Collections Accounts**"). On or prior to the purchase of the Portfolio by the Issuer, the Debtors will be instructed to continue to make payments on the Purchased Auto Loans into the Seller Collections Accounts until they are otherwise directed. The Servicer will, on each Oslo Banking Day on which any payments are received and credited to any Seller Collections Account, identify the portion, if any, of those payments that constitute Collections.

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

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

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

The Servicing Agreement will provide that, on the occurrence of (i) a Servicer's Owner Downgrade 3 or (ii) a Servicer Termination Event (each a "**Notification Event**"), the Servicer, on behalf of the Issuer, will instruct the Debtors to make payments on Purchased Auto Loans to a specified account of

the Issuer (the "**Issuer Collections Account**"; together with the Seller Collections Accounts, the "**Collections Accounts**") at the Collections Account Bank. On a daily basis, the Servicer will arrange for the transfer of the amounts on deposit in the Issuer Collections Account to the Transaction Account.

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

Reserve Fund and Liquidity Reserve The Class A Notes will have the benefit of (a) a credit reserve in an amount up to the Required Reserve Amount (the "**Reserve Fund**"), which is designed to provide additional credit enhancement for the Class A Notes, and (b) a liquidity reserve in an amount up to the Required Liquidity Reserve Amount (the "**Liquidity Reserve**"), designed to cover temporary shortfalls in Collections available to pay senior expenses and interest on the Class A Notes and, on the earlier of (i) the Payment Date, if any, on which the Aggregate Outstanding Loan Principal Amount is zero but the Class A Notes have not been redeemed in full, and (ii) the Maturity Date, to cover shortfalls in Collections available to pay the outstanding principal amount of the Class A Notes. The Reserve Fund and the Liquidity Reserve will be denominated in NOK. Prior to the delivery by the Note Trustee of an Enforcement Notice, to the extent the Reserve Fund has been applied to meet the payment obligations of the Issuer in accordance with the Pre-Enforcement Priority of Payments, the Reserve Account will be replenished on each Payment Date, up to the sum of the Required Reserve Amount and the Required Liquidity Reserve Amount as determined at the Cut-Off Date immediately preceding that Payment Date, by any excess funds of the Available Distribution Amount which are not used to meet the prior-ranking payment obligations of the Issuer in accordance with the Pre-Enforcement Priority of Payments.

Reserve Account "**Reserve Account**" shall mean a specified account in the name of the Issuer at the Transaction Account Bank, as may be redesignated or replaced from time to time in accordance with the Transaction Documents. The Reserve Fund and the Liquidity Reserve will be held in the Reserve Account, and the Supplementary Liquidity Ledger will be established and maintained on the Reserve Account. The funds in the Reserve Account will be invested by the Issuer from time to time in Permitted Investments maturing at least one Business Day before the next following Payment Date.

Subordinated Loan Pursuant to and in accordance with the terms of the Auto Portfolio Purchase Agreement, the Subordinated Loan Provider will make available to the Issuer a loan facility denominated in NOK under which the Subordinated Loan Provider will make one or more interest-bearing amortising advances to the Issuer. The initial advance will be made thereunder on the Note Issuance Date in order to fund the Reserve Account, the CPI Reserve Ledger and the Commingling Reserve Account. After the Note Issuance Date, the Subordinated Loan Provider shall make further advances to the Issuer if funds are required to be credited to the CPI Reserve Ledger, the Commingling Reserve Account or the Supplementary Liquidity Ledger pursuant to the Transaction Documents, and the Subordinated Loan Provider may, in its sole discretion, make Series A1 Principal Requirement Advances to the Issuer if such funds are required. The Subordinated Loan will be repaid in accordance with the Priorities of Payment and the Transaction Documents.

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

- (a) on the Note Issuance Date and as at each Cut-Off Date prior to (but excluding) the Amortisation Threshold Date, an amount equal to (i) 3.00% of the Initial Aggregate Outstanding Note Principal Amount less (ii) the Required Liquidity Reserve Amount;
- (b) on the Cut-Off Date falling on or after the Amortisation Threshold Date and as at each Cut-Off Date following the Amortisation Threshold Date, an amount equal to (i) 6.00% of the Aggregate Outstanding Note Principal Amount as at the applicable Cut-Off Date less (ii) the Required Liquidity Reserve Amount as at such Cut-Off Date; and
- (c) zero, following the earliest of:
 - (i) repayment in full of interest and principal due in respect of the Class A Notes;

- (ii) the Cut-Off Date on which the Aggregate Outstanding Loan Principal Amount is zero but the Class A Notes have not been redeemed in full; and
- (iii) the Maturity Date,

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

further provided that, if a Reserve Shortfall occurred on the preceding Payment Date, the Required Reserve Amount shall not be less than the Required Reserve Amount as of the Cut-Off Date immediately preceding that Payment Date

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

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

**Required
Liquidity
Reserve
Amount**

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

- (a) on the Note Issuance Date, NOK 70,752,450;
- (b) as at each Cut-Off Date prior to (but excluding) the Amortisation Threshold Date, an amount equal to 1.00% of the Initial Aggregate Outstanding Note Principal Amount;
- (c) on the Cut-Off Date falling on the Amortisation Threshold Date and as at each Cut-Off Date following the Amortisation Threshold Date, an amount equal to 2.00% of the Aggregate Outstanding Note Principal Amount as at such Cut-Off Date; and
- (d) zero following the earliest of:
 - (i) repayment in full of interest and principal due in respect of the Class A Notes;
 - (ii) the Cut-Off Date on which the Aggregate Outstanding Loan Principal Amount is zero but the Class A Notes have not been redeemed in full; and
 - (iii) the Maturity Date;

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

further provided that, if a Liquidity Reserve Shortfall occurred on the preceding Payment Date, the Required Liquidity Reserve Amount shall not be less than the Required Liquidity Reserve Amount as of the Cut-Off Date immediately preceding that Payment Date.

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

**Commingling
Reserve
Account**

As at the date of this Prospectus, a Servicer's Owner Downgrade 1 has occurred, as the Servicer's Owner's short-term and long-term unsecured, unsubordinated and unguaranteed indebtedness is rated P-2 and Baa2 or lower respectively by Moody's and F2 and BBB+ or lower respectively by Fitch. As a consequence, on or before the Note Issuance Date, the **"Commingling Reserve Account"** will be funded through the proceeds of an advance made by the Subordinated Loan Provider to the Issuer in an amount equal to the Commingling Reserve Required Amount.

If, as at any Cut-Off Date, the amount standing to the credit of the Commingling Reserve Account exceeds the Commingling Reserve Required Amount (which shall be zero if no Servicer's Owner Downgrade 1 exists) then an amount equal to such excess shall be released and applied towards

repayment of the Subordinated Loan on the immediately following Payment Date.

If, on a Cut-Off Date falling after the occurrence of a Servicer Termination Event of the type described in paragraph (d) of the definition of that term, the Servicer (or the Seller as applicable) holds any Collections, the Calculation Agent, pursuant to the Agency Agreement, and the Note Trustee will treat an equivalent amount of the funds standing to the credit of the Commingling Reserve Account as part of the Available Distribution Amount or the Post-Enforcement Available Distribution Amount, as applicable.

If as at any Cut-Off Date the amount standing to the credit of the Commingling Reserve Account is less than the Commingling Reserve Required Amount, then the Servicer (or, if the Seller is not the Servicer, the Seller) shall procure that the Subordinated Loan Provider, within 10 Business Days, makes available to the Issuer an advance by way of deposit to the Commingling Reserve Account in an amount equal to the shortfall.

On the Discharge Date or, if earlier, on the first Business Day falling not less than two months following the earlier of (i) the date of any notice given to the Debtors to make payments on Purchased Auto Loans to the Issuer Collections Account and (ii) the appointment of a substitute servicer on a Servicer Termination Event, any amount standing to the credit of the Commingling Reserve Account shall be released to the Subordinated Loan Provider on the immediately following Payment Date.

The funds standing to the credit of the Commingling Reserve Account may, in the discretion of the Servicer, be invested by the Issuer from time to time in Permitted Investments.

Commingling Reserve Required Amount

The Commingling Reserve Required Amount will be:

- (a) on the Note Issuance Date and as at the first and second Cut-Off Date falling after the Note Issuance Date, an amount equal to 3.5% of the Initial Aggregate Outstanding Note Principal Amount;
- (b) as at each Cut-Off Date thereafter, an amount to be determined by the Servicer and set out in the Monthly Report on the next following Reporting Date as the lesser of:
 - (i) an amount equal to the Commingling Required Reserve Amount as at the immediately preceding Cut-Off Date; and
 - (ii) the product of 1.10 and the average of Collections for the Collection Period ending on that Cut-Off Date and Collections for the immediately preceding two Collection Periods,

provided that if a Servicer's Owner Downgrade 1 does not exist, the Commingling Reserve Required Amount shall be zero.

CPI Reserve Ledger

Pursuant to Clause 9.3 of the Servicing Agreement, if (a) a Servicer's Owner Downgrade 2 exists and is continuing or (b) there is a change of control of the Servicer or the Subordinated Loan Provider (in each case, so long as it is Santander Consumer Bank AS), then the Servicer (or, if the Seller is not the Servicer, the Seller), shall, at its own cost, either: (i) within 14 calendar days, obtain from a third party with the Required Ratings a guarantee of the Seller's obligations under the Auto Portfolio Purchase Agreement to pay to the Issuer a Deemed Collection in the amount of any unpaid portion of the Outstanding Principal Amount of any Purchased Auto Loan corresponding to CPI Policy premium where the related CPI Policy has been cancelled (each a "**CPI Deemed Collection**"); or (ii) procure that, within 14 calendar days, the Servicer will establish and maintain a ledger on the Transaction Account (the "**CPI Reserve Ledger**") to hold an amount as determined by the Servicer or Seller which shall be made available by the Subordinated Loan Provider. Such amount shall be equal to the aggregate of all CPI Deemed Collections that would have been payable by the Seller in the event that, as at the immediately preceding Cut-Off Date, the CPI Policies relating to all outstanding Purchased Auto Loans had been cancelled.

For these purposes, "**control**" means the power, direct or indirect (A) to vote more than 50% of the securities having ordinary voting power for the election of directors of the Servicer or the Subordinated Loan Provider, or (B) to direct or cause the direction of the management and policies of the Servicer or the Subordinated Loan Provider whether by contract or otherwise (provided that assumption of control by an Affiliate of Santander Consumer Bank AS shall not constitute a change of control provided that such Affiliate and its immediate parent have long-term ratings of at least A by

Fitch).

If, during any Collection Period, the Seller fails to make payment of any CPI Deemed Collection, an amount equal to the aggregate of such unpaid CPI Deemed Collections shall be released on the immediately following Payment Date and treated as part of the Available Distribution Amount or, following delivery of an Enforcement Notice, the Post-Enforcement Available Distribution Amount.

The Servicing Agreement will provide further that if, as at any Cut-Off Date (i) the amount standing to the credit of the CPI Reserve Ledger exceeds the amount equal to the aggregate of all CPI Deemed Collections that would be payable by the Seller in the event that, as at such Cut-Off Date, the CPI Policies relating to all outstanding Purchased Auto Loans had been cancelled, then an amount equal to such excess shall be released and applied towards repayment of the Subordinated Loan on the immediately following Payment Date; or (ii) the Servicer's Owner Downgrade 2 has been cured, then the amount standing to the credit of the CPI Reserve Ledger shall be released and applied towards repayment of the Subordinated Loan on the immediately following Payment Date.

On the Payment Date on which the Class A Notes are redeemed in full and all interest thereon has been paid or if the Issuer has insufficient funds to redeem the Class A Notes in full following the enforcement of the Secured Assets pursuant to the Security Documents, any amount standing to the credit of the CPI Reserve Ledger shall be released and applied towards repayment of the Subordinated Loan on such Payment Date.

**Supplementary
Liquidity
Ledger**

Pursuant to Clause 9.4 of the Servicing Agreement, the Cash Administrator will establish and maintain a ledger on the Reserve Account to hold an amount equal to the Supplementary Liquidity Reserve Amount (if any) from time to time (the "**Supplementary Liquidity Ledger**"). If, as at any Cut-Off Date, (a) the amount standing to the credit of the Supplementary Liquidity Ledger exceeds the Supplementary Liquidity Reserve Amount, then an amount equal to such excess shall be released and applied towards repayment of the Subordinated Loan on the immediately following Payment Date (and, for the avoidance of doubt, the amount released shall be paid to the Subordinated Loan Provider directly and shall not form part of the Available Distribution Amount); and (b) the amount paid to the credit of the Supplementary Liquidity Ledger due to application of funds pursuant to item (q) of the Pre-Enforcement Priority of Payments on the following Payment Date will be less than the Supplementary Liquidity Reserve Payment on the relevant Cut-Off Date (after giving effect to the amount, if any, to be distributed pursuant to item (q) in the Pre-Enforcement Priority of Payments), then the Servicer (or, if the Seller is not the Servicer, the Seller) shall procure that the Subordinated Loan Provider, within 10 Business Days, makes available to the Issuer an advance by way of deposit to the Supplementary Liquidity Ledger on the Reserve Account in an amount equal to the shortfall.

**Class A Cash
Accumulation
Fund**

The Class A Notes will have the benefit of the amount, if any, from time to time retained in the Transaction Account and standing to the credit of the Class A Cash Accumulation Ledger (the "**Class A Cash Accumulation Fund**"), which will be available solely for payments of principal on the Class A Notes (and, following payment in full of the Class A Principal Amount, of principal of the Class B Notes) in accordance with the relevant Priority of Payments. For the avoidance of doubt, the Class A Cash Accumulation Fund forms a part of the Available Distribution Amount but is only available for payments of principal on the Class A Notes (and, following payment in full of the Class A Principal Amount, of principal of the Class B Notes), not for any other items in the relevant Priority of Payments. Prior to the occurrence of a Class A Principal Payment Trigger Event, the delivery by the Note Trustee of an Enforcement Notice or the redemption of all Class A Notes in full, the Class A Cash Accumulation Fund is available for payments of principal on the Class A Notes and, if on the Cut-off Date prior to the relevant Payment Date the Class A Cash Accumulation Fund exceeds the Class A Principal Amount, any such excess shall be used for payments of principal on the Class B Notes. On or after the occurrence of a Class A Principal Payment Trigger Event, the delivery of an Enforcement Notice or the redemption of all Class A Notes in full, the Class A Cash Accumulation Fund is available for payments of principal on all Notes. The Class A Cash Accumulation Fund will be used first (before the remainder of the Available Distribution Amount) for principal payments on the relevant Class A Notes. The remainder of the Available Distribution Amount will be applied for the other items in the relevant Priority of Payments and only used for principal payments on the relevant Class A Notes if the Class A Cash Accumulation Fund is not sufficient for that purpose. The Class A Cash Accumulation Ledger will be maintained as a ledger to the Transaction Account. Prior to the delivery of an Enforcement Notice, the Class A Cash Accumulation Ledger will be replenished on each Payment Date up to the Class A Cash Accumulation Ledger Required Amount in accordance with the Pre-Enforcement Priority of Payments. See "*TERMS AND CONDITIONS OF THE NOTES Redemption Pre-Enforcement*

Priority of Payments".

**Series A1
Principal
Requirement
Shortfall**

If, on any Cut-Off Date, prior to a Class A Principal Payment Trigger Event, the Servicer determines that there is a Series A1 Principal Requirement Shortfall with respect to the immediately following Payment Date, the Servicer shall notify the Issuer and the Seller of the amount of such Series A1 Principal Requirement Shortfall. Upon being so notified, the Subordinated Loan Provider may, in its sole discretion, make funds available to the Issuer prior to such immediately following Payment Date in any amount up to (and including) the Series A1 Principal Requirement Shortfall (such funds being a "**Series A1 Principal Requirement Advance**"). Such funds shall be credited to the Transaction Account and applied on the immediately following Payment Date, together with the portion of the Available Distribution Amount available to make the payments of principal on the Series A1 Notes under item (g) (prior to a Class A Principal Payment Trigger Event) of the Pre-Enforcement Priority of Payments in order to reduce or eliminate the Series A1 Principal Requirement Shortfall.

The Series A1 Principal Requirement Advance shall be in the form of an advance from the Subordinated Loan Provider to the Issuer under the Auto Portfolio Purchase Agreement. Repayment of amounts (if any) advanced pursuant to the Series A1 Principal Requirement Advance shall rank in priority to payment by the Issuer on the Subordinated Loan to the Subordinated Loan Provider of principal and interest or any other amounts under the Auto Portfolio Purchase Agreement.

**Available
Distribution
Amount**

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

- (a) the amounts standing to the credit of the Reserve Account as of such Cut-Off Date;
- (b) any Collections (including, for the avoidance of doubt, Deemed Collections paid by the Seller or (if different) the Servicer) received by the Seller or (if different) the Servicer during the Collection Period ending on such Cut-Off Date;
- (c) any amounts received or to be received by the Issuer or the Principal Paying Agent on behalf of the Issuer under the Cross Currency Swap Agreement (or, if the Cross Currency Swap Transaction has been terminated and not replaced, Norwegian kroner converted into Euro at the Spot Rate by the Cash Administrator plus amounts standing to the credit of the Currency Swap Reserve Account to pay, firstly, any applicable Currency Swap Deferred Interest Amounts and, secondly, any applicable Currency Swap Deferred Principal Amounts) on or before and with respect to the Payment Date immediately following such Cut-Off Date (excluding, for the avoidance of doubt, (i) any collateral posted by the Cross Currency Swap Counterparty under any Credit Support Annex and any interest thereon but including any enforcement proceeds from such collateral applied in satisfaction of payments due to the Issuer in accordance with the Cross Currency Swap Agreement and, upon termination of a Cross Currency Swap Transaction, including any proceeds from such collateral to the extent not applied to put in place a replacement cross-currency swap transaction and (ii) any amount received by the Issuer by way of any premium paid by any replacement Cross Currency Swap Counterparty to the extent applied to pay any termination payment under such Cross Currency Swap Agreement being replaced);
- (d) the amounts paid by the Seller to the Issuer during such period pursuant to the Auto Portfolio Purchase Agreement in respect of: (A) any stamp duty, registration and other similar taxes, (B) any taxes levied on the Issuer and any relevant parties involved in the financing of the Issuer due to the Issuer and such parties having entered into the Auto Portfolio Purchase Agreement, the other Transaction Documents or other agreements relating to the financing of the acquisition by the Issuer of the Purchased Auto Loans, (C) any liabilities, costs, claims and expenses which arise from the non-payment or the delayed payment of any taxes specified under (B) above, except for those penalties and interest charges which are attributable to the gross negligence of the Issuer, and (D) any additional amounts corresponding to sums which the Seller is required to deduct or withhold for or on account of tax with respect to all payments made by the Seller to the Issuer under the Auto Portfolio Purchase Agreement;
- (e) (i) any amounts paid by the Seller to the Issuer in respect of (A) any default interest on unpaid sums due by the Seller to the Issuer and (B) any indemnities against any loss or expense, including legal fees, incurred by the Issuer as a consequence of any default of the Seller, in each case paid by the Seller to the Issuer pursuant to the Auto Portfolio Purchase

Agreement, and (ii) any default interest and indemnities paid by the Servicer to the Issuer pursuant to the Servicing Agreement, in each case as collected during such Collection Period;

- (f) any other amounts paid by the Seller to the Issuer under or with respect to the Auto Portfolio Purchase Agreement (other than the Subordinated Loan and any Transaction Cost Fee) or the Purchased Auto Loans or the Related Collateral and any other amounts paid by the Servicer to the Issuer under or with respect to the Servicing Agreement, the Purchased Auto Loans or the Related Collateral, in each case as paid to the Issuer and deposited to the Transaction Account during such Collection Period;
- (g) any interest earned on and paid into any Issuer Secured Account or paid by the Seller or the Collections Account Bank to the Issuer in respect of Collections held in any Collections Account during such Collection Period;
- (h) if applicable, any amount on deposit in the Commingling Reserve Account, to the extent provided in the Servicing Agreement and the Agency Agreement;
- (i) any funds standing to the credit of the CPI Reserve Ledger released from the Transaction Account in accordance with the Servicing Agreement and the Agency Agreement;
- (j) in respect of payments of principal on the Class A Notes, in accordance with the relevant Priority of Payments only, the amounts then standing to the credit of the Class A Cash Accumulation Ledger; and
- (k) any Series A1 Principal Requirement Advances paid by the Subordinated Loan Provider to the Issuer under the Auto Portfolio Purchase Agreement, provided that any such amounts shall solely be available and applied to reduce or eliminate any Series A1 Principal Requirement Shortfall under item (g) (prior to a Class A Principal Payment Trigger Event) of the Pre-Enforcement Priority of Payments.

Payments to Series A1 Noteholders in respect of interest payments

Interest will be due and payable on the Series A1 Notes on each Payment Date. However, subject to the provisions set out below, on each Payment Date the Issuer shall only be obliged to pay the Issuer Swap Interest to the Cross Currency Swap Counterparty (who shall then pay the Cross Currency Swap Interest to the Issuer for the account of the Series A1 Noteholders) or, if there is no Cross Currency Swap Transaction in place, to the Cash Administrator (to be converted into Euro at the Spot Rate) who shall then pay the Euro amount to the Issuer to fund payments of interest on the Series A1 Notes.

In respect of the Series A1 Notes only, if the Cross Currency Swap Transaction has been terminated and no replacement cross-currency swap transaction entered into in its place, then, on each Payment Date prior to the delivery by the Note Trustee of an Enforcement Notice:

- (a) to the extent that the Issuer Swap Interest payable by the Issuer on that Payment Date (once converted into Euro at the Spot Rate by the Cash Administrator) is insufficient to pay the Interest Amount due and payable on the Series A1 Notes on that Payment Date, the shortfall amounts (such amounts being "**Currency Swap Deferred Interest Amounts**") shall be paid on that Payment Date *first*, from any Currency Swap Excess Amounts (as defined in paragraph (b) below) available to pay Currency Swap Deferred Interest Amounts, and *second*, from Available Distribution Amounts as a subordinated item in the Pre-Enforcement Priority of Payments, with the payment of any remainder being deferred until such Payment Date as there are Currency Swap Excess Amounts available, or funds available under the Pre-Enforcement Priority of Payments, to pay Currency Swap Deferred Interest Amounts; and
- (b) to the extent that the Issuer Swap Interest payable by the Issuer on such Payment Date (once converted into Euro at the Spot Rate by the Cash Administrator) is greater than the Interest Amount due and payable on such Series A1 Notes on such Payment Date, the excess amounts (such amounts being "**Currency Swap Excess Interest Amounts**") shall be used to pay on such Payment Date, *first* Currency Swap Deferred Interest Amounts, and *second*, Currency Swap Deferred Principal Amounts, with any excess being transferred to the Currency Swap Reserve Account where, subject to the terms of the Transaction Documents, it may be applied on subsequent Payment Dates to pay, *first* Currency Swap Deferred Interest Amounts, and *second*, Currency Swap Deferred Principal Amounts or it may be applied towards the purchase, on any future date, of a replacement currency swap for the Series A1

Notes.

In respect of the Series A1 Notes only, if the Cross Currency Swap Transaction has been terminated and no replacement cross-currency swap transaction entered into in its place, then on each Payment Date on or after the delivery by the Note Trustee of an Enforcement Notice, any Currency Swap Deferred Interest Amount remaining outstanding shall be paid in accordance with the Post-Enforcement Priority of Payments.

Payments to Series A1 Noteholders in respect of principal payments

Subject to the applicable Priority of Payments and any Carried Over EUR Amortisation Amount, the applicable Expected EUR Amortisation Amount will be due and payable by the Issuer to the Series A1 Noteholders on each Payment Date. However, subject to the provisions set out below, on each Payment Date the Issuer shall only be obliged to pay the Series A1 Notes NOK Amortisation Amount to the Cross Currency Swap Counterparty (who shall then pay the Series A1 Notes EUR Amortisation Amount to the Issuer for the account of the Series A1 Noteholders).

Provided that, if the Cross Currency Swap Transaction has been terminated and no replacement currency swap entered into in its place then, on each Payment Date prior to the delivery by the Note Trustee of an Enforcement Notice:

- (a) to the extent that the Available Distribution Amount available under the Pre-Enforcement Priority of Payments to pay principal on the Series A1 Notes (once converted into Euro at the Spot Rate by the Cash Administrator) is less than the amount of funds that would have been payable by the Cross Currency Swap Counterparty on that Payment Date in respect of such principal if the Cross Currency Swap Transaction had still been in full force and effect, the shortfall amounts (such amounts being "**Currency Swap Deferred Principal Amounts**" and together with the Currency Swap Deferred Interest Amounts, the "**Currency Swap Deferred Amounts**") shall be paid on that Payment Date, first, from any Currency Swap Excess Amounts available to pay Currency Swap Deferred Principal Amounts, and second, from Available Distribution Amounts as a subordinated item in the Pre-Enforcement Priority of Payments with the payment of any remainder being deferred until such Payment Date as there are any Currency Swap Excess Amounts available, or funds available under the Pre-Enforcement Priority of Payments, to pay Currency Swap Deferred Principal Amounts; and
- (b) to the extent that the Available Distribution Amount available under the Pre-Enforcement Priority of Payments to pay principal on the Series A1 Notes (once converted into Euro at the Spot Rate by the Cash Administrator) is greater than the amount of funds that would have been payable by the Cross Currency Swap Counterparty on that Payment Date in respect of such principal if the Cross Currency Swap Transaction had still been in full force and effect, the excess amounts (such amounts being "**Currency Swap Excess Principal Amounts**" and together with any Currency Swap Excess Interest Amounts and any termination payment received by the Issuer and deposited in the relevant Currency Swap Reserve Account, "**Currency Swap Excess Amounts**") shall be used to pay on such Payment Date, first, Currency Swap Deferred Interest Amounts, and second, Currency Swap Deferred Principal Amounts, with any excess being transferred to the Currency Swap Reserve Account where, subject to the terms of the Transaction Documents, it may be applied on subsequent Payment Dates to pay, first, Currency Swap Deferred Interest Amounts, and second, Currency Swap Deferred Principal Amounts, or it may be applied towards the purchase, on any future date, of a replacement cross-currency swap for the Series A1 Notes.

On each Payment Date on or after the delivery by the Note Trustee of an Enforcement Notice, any Currency Swap Deferred Principal Amounts remaining outstanding shall be paid in accordance with the Post-Enforcement Priority of Payments.

Pre-Enforcement Priority of Payments

On each Payment Date prior to the delivery by the Note Trustee of an Enforcement Notice, the Available Distribution Amount as of the Cut-Off Date immediately preceding such Payment Date shall be applied by the Cash Administrator in accordance with the following order of priority in each case only to the extent payments of a higher priority have been made in full and to the extent permitted by applicable law:

- (a) *first*, to pay any obligation of the Issuer which is due and payable with respect to any taxes including corporation and trade tax under any applicable law (if any);
- (b) *second*, to pay *pari passu* with each other on a *pro rata* basis (according to the respective amounts due and payable) any fees, costs, taxes (excluding, for the avoidance of doubt, any

income taxes or other general taxes due and payable in the ordinary course of business), expenses, indemnity payments and other amounts due and payable to the Note Trustee and the Security Trustee under the Transaction Documents;

- (c) *third*, to pay *pari passu* with each other on a *pro rata* basis (according to the respective amounts due and payable) any fees, costs, taxes (excluding, for the avoidance of doubt, any income taxes or other general taxes due in the ordinary course of business), expenses, indemnity payments and other amounts due and payable to the directors of the Issuer (properly incurred with respect to their duties), legal advisers, tax advisers or auditors of the Issuer, the Rating Agencies (including any ongoing monitoring fees), the Principal Paying Agent, the Calculation Agent, the Registrar, the Transfer Agent and the Cash Administrator under the Agency Agreement, the Corporate Administrator under the Corporate Administration Agreement, the Custodian under the Custody Agreement, the Transaction Account Bank under the Transaction Account Agreement, the Collections Account Bank under the Issuer Collections Account Agreement, the Joint Lead Managers under the Subscription Agreement (excluding commissions and concessions (if any) which are payable to the Joint Lead Managers under the Subscription Agreement on the Note Issuance Date and which are to be paid by the Issuer by applying the funds disbursed to it under the Expenses Loan), the relevant stock exchange on which the Notes may be listed, any listing agent, any intermediary between the Issuer, the Noteholders and the relevant stock exchange, the Common Safekeeper, the Common Service Provider and any other relevant party with respect to the issue of the Notes and any other amounts due and payable from the Issuer in connection with the establishment, liquidation and/or or dissolution of the Issuer or any annual return, filing, registration and registered office or other company, licence or statutory fees in Ireland, and a reserved profit of the Issuer of EUR 1,000 annually;
- (d) *fourth*, to pay *pari passu* with each other on a *pro rata* basis (according to the respective amounts due and payable) any fees (including the Servicer Fee), costs, taxes (excluding, for the avoidance of doubt, any income taxes or other general taxes due in the ordinary course of business), expenses and other amounts due and payable to the Servicer under the Servicing Agreement, and any such amounts due and payable to any substitute servicer (including any expenses, costs and fees incurred in the course of replacement) for the Purchased Auto Loans and the Related Collateral which may be appointed from time to time in accordance with the Auto Portfolio Purchase Agreement or the Servicing Agreement;
- (e) *fifth*, to pay *pari passu* with each other and on a *pro rata* basis (according to the respective amounts of the Issuer Swap Interest, the Series A2 Notes Interest and any termination payments due and payable under item (e)(iii)):
 - (i) the Series A1 Notes Interest in relation to the Series A1 Notes (other than Currency Swap Deferred Interest Amounts) provided always that for the purposes of making the payments of Series A1 Notes Interest under this item (e)(i):
 - (A) the Issuer shall pay the Issuer Swap Interest to the Cross Currency Swap Counterparty in accordance with the Cross Currency Swap Agreement and the Cross Currency Swap Counterparty shall pay the Cross Currency Swap Counterparty Swap Interest (determined in accordance with the Cross Currency Swap Agreement) to the Principal Paying Agent for the account of the Series A1 Noteholders; or
 - (B) if there is no Cross Currency Swap Transaction in effect, the Issuer shall pay the Issuer Swap Interest (that would have been due under the Cross Currency Swap Transaction) to the Cash Administrator and the Cash Administrator shall convert such amount into Euro at the Spot Rate and pay such Euro amount to the Principal Paying Agent for the account of the Series A1 Noteholders, if the amount resulting from the conversion of the Series A1 Notes Interest by the Cash Administrator is greater than the Interest Amount payable to the Series A1 Noteholders, such Currency Swap Excess Interest Amounts shall be used to pay Currency Swap Deferred Amounts on the Series A1 Notes with any remainder transferred to the Currency Swap Reserve Account; and
 - (ii) the Series A2 Notes Interest to the Series A2 Noteholders; and

- (iii) any termination payments due and payable to the Cross Currency Swap Counterparty under the Cross Currency Swap Agreement (other than any Swap Subordinated Amounts);
- (f) *sixth*, until (but not including) the Payment Date on which the Class A Principal Amount is reduced to zero, first to credit the Supplementary Liquidity Ledger so that the Supplementary Liquidity Ledger Amount equals the Supplementary Liquidity Ledger Amount as of such Cut-Off Date, and second to credit the Reserve Account so that the amount on deposit in the Reserve Account in respect of the Liquidity Reserve will equal the Required Liquidity Reserve Amount as of such Cut-Off Date;
- (g) *seventh*, in an aggregate amount equal to the Available Principal Collections, if such Payment Date occurs:
 - (i) prior to a Class A Principal Payment Trigger Event,
 - (A) *first*, to pay to the Series A1 Noteholders the Series A1 Notes EUR Amortisation Amount (other than Currency Swap Deferred Principal Amounts), provided always that for the purposes of paying the Series A1 Notes EUR Amortisation Amount under this item (g)(i):
 - (1) the Issuer shall pay the Series A1 Notes NOK Amortisation Amount to the Cross Currency Swap Counterparty in accordance with the Cross Currency Swap Agreement and the Cross Currency Swap Counterparty shall pay the Series A1 Notes EUR Amortisation Amount (determined in accordance with the Cross Currency Swap Agreement) to the Principal Paying Agent for the account of the Series A1 Noteholders; or
 - (2) if there is no Cross Currency Swap Transaction in effect, the Issuer shall pay the amount in Norwegian kroner (that would have been due under the Cross Currency Swap Transaction) to the Cash Administrator and the Cash Administrator shall convert such Norwegian kroner amount into Euro at the Spot Rate and pay the Euro amount to the Principal Paying Agent for the account of the Series A1 Noteholders, if the amount resulting from the conversion of the amount in Norwegian kroner by the Cash Administrator is greater than the amount of funds that would have been payable by the Cross Currency Swap Counterparty on that Payment Date in respect of such principal if the Currency Swap Transaction was still in effect, such Currency Swap Excess Principal Amounts shall be used to pay Currency Swap Deferred Amounts on the Series A1 Notes with any remainder transferred to the Currency Swap Reserve Account; and
 - (B) *second*, to pay the Series A2 Notes NOK Amortisation Amount to the Series A2 Noteholders;
 - (ii) on or after a Class A Principal Payment Trigger Event, to pay *pari passu* with each other on a *pro rata* basis (according to the respective amounts of the NOK Equivalent of the Series A1 Principal Amount and the Series A2 Principal Amount):
 - (A) the Series A1 Principal Amount until the Note Principal Amount of the Series A1 Notes has been reduced to zero provided always that for the purposes of paying the Series A1 Principal Amount under this item (g)(ii):
 - (1) the Issuer shall pay an amount in Norwegian kroner to the Cross Currency Swap Counterparty and the Cross Currency Swap Counterparty shall pay the corresponding Euro amount (in each case such payments determined in accordance with the Cross Currency Swap Agreement) to the Principal Paying Agent for the account of the Series A1 Noteholders; or
 - (2) if there is no Cross Currency Swap, the Issuer shall pay the

amount in Norwegian kroner that would have been due under the Cross Currency Swap Transaction to the Cash Administrator and the Cash Administrator shall convert such Norwegian kroner amount into Euro at the Spot Rate and pay the Euro amount to the Principal Paying Agent for the account of the Series A1 Noteholders; and

- (B) the Series A2 Principal Amount until the Note Principal Amount of the Series A2 Notes has been reduced to zero;

further provided that, for the purposes of making the payments of principal under this item (g), amounts standing to the credit of the Class A Cash Accumulation Ledger shall be used first for such payments with the remainder of the Available Distribution Amount applied to the next following item in the Pre-Enforcement Priority of Payments. For the avoidance of doubt, if the amounts standing to the credit of the Class A Cash Accumulation Ledger are not sufficient to meet the payments due under this item (g), the remainder of the Available Distribution Amount (to the extent required to meet the relevant principal payment in full) will be applied to cover the shortfall for that principal payment;

- (h) *eighth*, to retain in the Transaction Account and credit to the Class A Cash Accumulation Ledger an amount equal to the excess, if any, of the Class A Cash Accumulation Ledger Required Amount over the Class A Cash Accumulation Fund as of the Cut-Off Date immediately preceding such Payment Date;
- (i) *ninth*, to credit the Reserve Account so that the Reserve Fund will equal the Required Reserve Amount as of the immediately preceding Cut-Off Date;
- (j) *tenth*, to pay interest due and payable on the Class B Notes *pari passu* with each other on a *pro rata* basis;
- (k) *eleventh*, only after the Class A Notes have been redeemed in full, to pay any Class B Notes Principal due and payable (*pro rata* and *pari passu* on each Class B Note) in an amount equal to the excess, if any, of the Class B Principal Amount over the Class B Target Principal Amount as of such Cut-Off Date;
- (l) *twelfth*, to pay, any Currency Swap Deferred Interest Amounts due and payable on the Series A1 Notes (to the extent not fully paid under items (e)(i) and (g)(i) above or from amounts credited to the Currency Swap Reserve Account), provided that for the purposes of making such payment under this item (l), the Principal Paying Agent shall pay such amounts, once converted into Euro at the Spot Rate by the Cash Administrator, for the account of the Series A1 Noteholders;
- (m) *thirteenth*, to pay any Currency Swap Deferred Principal Amounts due and payable on the Series A1 Notes (to the extent not fully paid under items (e)(i) and (g)(i) above or from amounts credited to the Currency Swap Reserve Account), provided that for the purposes of making such payment under this item (m), the Principal Paying Agent shall pay such amounts, once converted into Euro at the Spot Rate by the Cash Administrator, for the account of the Series A1 Noteholders;
- (n) *fourteenth*, to pay (i) first, the Series A1 Principal Requirement Advance (if any) advanced to the Issuer on the immediately preceding Payment Date, (ii) second, interest (including any deferred interest) due and payable to the Subordinated Loan Provider on the Subordinated Loan and, (iii) third, outstanding principal on the Subordinated Loan in the event of any reduction of the Required Reserve Amount and/or the Required Liquidity Reserve Amount from time to time (if any), in an amount (if any) which is equal to the aggregate of (A) the difference between the sum of the Required Reserve Amount and the Required Liquidity Reserve Amount as of the Cut-Off Date immediately preceding such Cut-Off Date and (B) the sum of the Required Reserve Amount and the Required Liquidity Reserve Amount as of such Cut-Off Date, but in no event more than the difference between the actual credit then standing to the Reserve Account as of such Cut-Off Date and the sum of the Required Reserve Amount and the Required Liquidity Reserve Amount as of such Cut-Off Date (and if such difference is negative it shall be deemed to be zero);

- (o) *fifteenth*, to pay any Swap Subordinated Amounts due and payable to the Cross Currency Swap Counterparty under the Cross Currency Swap Agreement;
- (p) *sixteenth*, to pay any amounts due and payable by the Issuer to the Seller under the Auto Portfolio Purchase Agreement in respect of (i) any tax credit, relief, remission or repayment received by the Issuer on account of any tax or additional amount paid by the Seller, or (ii) any Deemed Collection paid by the Seller for a Disputed Auto Loan which proves subsequently, as determined by a final judgment not subject to appeal, to be an enforceable Purchased Auto Loan, or otherwise (including, for the avoidance of doubt, any claims of the Seller against the Issuer for breach of obligation) under the Auto Portfolio Purchase Agreement or other Transaction Documents;
- (q) *seventeenth*, to credit the Supplementary Liquidity Ledger in an amount up to the Supplementary Liquidity Reserve Payment; and
- (r) *lastly*, to pay any remaining amount to the Seller as a deferred purchase price in accordance with the terms of the Auto Portfolio Purchase Agreement.

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

- (a) the Issuer becomes subject to Insolvency Proceedings (as defined below); or
- (b) the Issuer fails to pay on any Payment Date or the Maturity Date, as applicable, (i) the Issuer Swap Interest in relation to the Series A1 Note Interest (as provided in item (e) of the applicable Priority of Payments), (ii) any interest then due and payable in respect of the Series A2 Notes or the Class B Notes, or (iii) any principal then due and payable in respect of any Notes, and such failure continues for five Business Days; provided that such a failure to pay with respect to interest or principal of the Class B Notes or, prior to the Maturity Date, with respect to principal of the Class A Notes, will only constitute an Issuer Event of Default if the Available Distribution Amount as of the immediately preceding Cut-Off Date would have been sufficient to pay such amount in full in accordance with the Pre-Enforcement Priority of Payments; or
- (c) the Issuer fails to pay or perform, as applicable, when and as due any other obligation under the Transaction Documents (in the case of any payment obligation with respect to any Payment Date, to the extent the Available Distribution Amount as of the immediately preceding Cut-Off Date would have been sufficient to pay such amounts in accordance with the applicable Priority of Payments), other than any obligation referred to in paragraph (b) of this definition and any obligation to pay the Subordinated Loan Provider under item (n) and the Seller under items (p) and (r) of the Pre-Enforcement Priority of Payments, and such failure continues for 30 calendar days after the date on which the Note Trustee gives written notice thereof to the Issuer or the Issuer otherwise has actual knowledge of such failure (whichever is earlier); or
- (d) a distress, execution, attachment or other legal process is levied or enforced upon or sued out against all or any substantial part of the assets of the Issuer and is not discharged or does not otherwise cease to apply within 60 calendar days of being levied, enforced or sued out or legal proceedings are commenced for any of the aforesaid, or the Issuer makes a conveyance or assignment for the benefit of its creditors generally.

Post-Enforcement Available Distribution Amount

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

- (a) any funds standing to the credit of the Transaction Account on such Payment Date (excluding any amount standing to the credit of the CPI Reserve Ledger other than such amounts to be released on such Payment Date to form part of the Post-Enforcement Available Distribution Amount in accordance with the Transaction Documents);
- (b) any amounts received by the Issuer from the Cross Currency Swap Counterparty or payable by the Cross Currency Swap Counterparty to the Issuer on or before such Payment Date in

accordance with the Cross Currency Swap Agreement;

- (c) any funds standing to the credit of the Reserve Account (including any credit balance on the Supplementary Liquidity Ledger) on such Payment Date;
- (d) any funds to be released from the Commingling Reserve Account on such Payment Date to form part of the Post-Enforcement Available Distribution Amount in accordance with the Transaction Documents; and
- (e) the proceeds of enforcement of the Secured Assets available for distribution on such Payment Date.

**Post-
Enforcement
Priority of
Payments**

Following the delivery by the Note Trustee of an Enforcement Notice, on any Payment Date the Post-Enforcement Available Distribution Amount shall be applied by the Security Trustee in the following order towards fulfilling the payment obligations of the Issuer, in each case only to the extent payments of a higher priority have been made in full and to the extent permitted by applicable law:

- (a) *first*, to pay any obligation of the Issuer with respect to corporation and trade tax under any applicable law (if any) which is due and payable and which, pursuant to applicable law, is payable in priority to the Transaction Secured Obligations;
- (b) *second*, to pay *pari passu* with each other on a *pro rata* basis (according to the respective amounts due and payable) any fees, costs, taxes (excluding, for the avoidance of doubt, any income taxes or other general taxes due and payable in the ordinary course of business), expenses, indemnity payments and other amounts due and payable to the Note Trustee and the Security Trustee under the Transaction Documents and any Receiver, manager or administrative receiver under the Transaction Documents appointed in respect of the Issuer;
- (c) *third*, to pay *pari passu* with each other on a *pro rata* basis (according to the respective amounts due and payable) any fees, costs, taxes (excluding, for the avoidance of doubt, any income taxes or other general taxes due in the ordinary course of business), indemnity payments, expenses and other amounts due and payable to the directors of the Issuer (properly incurred with respect to their duties), legal advisers or auditors of the Issuer, the Rating Agencies (including any ongoing monitoring fees), the Principal Paying Agent, the Calculation Agent, the Registrar, the Transfer Agent and the Cash Administrator under the Agency Agreement, the Corporate Administrator under the Corporate Administration Agreement, the Custodian under the Custody Agreement, the Transaction Account Bank under the Transaction Account Agreement and the Collections Account Bank under the Issuer Collections Account Agreement, the Joint Lead Managers under the Subscription Agreement (excluding commissions and concessions (if any) which are payable to the Joint Lead Managers under the Subscription Agreement on the Note Issuance Date and which are to be paid by the Issuer by applying the funds disbursed to it under the Expenses Loan), the relevant stock exchange on which the Notes may be listed, any listing agent, any intermediary between the Issuer, the Noteholders and the relevant stock exchange, and any other amounts due from the Issuer in connection with the liquidation or dissolution of the Issuer or any annual return, filing, registration and registered office or other company, licence or statutory fees in Ireland;
- (d) *fourth*, to pay *pari passu* with each other on a *pro rata* basis (according to the respective amounts due and payable) any fees (including the Servicer Fee), costs, taxes (excluding, for the avoidance of doubt, any income taxes or other general taxes due in the ordinary course of business), expenses and other amounts due and payable to the Servicer under the Servicing Agreement, and any such amounts due to any substitute servicer (including any expenses, costs and fees incurred in the course of replacement) for the Purchased Auto Loans and the Related Collateral which may be appointed from time to time in accordance with the Auto Portfolio Purchase Agreement or the Servicing Agreement;
- (e) *fifth*, to pay *pari passu* with each other on a *pro rata* basis (according to the respective amounts of the Issuer Swap Interest, the Series A2 Notes Interest and any termination payments due and payable under item (e)(iii)):
 - (i) the Series A1 Notes Interest (other than Currency Swap Deferred Interest Amounts) to the Series A1 Noteholders provided always that for the purposes of making the

payments of Interest Amounts under this item (e)(i):

- (A) the Issuer shall pay the Issuer Swap Interest to the Cross Currency Swap Counterparty in accordance with the Cross Currency Swap Agreement and the Cross Currency Swap Counterparty shall pay the Cross Currency Swap Interest (determined in accordance with the Cross Currency Swap Agreement) to the Principal Paying Agent for the account of the Series A1 Noteholders; or
 - (B) if there is no Currency Swap Transaction in effect, the Issuer shall pay the Issuer Swap Interest (that would have been due under the Cross Currency Swap Transaction) to the Servicer and the Servicer shall convert such amount into Euro at the Spot Rate and pay such Euro amount to the Principal Paying Agent for the account of the Series A1 Noteholders; and
 - (ii) the Series A2 Notes Interest to the Series A2 Noteholders; and
 - (iii) any termination payments due and payable to the Cross Currency Swap Counterparty under the Cross Currency Swap Agreement (other than any Swap Subordinated Amounts);
- (f) *sixth*, to pay *pari passu* with each other and on a *pro rata* basis (according to the respective amounts of the NOK Equivalent of the Series A1 Principal Amount and the Series A2 Principal Amount):
- (i) the Series A1 Principal Amount until the Note Principal Amount of the Series A1 Notes has been reduced to zero provided always that for the purposes of paying the Series A1 Principal Amount :
 - (A) the Issuer shall pay an amount in Norwegian kroner to the Cross Currency Swap Counterparty and the Cross Currency Swap Counterparty shall pay the corresponding Euro amount (in each case such payments determined in accordance with the Cross Currency Swap Agreement) to the Principal Paying Agent for the account of the Series A1 Noteholders; or
 - (B) if there is no Cross Currency Swap, the Issuer shall pay the amount in Norwegian kroner that would have been due under the Cross Currency Swap Transaction to the Cash Administrator and the Cash Administrator shall convert such Norwegian kroner amount into Euro at the Spot Rate and pay the Euro amount to the Principal Paying Agent for the account of the Series A1 Noteholders; and
 - (ii) the Series A2 Principal Amount until the Note Principal Amount of the Series A2 Notes has been reduced to zero;
- (g) *seventh*, to pay, first, the Currency Swap Deferred Interest Amounts due and payable on the Series A1 Notes, for the account of the Series A1 Noteholders and, second, Currency Swap Deferred Principal Amounts due and payable on the Series A1 Notes, for the account of the Series A1 Noteholders, *pro rata* and *pari passu* according to the respective amounts due (in each case, once converted into Euro at the Spot Rate by the Cash Administrator);
- (h) *eighth*, to pay interest due and payable on the Class B Notes (*pro rata* and *pari passu* on each Class B Note);
- (i) *ninth*, to pay any Class B Notes Principal due and payable (*pro rata* and *pari passu* on each Class B Note) until the Class B Principal Amount has been reduced to zero;
- (j) *tenth*, to pay interest (including any deferred interest) due and payable to the Subordinated Loan Provider under the Auto Portfolio Purchase Agreement in respect of the Subordinated Loan;
- (k) *eleventh*, to repay outstanding principal due and payable to the Subordinated Loan Provider on the Subordinated Loan under the Auto Portfolio Purchase Agreement;

- (l) *twelfth*, to pay any Swap Subordinated Amounts due and payable to the Cross Currency Swap Counterparty under the Cross Currency Swap Agreement;
- (m) *thirteenth*, to pay any amounts due and payable by the Issuer to the Seller under the Auto Portfolio Purchase Agreement in respect of (i) any tax credit, relief, remission or repayment received by the Issuer on account of any tax or additional amount paid by the Seller or (ii) any Deemed Collection paid by the Seller for a Disputed Auto Loan which proves subsequently, as determined by a final judgement not subject to appeal, to be an enforceable Purchased Auto Loan, or otherwise (including, for the avoidance of doubt, any claims of the Seller against the Issuer for breach of obligation) under the Auto Portfolio Purchase Agreement or other Transaction Documents; and
- (n) *lastly*, to pay any remaining amount to the Seller as a deferred purchase price in accordance with the terms of the Auto Portfolio Purchase Agreement.

When amounts are due to be paid on a "*pro rata*" or "*pari passu*" basis to the extent that funds are not available to make all payments of such amounts within the same priority, the amounts will be distributed proportionately between the recipients according to each recipient's share of the NOK Equivalent of the total amount owed to all participants within that priority.

When amounts are due to be paid on a "*pro rata*" or "*pari passu*" basis and the recipients are owed amounts denominated in NOK and other currencies, for the purposes of calculating each recipient's share of the total amount, interest and principal amounts payable to the Series A1 Noteholders shall be converted into NOK using the Cross Currency Swap Exchange Rate and all other amounts that are denominated in such other currencies shall be converted into NOK using the Spot Rate.

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

**Cross
Currency
Swap
Agreement**

The Issuer will enter into a cross-currency swap transaction in relation to the Series A1 Notes on or about the Note Issuance Date (the "**Cross Currency Swap Transaction**") with the Cross Currency Swap Counterparty under which:

- (a) the Issuer will pay: (i) on the Initial Exchange Payment Date, the Initial Exchange Amount, (ii) on each Interim Exchange Payment Date, the Series A1 Notes NOK Amortisation Amount and the Issuer Swap Interest and (iii) on the Final Exchange Payment Date, the Final NOK Exchange Amount and the Issuer Swap Interest; and
- (b) the Cross Currency Swap Counterparty will pay to the Issuer: (i) on the Initial Exchange Payment Date an amount in EUR equivalent to the Initial Exchange Amount converted at the Cross Currency Swap Exchange Rate, (ii) on each Interim Exchange Payment Date, the Series A1 Notes EUR Amortisation Amount and the Cross Currency Counterparty Swap Interest and (iii) on the Final Exchange Payment Date, the Final EUR Exchange Amount and the Cross Currency Counterparty Swap Interest.

See "*OUTLINE OF THE OTHER PRINCIPAL TRANSACTION DOCUMENTS — Cross Currency Swap Agreement*".

Ratings

The Class A Notes are expected on issue to be assigned a long-term rating of AAAsf by Fitch and a long-term rating of Aaa(sf) by Moody's. The Class B Notes are expected on issue to be unrated.

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

Rating triggers

With respect to the Currency Swap Counterparty, the Transaction Account Bank and the Collections Account Bank, upon the occurrence of a Ratings Downgrade or, in certain cases, other downgrades or withdrawal of credit ratings of those parties or their obligations, the Transaction Documents provide for the provision of collateral, guarantees or a replacement or the taking of certain other actions as described below in this Prospectus at "*OUTLINE OF THE OTHER PRINCIPAL TRANSACTION DOCUMENTS — Transaction Account Agreement*" on page 111, at "*OUTLINE OF THE OTHER PRINCIPAL TRANSACTION DOCUMENTS — Cross Currency Swap Agreement*" at page 108, and at "*OUTLINE OF THE OTHER PRINCIPAL TRANSACTION DOCUMENTS — Issuer Collections*".

Account Agreement" at page 112. With respect to the Servicer, the Transaction Documents provide for certain actions to be taken on the occurrence of a Servicer's Owner Downgrade 1 (which, as at the date of this Prospectus, has occurred), a Servicer's Owner Downgrade 2, a Servicer's Owner Downgrade 3 or Servicer's Owner Downgrade 4, but do not provide for any action or change on the occurrence of a downgrade or withdrawal of any credit rating with respect to the Servicer itself. With respect to the Seller, the Subordinated Loan Provider, the Note Trustee, the Security Trustee, the Custodian, the Joint Lead Managers, the Arrangers, the Principal Paying Agent, the Calculation Agent, the Cash Administrator, the Registrar, the Transfer Agent and the Listing Agent, the Transaction Documents do not provide for any provision of collateral, guarantees or replacement service providers upon the occurrence of a Ratings Downgrade or other downgrade or withdrawal of any credit rating of those parties or their obligations.

Listing Application has been made to the Irish Stock Exchange for the Class A Notes to be admitted to the Official List and trading on its regulated market.

The estimated total expenses related to the admission to trading is €5,041.20.

The Class B Notes will not be listed or submitted to trading on an exchange.

Clearing of Series A1 Notes Euroclear and Clearstream Luxembourg.

Governing Law The Notes, the Note Trust Deed, the Subscription Agreement and the other Transaction Documents other than the Auto Portfolio Purchase Agreement, the Issuer Collections Account Agreement, the Servicing Agreement, the Norwegian Security Agreement, the Irish Security Deed and the Corporate Administration Agreement will be governed by, and construed in accordance with, English law. The Norwegian Security Agreement, the Servicing Agreement and the Issuer Collections Account Agreement will be governed by, and construed in accordance with, Norwegian law. The Auto Portfolio Purchase Agreement, the Corporate Administration Agreement and the Irish Security Deed will be governed by, and construed in accordance with, Irish law.

Transaction Documents The Auto Portfolio Purchase Agreement, the Servicing Agreement, the Norwegian Security Agreement, the Irish Security Deed, the Security Trust Deed, the Cross Currency Swap Agreement, the Corporate Administration Agreement, the Transaction Account Agreement, the Issuer Collections Account Agreement, the Expenses Loan Agreement, the Note Trust Deed, the Agency Agreement, the Subscription Agreement, the Custody Agreement and any amendments, supplements, terminations or replacements relating to any such documents.

RISK FACTORS

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

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

Liability under the Notes, limited recourse

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

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

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

Non-existence of the Purchased Auto Loans and/or Related Collateral

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

Limited resources of the Issuer

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

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

- payments of principal and interest and certain other payments received under the Purchased Auto Loans pursuant to the Servicing Agreement and the Auto Portfolio Purchase Agreement;

- Deemed Collections (if due) received from the Seller;
- funds (if due) from the Cross Currency Swap Counterparty under the Cross Currency Swap Agreement;
- interest earned on the Issuer Secured Accounts and the Issuer Collections Account;
- amounts paid by any third party as purchase prices for Defaulted Auto Loans and any relevant Related Collateral;
- payments (if any) under the other Transaction Documents in accordance with the terms thereof (excluding the Transaction Cost Fee);
- interest payments from the Seller or the Collections Account Bank with respect to monies held in the Collections Accounts;
- amounts, if any, on deposit in the Reserve Account, the Commingling Reserve Account and the Currency Swap Reserve Account to the extent provided in the Servicing Agreement and the Agency Agreement; and
- amounts, if any, standing to the credit of the CPI Reserve Ledger released from the Transaction Account.

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

Subordination

The Issuer's obligations under the Cross Currency Swap Agreement will be secured by the Secured Assets and such obligations (excluding termination payments due to the Cross Currency Swap Counterparty because of an event of default relating to it) will rank, in respect of payment and security following the delivery by the Note Trustee of an Enforcement Notice, *pari passu* to the Issuer's obligations under the Notes.

Interest rate risk on the Class A Notes and the Class B Notes

Payments made to the Seller by any Debtor under a Loan Contract comprise monthly amounts calculated with respect to a floating interest rate which may be different from NIBOR. However, payments of interest on the Series A1 Notes are calculated with respect to EURIBOR and on the Series A2 Notes and the Class B Notes are calculated with respect to NIBOR, in each case plus the applicable margin. The Issuer does not intend to enter into any basis swap agreement or other hedging arrangement with respect to such interest except for the Cross Currency Swap Transaction which relates only to payments to be made on the Series A1 Notes. If there is a material discrepancy between the interest payable under the Loan Contracts and on the Series A2 Notes and the Class B Notes, that may lead to the Issuer not having sufficient funds to meet its obligations to pay interest on the Series A2 Notes and the Class B Notes.

Under the Cross Currency Swap Agreement, on each Interim Exchange Payment Date and the Final Exchange Payment Date, the Issuer will pay to the Cross Currency Swap Counterparty interest payments calculated on the basis of NIBOR. If there is a material discrepancy between the interest payable under the Loan Contracts and the Issuer Swap Interest, the Issuer may not have sufficient funds to meet its obligations to pay the Cross Currency Swap Counterparty, in which case there might be a corresponding shortfall in the Euro amount payable by the Cross Currency Swap Counterparty for payment of Series A1 Notes Interest.

Currency Swap Deferred Interest Amounts

In the event of the termination of the Cross Currency Swap Transaction, until such time (if any) as a replacement cross-currency swap transaction is entered into, on each Payment Date prior to the delivery by the Note Trustee of an Enforcement Notice:

- (a) to the extent that the Available Distribution Amount available to the Issuer on such Payment Date under the Pre-Enforcement Priority of Payments to pay interest on the Series A1 Notes (once converted into Euro at the Spot Rate by the Cash Administrator) is less than the amount that would have been payable by the Cross Currency Swap Counterparty on such Payment Date in respect of interest if the Cross Currency Swap Transaction had still been in full force and effect, the shortfall amounts (such amounts being the "**Currency Swap Deferred Interest Amounts**") shall *first* be paid on such Payment Date, from any Currency Swap Excess Amounts available to pay Currency Swap Deferred Interest Amounts and *second*, from the Available Distribution Amount as a subordinated item in the Pre-Enforcement Priority of Payments, with any remainder being deferred until such Payment Date as there are any Currency Swap Excess Amounts available, or funds available under the Pre-Enforcement Priority of Payments, to pay such Currency Swap Deferred Interest Amounts; and

- (b) to the extent that the Available Distribution Amount available to the Issuer on such Payment Date under the Priority of Payments to pay interest on the Series A1 Notes (once converted into Euro at the Spot Rate by the Cash Administrator) is greater than the amount of funds that would have been payable by the Cross Currency Swap Counterparty on such Payment Date in respect of interest if the Cross Currency Swap Transaction had still been in full force and effect, the excess amounts (such amounts being the "**Currency Swap Excess Interest Amounts**") shall be used to pay on such date *firstly*, any Currency Swap Deferred Interest Amounts and *secondly*, any Currency Swap Deferred Principal Amounts with any excess being transferred to the Currency Swap Reserve Account where, subject to the terms of the Transaction Documents, it may be applied on subsequent Payment Dates to pay *firstly*, Currency Swap Deferred Interest Amounts and *secondly*, Currency Swap Deferred Principal Amounts or to purchase, on any date, a replacement cross-currency swap transaction for such Series A1 Notes.

On each Payment Date on or after the delivery by the Note Trustee of an Enforcement Notice, any Currency Swap Deferred Interest Amounts that remain outstanding shall be paid in accordance with the Post-Enforcement Priority of Payments.

Further to the risk of fluctuations in relation to the exchange rate between Norwegian kroner and Euro, the amounts received in Norwegian kroner in respect of the Purchased Auto Loans and available for application in satisfaction of principal payment obligations in respect of the Series A1 Notes may, following conversion into Euro at the Spot Rate, be insufficient to meet such payment obligations and there may not be sufficient Currency Swap Excess Amounts or Available Distribution Amounts to make up such shortfall.

If a new cross-currency swap transaction is entered into at a later date, no new Currency Swap Deferred Interest Amounts or Currency Swap Excess Interest Amounts will arise on or after such date and any then existing Currency Swap Deferred Interest Amounts would fall to be paid under the relevant Priority of Payments.

Currency Swap Deferred Principal Amounts

In the event of the termination of the Cross Currency Swap Transaction, until such time (if any) as a replacement cross-currency swap transaction is entered into, on each Payment Date prior to the delivery by the Note Trustee of an Enforcement Notice:

- (a) to the extent that the Available Distribution Amount available to the Issuer on such Payment Date under the Pre-Enforcement Priority of Payments to pay principal on the Series A1 Notes (once converted into Euro at the Spot Rate by the Cash Administrator) is less than the amount that would have been payable by the Cross Currency Swap Counterparty on such Payment Date in respect of principal if the Cross Currency Swap Transaction had still been in full force and effect, the shortfall amounts (such amounts being the "**Currency Swap Deferred Principal Amounts**") shall *first* be paid on such Payment Date, from any Currency Swap Excess Amounts available to pay Currency Swap Deferred Principal Amounts and *second*, from the Available Distribution Amount as a subordinated item in the Pre-Enforcement Priority of Payments, with any remainder being deferred until such Payment Date as there are any Currency Swap Excess Amounts available, or funds available under the Pre-Enforcement Priority of Payments, to pay such Currency Swap Deferred Principal Amounts; and
- (b) to the extent that the Available Distribution Amount available to the Issuer on such Payment Date under the Priority of Payments to pay principal on the Series A1 Notes (once converted into Euro at the Spot Rate by the Cash Administrator) is greater than the amount of funds that would have been payable by the Cross Currency Swap Counterparty on such Payment Date in respect of principal if the Cross Currency Swap Transaction had still been in full force and effect, the excess amounts (such amounts being the "**Currency Swap Excess Principal Amounts**") shall be used to pay on such date *firstly*, any Currency Swap Deferred Interest Amounts and *secondly*, any Currency Swap Deferred Principal Amounts with any excess being transferred to the Currency Swap Reserve Account where, subject to the terms of the Transaction Documents, it may be applied on subsequent Payment Dates to pay *firstly*, Currency Swap Deferred Interest Amounts and *secondly*, Currency Swap Deferred Principal Amounts or to purchase, on any date, a replacement cross-currency swap transaction for such Series A1 Notes.

On each Payment Date on or after the delivery by the Note Trustee of an Enforcement Notice, any Currency Swap Deferred Principal Amounts remaining outstanding shall be paid in accordance with the Post-Enforcement Priority of Payments.

Further to the risk of fluctuations in relation to the exchange rate between Norwegian kroner and Euros, the amounts received in Norwegian kroner in respect of the Purchased Auto Loans and available for application in satisfaction of principal payment obligations in respect of the Series A1 Notes may, following conversion into Euro at the Spot Rate, be insufficient to meet such payment obligations and there may not be sufficient Currency Swap Excess Amounts or Available Distribution Amounts to make up such shortfall.

If a new cross-currency swap transaction is entered into at a later date, no new Currency Swap Deferred Principal Amounts or Currency Swap Excess Principal Amounts will arise on or after such date and any then existing Currency Swap Deferred Principal Amounts would fall to be paid under the relevant Priority of Payments.

Termination payments under the Cross Currency Swap Transaction may adversely affect the funds available to make payments on the Series A1 Notes

If the Cross Currency Swap Transaction terminates, the Issuer may be obliged to pay a termination payment to the Cross Currency Swap Counterparty. The amount of the applicable termination payment will be based on the cost of entering into a replacement cross-currency swap transaction.

Except where the termination of the Cross Currency Swap Transaction occurs as a result of an event of default under the Cross Currency Swap Agreement in respect of which the Cross Currency Swap Counterparty is the defaulting party, the Issuer's obligation to make termination payments due by the Issuer under the Cross Currency Swap Transaction will rank in priority to payments of interest and principal due on the Notes.

There is no assurance that the Issuer will have sufficient funds available to it to make any termination payments under the Cross Currency Swap Agreement or to make subsequent payments of principal to Noteholders in respect of the Notes. Nor can the Issuer give any assurance that it will be able to enter into a replacement cross-currency swap, or, if one is entered into, that the credit rating of the replacement cross-currency swap counterparty (notwithstanding the terms of the Transaction Documents) will be sufficiently high to prevent a reduction, qualification or withdrawal of the then current ratings of the Class A Notes by the Rating Agencies.

Non-availability of subordinated loans or other support payments

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

Conflicts of interest

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

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

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

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

Skandinaviska Enskilda Banken AB (publ) will have only those duties and responsibilities expressly agreed to by it in the Transaction Documents to which it is a party and will not, by virtue of its or any of its Affiliates' acting in any other capacity, be deemed to have any other duties or responsibilities or be deemed to be held to a standard of care other than

as expressly provided therein. Skandinaviska Enskilda Banken AB (publ), in its various capacities in connection with this transaction, may enter into business dealings from which it may derive revenues and profits without any duty to account for them in connection with this transaction.

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

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

Ratings of Class A Notes

Each rating assigned to the Class A Notes by the Rating Agencies takes into consideration the structural and legal aspects associated with the Class A Notes, the Series A1 Notes or the Series A2 Notes and the Portfolio, the credit quality of the Portfolio, the extent to which the Debtors' payments under the Purchased Auto Loans are adequate to make the payments required under the Class A Notes, as well as other relevant features of the structure, including, *inter alia*, the credit situation of the Cross Currency Swap Counterparty, the Transaction Account Bank, the Seller and the Servicer (if different). Each Rating Agency's rating reflects only the view of that Rating Agency. In particular, the rating of the Class A Notes by Fitch addresses the likelihood that the Class A Notes will receive all payments to which they are entitled, as described herein, in respect of the Class A Notes. The rating of "AAAsf" is the highest rating that Fitch assigns to long-term obligations. The rating of the Class A Notes by Moody's addresses the expected loss posed to the Class A Noteholders by the legal final maturity of the Class A Notes. The rating of "Aaa(sf)" is the highest rating that Moody's assigns to long-term obligations. Moody's ratings address only the credit risks associated with the transaction. Other non-credit risks have not been addressed, but may have a significant effect on yield to investors.

The Issuer has not requested a rating of the Class A Notes by any rating agency other than the Rating Agencies. However, rating organisations other than the Rating Agencies may seek to rate the Notes and, if such "**shadow ratings**" or "**unsolicited ratings**" are lower than the comparable ratings assigned the Notes by the Rating Agencies, such shadow or unsolicited ratings could have an adverse effect on the value of the Notes. Future events, including events affecting the Cross Currency Swap Counterparty, the Transaction Account Bank, the Seller and the Servicer (if different) could also have an adverse effect on the rating of the Series A1 Notes or the Series A2 Notes.

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

Early redemption of the Notes and effect on yield

The yield to maturity of any Note of each Class will depend on, *inter alia*, the amount and timing of payment of principal and interest on the Purchased Auto Loans and the price paid by the Noteholder for such Note. On any Payment Date on which the Aggregate Outstanding Note Principal Amount has been reduced to less than 10 % of the Aggregate Outstanding Note Principal Amount as of the Note Issuance Date, the Seller may, subject to certain conditions, repurchase all Purchased Auto Loans (together with any Related Collateral) which have not been sold to a third party and the proceeds from such repurchase shall constitute Collections and the payments of interest and principal in accordance with the Pre-Enforcement Priority of Payment on such Payment Date will lead to an early redemption of the Notes (see Note Condition 5.5 (Early Redemption – Clean-up Call)). This may adversely affect the yield on each Class of Notes. In addition, the Issuer may, subject to certain conditions, redeem all of the Notes if under applicable law the Issuer is required to make a deduction or withholding for or on account of tax (see Note Condition 5.6 (Optional Redemption for Taxation Reasons)). This may adversely affect the yield on each Class of Notes.

Resolutions of Noteholders

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

The Seller or any of its Affiliates may from time to time hold Class A Notes and will for the life of the Transaction hold the Class B Notes and, as such, may exercise voting rights in respect of its holding of such Notes in its or their own interest, which may be different from the interests of the other Noteholders.

Enforcement by the Note Trustee and the Security Trustee

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

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

Absence of secondary market liquidity and market value of Notes

Although application has been made to the Irish Stock Exchange for the Class A Notes to be admitted to the Official List and traded on its regulated market, there is currently no secondary market for the Class A Notes. There can be no assurance that a secondary market for the Class A Notes will develop or that a market will develop for the Class A Notes or, if it develops, that it will provide Class A Noteholders with liquidity of investment, or that it will continue for the whole life of the Class A Notes. Further, the secondary markets are currently experiencing severe disruptions resulting from reduced investor demand for asset-backed securities and increased investor yield requirements for those securities. As a result, the secondary market for asset-backed securities is experiencing extremely limited liquidity. These conditions may continue or worsen in the future. Limited liquidity in the secondary market for asset-backed securities has had a severe adverse effect on the market value of asset-backed securities. Limited liquidity in the secondary market may continue to have a severe adverse effect on the market value of asset-backed securities, especially those securities that are more sensitive to prepayment, credit or interest rate risk and those securities that have been structured to meet the investment requirements of limited categories of investors. Consequently, any purchaser of the Class A Notes must be prepared to hold such Class A Notes for an indefinite period of time or until final redemption or maturity of such Class A Notes. The market values of the Class A Notes are likely to fluctuate. Any such fluctuation may be significant and could result in significant losses to investors in the Class A Notes. In addition, the forced sale into the market of asset-backed securities held by structured investment vehicles, hedge funds, issuers of collateralised debt obligations and other similar entities that are currently experiencing funding difficulties could adversely affect an investor's ability to sell, and/or the price an investor receives for, the Class A Notes in the secondary market. The Joint Lead Managers are under no obligation to assist in the resale of the Notes.

Eurosystem eligibility

The Series A2 Notes and the Class B Notes are not intended to be Eurosystem-eligible and, at the date of this Prospectus, are not Eurosystem eligible since they are not denominated in any of US dollars, Japanese yen, pound Sterling or euro. This means that those Notes are not expected to be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem ("**Eurosystem eligible collateral**") at any or all times during their life.

The Series A1 Notes are intended to be held in a manner which will allow Eurosystem eligibility. This simply means that the Series A1 Notes are intended upon issue to be deposited with either Euroclear or Clearstream, Luxembourg (each an "**ICSD**") as common safekeeper and does not necessarily mean that the Series A1 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 Issuer gives no representation, warranty, confirmation or guarantee to any investor in any Notes that any of the Notes will, either upon issue, or any or at all times during their life, satisfy all or any requirements for Eurosystem eligibility and be recognised as Eurosystem eligible collateral. Any prospective investor in any of the Notes should consult their professional advisers with respect to whether or not those Notes constitute Eurosystem eligible collateral at any point of time during the life of those Notes.

Economic conditions in the euro-zone

Concerns relating to credit risks (including that of sovereigns and those of entities which are exposed to sovereigns) have recently intensified. In particular, concerns have been raised with respect to current economic, monetary and political conditions in the Euro-zone. If such concerns persist and/or such conditions further deteriorate (including as may be

demonstrated by any relevant credit rating agency action, any default or restructuring of indebtedness by one or more states or institutions and/or any changes to, including any break-up of, the Euro-zone), then these matters may cause further severe stress in the financial system generally and/or may adversely affect one or more of the parties to the Transaction Documents (including the Seller, the Servicer and/or the Cross Currency Swap Counterparty) and/or any Debtor in respect of the Purchased Auto Loans. Given the current uncertainties and the range of possible outcomes, no assurance can be given as to the impact of any of the matters described above and, in particular, no assurance can be given that such matters would not adversely affect the rights of the Noteholders, the market value of the Notes and/or the ability of the Issuer to satisfy its obligations under the Notes.

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

In Europe, the US and elsewhere there is increased political and regulatory scrutiny of the asset-backed securities industry. This has resulted in a raft of measures for increased regulation including, without limitation Article 122a of Directive 2006/48/EC (as amended by Directive 2009/111/EC, and which together with Directive 2006/49/EC forms the second Capital Requirements Directive or "**CRD 2**") ("**Article 122a**") of the CRD and Directive 2009/138/EC ("**Solvency II**"), which are currently at various stages of implementation and which may have an adverse impact on the regulatory capital charge to certain investors in securitisation exposures and/or the incentives for certain investors to hold asset-backed securities, and may thereby affect the liquidity of such securities. Investors in the Class A Notes are responsible for analysing their own regulatory position and none of the Issuer, the Joint Lead Managers, the Seller nor any other party to the Transaction Documents makes any representation to any prospective investor or purchaser of the Notes regarding the regulatory capital treatment of their investment on the Note Issuance Date or at any time in the future.

In particular, investors should be aware of Article 122a, which provides for, among other things, the capital requirements which must be met by any credit institution regulated by a member state of the European Economic Area ("**EEA**") and any implementing rules in relation to a relevant jurisdiction, which applies, in general, to securitisations issued after 31 December 2010. Article 122a restricts an EEA regulated credit institution and its consolidated group affiliates (each, an "**Affected Investor**") from investing in a securitisation (as defined by the CRD) unless the originator, sponsor or original lender in respect of that securitisation has explicitly disclosed to the Affected Investor that it will retain, on an ongoing basis, a net economic interest of at least 5 per cent in that securitisation in the manner contemplated by Article 122a. The transaction of which the issue of Notes forms part constitutes a "securitisation" for this purpose.

Article 122a also requires an Affected Investor to be able to demonstrate that it has undertaken certain due diligence in respect of, amongst other things, the securitisation position it has acquired and the underlying exposures, and that procedures have been established for monitoring the performance of the underlying exposures on an on-going basis. Failure to comply with one or more of the requirements set out in Article 122a may result in the imposition of a material capital charge with respect to the investment made in the securitisation by the relevant Affected Investor.

Article 122a applies in respect of the Class A Notes so Affected Investors should make themselves aware of the requirements of Article 122a (and any implementing rules in relation to a relevant jurisdiction) in addition to any other regulatory requirements applicable to them with respect to their investment in the Class A Notes. Each Affected Investor is required to independently assess and determine the sufficiency of the information described in this Prospectus and in any servicer and/or investor reports made available and/or provided to investors for the purposes of complying with Article 122a, and none of the Issuer, the Joint Lead Managers, the Seller or any other party to the Transaction Documents makes any representation that any such information is sufficient in all circumstances for such purposes.

The Seller has made certain representations and undertakings in relation to retention of a material economic interest and provision of information in compliance with Article 122a (see - "**ARTICLE 122A OF THE CAPITAL MARKETS DIRECTIVE**".) However, there remains considerable uncertainty with respect to Article 122a and it is not clear what will be required to demonstrate compliance to national regulators. Affected Investors who are uncertain as to the requirements that will need to be complied with in order to avoid the additional regulatory charges for non-compliance with Article 122a and any implementing rules in a relevant jurisdiction should seek guidance from their regulator. Similar requirements to those set out in Article 122a are expected to be implemented for other EU regulated investors (such as certain types of investment fund managers, insurance and reinsurance undertakings) in the future.

Article 122a of CRD and any other changes to the regulation or regulatory treatment of the Class A Notes for some or all investors may negatively impact the regulatory position of certain individual investors and, in addition, have a negative impact on the price and liquidity of the Class A Notes in the secondary market.

U.S. foreign account tax compliance withholding

The Foreign Account Tax Compliance provisions contained in Sections 1471 to 1474 of IRC, and the regulations promulgated thereunder ("**FATCA**") generally impose a new reporting regime and may impose a 30% withholding tax

on certain payments made to certain non-U.S. financial institutions (any such non-U.S. financial institution, an "FFI"). The Issuer and certain other parties to the Transaction are likely to constitute FFIs and payments made to them could thus be subject to the FATCA regime. More specifically, for certain instruments that are not outstanding on (or that are deemed reissued as a result of a "significant modification" on or after) January 1, 2013, interest and dividend payments could become subject to FATCA withholding on or after January 1, 2014 and proceeds from the disposition of such instruments could become subject to FATCA withholding on or after January 1, 2017. Because the Issuer and such parties are likely to constitute FFIs, such entities may thus become subject to FATCA withholding tax on certain payments made to them unless such entities respectively (1) enter into and comply with agreements with the U.S. Internal Revenue Service (the "IRS") to provide certain information about their U.S. accountholders and investors (thereby becoming "Participating FFIs"), or (2) are subject to and comply with the terms of an applicable agreement between the government of the jurisdiction in which such FFI is organized or located and the United States that dictates how FFIs in such jurisdiction shall be deemed to comply with FATCA (an "Intergovernmental Agreement" or "IGA"). However, no assurance can be provided that the Issuer or any other relevant party to the Transaction Documents will be able to enter into such an agreement with the IRS or be subject to or comply with any obligations pursuant to any IGA implementing FATCA. In the absence of the Issuer becoming a Participating FFI or being deemed to comply with FATCA by reason of complying with the terms of an applicable IGA, the Issuer could be exposed to a FATCA withholding tax on certain payments made to it. The imposition of such FATCA withholding tax on payments to the Issuer would reduce the profitability, and thus the cash available to make payments on the Notes.

In addition, under currently issued guidance, should the Notes be significantly modified after the date that is six months after the date on which final U.S. Treasury regulations define the term "foreign passthru payment," (such date, the "Grandfather Date") then pursuant to FATCA, the Issuer (if it becomes a Participating FFI) and other FFIs through which payments on the Notes are made may be required to withhold U.S. tax at a rate of 30% on all, or a portion of, payments made after December 31, 2016 in respect of the Notes. More specifically, a FATCA withholding tax may be triggered on payments to an investor in Notes if the Issuer becomes a Participating FFI and (a) an investor in Notes does not provide information sufficient for the Issuer that is making payment to determine whether the investor is either (i) a U.S. person or (ii) a non-U.S. person that is treated as holding a "United States Account" of the Issuer (e.g., certain non-U.S. investors that have beyond a requisite threshold of U.S. owners), along with adequate information regarding such U.S. owners, or (b) any FFI through or to which payment on the Notes is made is not a Participating FFI or an FFI that is deemed to comply with FATCA. If an amount in respect of FATCA withholding tax were to be deducted or withheld from interest, principal or other payments on the Notes as a result of an investor's failure to provide adequate information to enable the Issuer to comply with FATCA (including an agreement entered into pursuant to IRC section 1471(b)), neither the Issuer or any other relevant party to the Transaction Documents would, pursuant to the terms and conditions of the Notes, be required to pay additional amounts as a result of the deduction or withholding of such tax. Prospective investors should consult their advisors about the potential application of FATCA.

Taxation of the Issuer in Norway

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

Liability of the Issuer to Norwegian taxes on profits

If the Issuer is treated as tax resident in Norway, or if it is not tax resident in Norway but receives income derived from a business or participation in a business which is carried out or managed in Norway, then it will be subject to Norwegian corporate tax at a rate of 28% on its net income (or, as applicable, that portion of its net income which derived from its business in Norway). If such tax applies then the Issuer will have less money available for payment of the Notes.

Pursuant to Norwegian tax law, the Issuer would be considered as tax resident in Norway if the Issuer was considered as effectively managed from Norway at board level. It will be up to the tax authorities, and eventually the courts, to determine whether the Issuer is effectively managed from Norway at board level.

Provided that (i) the Issuer is not incorporated in Norway, (ii) the Issuer does not at any time have an office or other permanent establishment in Norway, (iii) at least a majority of the members of the board of directors of the Issuer are not Norwegian residents, (iv) all directors' meetings and shareholders' meetings of the Issuer are held outside Norway, and (v) all decisions of the directors and shareholders of the Issuer are made outside Norway, the Issuer should not be considered as tax resident in Norway. The Issuer intends that all of these criteria will be met and that on this basis it will not be considered tax resident in Norway. However, these criteria are subject to further interpretation and case-by-case application by Norwegian tax authorities and it is therefore difficult to make an absolute determination that the Issuer is not tax resident in Norway.

According to the Norwegian Tax Act (Act No.14 of 26 March 1999) on taxation of wealth and income (*skatteloven*), companies which are not tax resident in Norway are still liable to pay tax on income derived from a business or participation in a business which is carried out or managed in Norway. However, in accordance with the terms of the double tax treaty in force between Norway and Ireland (the "Treaty"), a company resident in Ireland, as a general rule,

is only taxable in Ireland. Whilst the Seller does not currently provide services of the kind contemplated by the Servicing Agreement for third parties (other than Bilkreditt 1 Limited and Bilkreditt 2 Limited), it does currently carry out similar services for its own loans and on this basis the provision of its services to the Issuer should not be considered as being outside of its ordinary course of business.

A permanent establishment in Norway for a company could be established by the company:

- (a) having an office or other fixed place of business in Norway, or
- (b) having employees acting as agents for the company in Norway.

The Issuer (a private company limited by shares and tax resident in Ireland and therefore expected to be entitled to the benefits under the Treaty) does not have and will not have any office or any other fixed place of business in Norway. Therefore, permanent establishment will not be established on the basis of rule (a) above. However, regarding rule (b), where a person is acting on behalf of a company and has, and habitually exercises, an authority to conclude contracts on behalf of the company in a contracting state (in this case Norway), that company will according to the Treaty be deemed to have a permanent establishment in that state (i.e. Norway) in respect of any activities which that person undertakes for the company, unless that person is an agent of an independent status. Paragraph 5 of Article 5 proceeds on the basis that only persons having the authority to conclude contracts can lead to a permanent establishment for the enterprise maintaining them. A permanent establishment presupposes, however, that that person made use of this authority repeatedly and not merely in isolated cases. The assignment of the Purchased Auto Loans is completed at a determined point in time and the Seller does not have any authority to enter into new auto loans on behalf of the Issuer. However, pursuant to the Servicing Agreement, the Servicer will have the authority (for reasons provided in the Credit and Collection Policy), in accordance with the Credit and Collection Policy, to grant "payment holidays" and otherwise to change the terms to maturity of Purchased Auto Loans. As long as the authority of the Servicer to amend the terms of the Purchased Auto Loans only relates to the granting of payment holidays and changing the term to maturity of Purchased Auto Loans and does not include any authority to increase the Principal Amount of a Purchased Auto Loan (other than by capitalisation of interest falling due during a payment holiday period in accordance with the terms of such Purchased Auto Loans), such authority should not be treated as "authority to conclude contracts in the name of" the Issuer and, therefore, the Issuer takes the position that the authority should not create a permanent establishment in Norway. However, it cannot be ruled out that the tax authorities may come to a different conclusion.

Even if the Servicer were deemed to have "authority to conclude contracts in the name of" the Issuer, it could be argued that the Servicer should be considered an "agent of an independent status to whom paragraph 6 applies". Pursuant to paragraph 6 of Article 5 of the Treaty, "An enterprise of a Contracting State shall not be deemed to have a permanent establishment in the other Contracting State merely because it carries on business in that other State through a broker, general commission agent or any other agent of an independent status, provided that such persons are acting in the ordinary course of their business." The OECD Commentary to paragraph 6 of Article 5 contains further guidance. In Article 5 – 38.3, it is stated that the fact that the agent is not subject to detailed instructions from the principal as to the conduct of the work indicates independence, and the same applies if the principal is relying on the skills and knowledge of the agent – "An independent agent will typically be responsible to his principal for the results of his work but not subject to significant control with respect to the manner in which that work is carried out. He will not be subject to detailed instructions from the principal as to the conduct of the work. The fact that the principal is relying on the special skill and knowledge of the agent is an indication of independence."

The OECD Commentary also provides guidance on what shall be regarded as "in the ordinary course of business". In Article 5 – 38.8, the following is stated: "In deciding whether or not the particular activities fall within or outside the ordinary course of business of an agent, one would examine the business activities customarily carried out within the agent's trade as a broker, commission agent or other independent agent rather than the other business activities carried out by that agent. Whilst the comparison normally should be made with the activities customary to the agent's trade, other complementary tests may in certain circumstances be used concurrently or alternatively, for example where the agent's activities do not relate to a common trade."

The Servicer does not currently carry out similar services for other third parties (other than Bilkreditt 1 Limited and Bilkreditt 2 Limited) as it does for the Issuer under the Servicing Agreement. The fact that the Servicer carries out similar services for its own loans should not indicate that the activities it carries out for the Issuer under the Servicing Agreement are outside the ordinary course of business for the Servicer.

There are, therefore, good and valid reasons not to treat the Issuer as being tax resident in Norway or having any tax liability in Norway on the basis of the activities carried out by the Servicer in Norway.

VAT

Value added tax ("VAT") is charged in Norway at a standard rate of 25% and applied to the sales of goods and provision of services. If VAT applies regarding the sale of the Auto Loans and the Related Security or to provision of services by the Servicer under the Servicing Agreement and if no exemption applies, then the Issuer may be liable to pay VAT charged and, if so, payment of those charges could reduce the Available Distribution Amount and possibly result in a shortfall in the amounts available to pay amounts due to Noteholders.

However, according to Section 3-6(e) of the Norwegian Value Added Tax Act (Act No. 58 of 19 June 2009 relating to value added tax (*merverdiaavgiftsloven*)), the sale of financial instruments is exempt from VAT. According to a statement given by the Norwegian Directorate of Taxes to FNO Finance Norway on 13 April 2005, the sale of a loan portfolio from a bank to a special purpose vehicle in connection with a securitisation is considered to be covered by the VAT exemption for financial instruments. Therefore, the sale of the Purchased Auto Loans from the Seller to the Issuer should not be subject to VAT in Norway.

Further, in the above mentioned statement from the Directorate of Taxes, the Directorate concluded that collection agent services in connection with securitisation are not covered by the VAT exemption for financial services, but should be considered as taxable administrative services. This implies that the domestic sale of such services is subject to VAT at a rate of 25% (which applies to all services supplied by businesses established in Norway). However, an exemption (zero-rate) applies to the export sales of services, provided that the services are capable of delivery from a remote location (i.e. they are intangible services and the provision of the services, by its nature, is difficult to associate with a particular physical location) and the recipient of the services is a business or a public institution resident abroad. The collection services to be provided by the Servicer pursuant to the Servicing Agreement should be covered by this exemption and, therefore, no Norwegian VAT should be charged on the service fee charged by the Servicer.

No gross-up for taxes

If required by law, any payments under the Notes will only be made after deduction of any applicable withholding taxes and other deductions. The Issuer will not be required to pay additional amounts in respect of any withholding or other deduction for or on account of any present or future taxes, duties or charges of whatever nature. See "*NOTE CONDITIONS — Taxes*". In such event, subject to certain conditions, the Issuer will be entitled (but will have no obligation) to redeem the Notes in whole but not in part at their aggregate Note Principal Amount plus accrued and unpaid interest, if any, to the date (which must be a Payment Date) fixed for redemption. See "*NOTE CONDITIONS — Redemption — Optional Redemption for Taxation Reasons*".

Legal structure

Insolvency law

Under Norwegian bankruptcy law, a creditor who holds a perfected security right in any Purchased Auto Loans or Related Collateral will have a preferential right to proceeds derived from the realisation of such Purchased Auto Loans and Related Collateral. Enforcement and realisation of perfected security rights are subject in Norway to the provisions of the Norwegian Enforcement Act 1992 (*tvangsfullbyrdelsesloven*) (the "**Enforcement Act**"). Please refer to "*RISK FACTORS — Enforcement of Purchased Auto Loans and Related Collateral*" and "*RISK FACTORS — Distribution of Collections from the Seller to the Issuer — Risks in event of the Seller's insolvency*".

In the event that a Debtor defaults on a Purchased Auto Loan, and the value of the relevant Related Collateral is insufficient to recover all or any of the remaining Outstanding Principal Amount of that Purchased Auto Loan, then the Issuer or the Security Trustee (as the case may be) will have an unsecured claim against the Debtor for any residual debt exceeding the value of the Related Collateral. If the Debtor enters into bankruptcy or similar proceedings, the Issuer's (or Security Trustee's) unsecured claim against the Debtor may be reduced by law and this may lead to the Issuer not having sufficient funds to meet all of its obligations to pay interest on the Notes.

If a Debtor goes into bankruptcy, the bankruptcy estate will have a first priority lien on all the Debtor's pledged assets, limited however to 5 % of the value of such asset. This may affect auto chattel mortgages granted by the Debtor in connection with the Auto Loan. For instance, if the Debtor has granted an auto chattel mortgage over an auto worth NOK 100,000, then the bankruptcy estate will have a first priority lien limited to NOK 5,000 in the auto, and the auto chattel mortgagee will have a secured claim over the rest.

Assignment of Purchased Auto Loans to Issuer

As a general rule under Norwegian law, non-negotiable debt claims (enkle pengekrav), such as the Purchased Auto Loans, can be freely assigned by way of ownership or security, unless prohibited by law or contract. Financial institutions such as the Seller must in general obtain an explicit consent from the debtor before assigning a loan to a non-financial

institution. However, following the enactment of the Norwegian securitisation rules in 2004, a financial institution seller can rely on a debtor's passive consent with respect to a securitisation involving a sale of the debtor's loan, provided that the debtor has been notified about the securitisation and has been given a reasonable time period (in no event shorter than three weeks) to object to the sale and transfer of the loan. If no objection has been raised by the debtor at the end of this period, the debtor is regarded as having consented to the sale and transfer of the loan.

Pursuant to the Auto Portfolio Purchase Agreement, the Seller has warranted to the Issuer that the Loan Contracts documenting the Purchased Auto Loans are non-negotiable promissory notes which are assignable and based on certain standard forms.

The Seller has issued notifications about the securitisation to each individual Debtor as discussed above and has undertaken to procure that, when completed in accordance with the Auto Portfolio Purchase Agreement, the sale and transfer of the Portfolio obtains legal perfection by virtue of a second notification to be issued to each of the Debtors on or about the Purchase Date.

If, notwithstanding the notifications described above, the sale and transfer of Auto Loans by the Seller to the Issuer does not comply with the provisions of the relevant Loan Contracts and applicable law, then the Debtors may, pursuant to Norwegian law, refuse to acknowledge the Issuer's creditor rights with respect to those Auto Loans and will be entitled to continue to make payments on those Auto Loans directly to the Seller, notwithstanding a Servicer Termination Event such as the Seller's insolvency.

This could limit the Issuer's rights with respect to such Auto Loans in the event of the Seller's insolvency or other circumstances, and possibly result in a shortfall in funds available to make payments on the Notes.

Assignment of Related Collateral to Issuer

The Purchased Auto Loans are secured by various types of security rights granted in favour of the Seller. If these are not validly transferred to the Issuer together with the Purchased Auto Loans, the Issuer's ability to recover the Purchased Auto Loans could be adversely affected, and this could result in a shortfall in funds available to make payments on the Notes.

Under Norwegian law, security rights are generally assignable together with the underlying debt claim they relate to, unless prohibited by law or contract. When a debt claim and pertinent security right(s) are collectively assigned by way of ownership, the perfection rules applicable to the debt claim will as a general rule apply also to the assignment of the security rights. Since the transfer of the Purchased Auto Loans to the Issuer obtains legal perfection through notification to the relevant Debtors, the transfer of the Related Collateral will be perfected the same way. However, some additional requirements apply with respect to insurance claims, as described below.

For approximately 98% of the Purchased Auto Loans (as at 30 September 2012), the Debtors are contractually obligated towards the Seller to maintain "full coverage" vehicle insurance (comprehensive, collision damages etc.) over the Financed Vehicle, and to ensure that the Seller is named as co-insured in the insurance policy. Under Norwegian law, absent any contractual provisions to the contrary, the Seller may freely assign to the Issuer its monetary rights as co-insured under any applicable vehicle insurance. Such assignment is perfected against the Seller's creditors by notifying the relevant insurance company. The Seller does not maintain updated databases over vehicle insurances taken out by Debtors and is therefore not able to confirm whether the Seller is named as co-insured under those insurances, and whether the monetary benefit thereunder can be freely assigned. Accordingly, the Seller's ability to assign its contingent claims as co-insured under vehicle insurances may be limited, and neither the Seller nor the Issuer will take any measures to identify and/or notify relevant vehicle insurance companies about the assignment of contingent vehicle insurance claims from the Seller to the Issuer. Further, depending on the terms and conditions of the relevant vehicle insurance policy, the Seller's rights as co-insured may in any event be void in certain scenarios, e.g. in cases where the Debtor's insurance claim is void or reduced because of a violation of the terms and conditions of the policy (e.g. drunk driving, reckless speeding, etc.) or where the Purchased Auto Loan has been granted in violation of statutory rules regarding minimum requirements for cash down payments by consumers when purchasing a credit-financed chattel (for information about these requirements, see "*RISK FACTORS — Norwegian rules on minimum down payments in connection with the purchase of credit-financed chattels*", and "*RISK FACTORS — Enforcement of Purchased Auto Loans and Related Collateral*").

For approximately 26% of the Purchased Auto Loans (as at 30 September 2012), the Debtors have taken out credit protection insurance (each a "**CPI Policy**") in connection with their acquisition of Financed Vehicles. These CPI Policies have been sold by the Seller and underwritten by certain insurance companies (the "**CPI Insurers**"). The agreements between the Seller and the CPI Insurers provide that the Seller, subject to certain conditions, may be entitled to a payment from the CPI Insurers if an insured Debtor dies. The Seller's claim in the event of a Debtor's death is a contingent monetary claim which can be assigned by way of ownership to the Issuer. Such assignment is perfected against the Seller's creditors by notifying the relevant CPI Insurer.

Failure to validly transfer such Related Collateral to the Issuer may mean that the Issuer's ability to make payments under the Notes is adversely affected.

Grant of security over Portfolio by the Issuer to the Security Trustee

Pursuant to the Security Documents, the Issuer will grant security over its assets, including the Portfolio, in favour of the Security Trustee. It is not entirely clear from Norwegian private international law whether the Issuer's grant of security over the Portfolio in favour of the Security Trustee will have to comply with Norwegian law, for instance Norwegian security rights legislation. However, pursuant to Norwegian law, the following risk factors should be observed.

Under Norwegian law, the Issuer may grant security over its assets to the extent allowed by law and contract. No contractual restrictions in the Loan Contracts, the documents relating to the Related Collateral, or any other related documents have been identified which could restrict the Issuer's ability to grant a security over the Portfolio in favour of the Security Trustee.

With respect to the Issuer's Purchased Auto Loans, these may be pledged in favour of the Security Trustee and such pledge will obtain legal perfection by virtue of notification to the relevant Debtor. The same is the case for security assignments of contingent third party guarantee claims and insurance claims; however, in these cases it is also advisable to notify the relevant guarantor and/or insurance company. Such notification has been issued to certain, but not all, of these third parties.

The Issuer's assignment of auto chattel mortgages to the Security Trustee by way of security means that the Security Trustee is granted a sub-mortgage over such auto chattel mortgages. The ability to create sub-mortgages over auto chattel mortgages pursuant to Norwegian law is not entirely clear, but a preponderance of relevant sources of Norwegian law suggest that such sub-mortgages can be created. The same legal sources suggest that an auto chattel sub-mortgage obtains legal perfection by virtue of notification to the relevant Debtor.

Accordingly, it is expected that the Security Trustee will have a perfected security interest in the Purchased Auto Loans (by virtue of notification to the Debtors), but its security interest in certain of the Related Collateral may not be fully perfected in accordance with Norwegian law. To the extent, if any, that the Security Trustee's security interest in Related Collateral has not been perfected, the Security Trustee may be unable to enforce its rights over the relevant Related Collateral following the delivery by the Note Trustee of an Enforcement Notice. However, this issue would not prevent the Issuer from enforcing rights under such Related Collateral to the extent it has a valid assignment of such rights.

Existing rights of Debtors

Following the Purchase Date, a Debtor will be entitled to invoke the same objections and defences (including set-off and counterclaim) relating to a Purchased Auto Loan against the Issuer or the Security Trustee (as the case may be, depending on whether there is an enforcement situation) as the Debtor was entitled to invoke against the Seller prior to the Purchase Date. This is because when a Norwegian financial institution such as the Seller assigns a loan by way of ownership, the assignee (here, the Issuer) becomes the new creditor for the loan on the same terms as the Seller. If a Debtor has claims against the Seller which can be brought against the Issuer or the Security Trustee, this could reduce the amounts available to make payments on the Notes.

If a Purchased Auto Loan was granted pursuant to an agreement between the Seller and the seller of the relevant Financed Vehicle, the Debtor is, pursuant to Section 54b of the FAA, able to direct against the Seller any claim the Debtor may have against the seller of the Financed Vehicle as a result of the purchase. Such claim must be a commercial claim which exists against the seller of the relevant Financed Vehicle pursuant to the sales contract and any applicable law of sales, e.g. claims relating to a Financed Vehicle defect. This means that, for example, claims relating to a personal injury cannot be brought against the Seller, even if the personal injury is caused by, or in connection with, the use of the Financed Vehicle. The Debtor can only bring monetary claims against the Seller, and not claims for specific performance. Finally, the Seller's liability pursuant to Section 54b is limited to the amount the Seller has received from the relevant Debtor in connection with the sale of the relevant Financed Vehicle. This means that the Seller's liability pursuant to Section 54b can never exceed the total amount repayable to the Seller pursuant to the relevant Purchased Auto Loan. The Seller has warranted that it is not aware that any Debtor has asserted any legal action, lien, right of rescission, counterclaim, set-off, right to contest or defence against the Seller in relation to any claim or potential claim the Debtor has or may have against an auto seller.

Therefore following the Purchase Date, the Issuer and/or the Security Trustee, (as applicable), will be exposed to the same liability in respect of such claims as the Seller, and while their liability will be limited to the same extent as the Seller's liability such claims may adversely affect the Issuer's ability to make payments under the Notes.

If a Debtor holds a savings account with the Seller, the Debtor is entitled to set-off any amount standing to the credit of that account at the time the Debtor is notified about the completed sale of the relevant Purchased Auto Loan against

remaining instalments on such Purchased Auto Loan (cf. Section 26 in Act No.1 of 17 February 1939 relating to promissory notes and other types of claims (*Gjeldsbrevlova*)) (therefore potentially resulting in a shortfall of funds available to make payments on the Notes). Such set-off would most likely only be exercised by the Debtor if the Seller is placed under public administration (i.e. becomes insolvent) and the deposit standing to the credit of the relevant Debtor's bank account was greater than the amount covered by the Norwegian Banks' Guarantee Fund (*Bankenes sikringsfond*) (currently up to NOK 2 million) at the time the Debtor was notified about the completed sale of the loan. If a Debtor deposits money with the Seller after gaining knowledge of the completed sale of the Purchased Auto Loan, claims relating to that deposit cannot be set off against the relevant Purchased Auto Loan.

Norwegian rules on minimum down payments in connection with the purchase of credit-financed chattels

The Seller's non-compliance with Norwegian regulatory requirements regarding minimum down payments (*forskrifter om minste kontantinnsats*) could in some circumstances result in (i) the inability of the Servicer, the Issuer and/or the Security Trustee to rely on simplified enforcement procedures following a default by a Debtor under its Loan Contract; and/or (ii) loss of rights under certain types of Related Collateral.

Norwegian law contains rules on minimum requirements for cash down payments by a consumer which is a purchaser of a credit financed chattel (the "**Rules**"). The Rules apply in situations where the Seller has granted the Auto Loan pursuant to an agreement with the seller of the auto (as discussed under "*RISK FACTORS – Existing rights of Debtors*"). When applicable, the Rules provide that the consumer purchaser must make a cash down payment of at least 35% of the total price for the chattel (the "**Down Payment**"). The Down Payment may not be financed through a credit from the auto seller, or from a third party lender on the basis of an agreement between the auto seller and the third party lender.

The Rules are applicable to approximately 29.2% of the Purchased Auto Loans, 44.9% of which have been granted without a 35% down payment having been made by the customer.

According to statements in the Norwegian preparatory works, a violation of the Rules will not in itself give the Debtor a basis for alleging that the Purchased Auto Loan is invalid, or that the Debtor is not (fully or partially) obligated to repay the loan. Further, a violation of the Rules will not invalidate a legally perfected chattel mortgage over the Financed Vehicle, or any other Related Collateral. This applies with respect to the entire Purchased Auto Loan, including the part of the loan which covers the Down Payment the Debtor should have paid itself. The Issuer is not aware of any court decision where a loan has been annulled or reduced as a direct result of a violation of the Rules. See, however, "*RISK FACTORS – Possibility of "unfair contract terms" scrutiny by Norwegian courts*".

While neither the Financial Supervisory Authority of Norway ("**FSAN**") nor any other regulatory body may annul or revise credits granted in violation of the Rules, a violation of the Rules means that the simplified enforcement procedure (see "*RISK FACTORS – Enforcement of Purchased Auto Loans and Related Collateral*") will not be available. It may also result in the annulment of certain Issuer Secured Party rights pursuant to certain vehicle insurance policies taken out by Debtors over the Financed Vehicles. See "*RISK FACTORS – Assignment of Related Collateral to Issuer*".

Enforcement of Purchased Auto Loans and Related Collateral

In the event of a Debtor's default on a Purchased Auto Loan, the Issuer or the Security Trustee (as the case may be) may have to enforce such Purchased Auto Loan and any Related Collateral against the Debtor. Pursuant to the Servicing Agreement, the Servicer will assist the Issuer or the Security Trustee with all practical matters in enforcing such claim on their behalf and in their name. If for any reason the Issuer or the Security Trustee (with the aid of the Servicer) is unable to enforce the Purchased Auto Loan against the defaulting Debtor, this could result in a shortfall of funds available to make payments on the Notes.

Ultimately, enforcement of a claim in Norway requires the assistance of the Norwegian enforcement authorities. In order for a debt claim to be enforceable, a default must have occurred pursuant to the terms of the relevant loan. If a default has occurred, a non-secured creditor will in many cases have to file suit and obtain a court judgment in order to petition the Norwegian enforcement authorities to enforce the claim against the debtor. However, if the debtor has undertaken in writing that the claim can be enforced without prior judgment, then the creditor may petition the enforcement authorities directly upon a default. The Seller's standard form Loan Contracts contain such undertakings, meaning that a defaulted Purchased Auto Loan can be enforced with the aid of the enforcement authorities without obtaining a prior court judgment. Following a petition from a creditor to enforce a claim, the enforcement authorities will, if they consider the claim warranted after having given the debtor a chance to defend itself against the claim, register attachments (*utlegg*) over the debtor's assets to the extent necessary to secure the claim. Thereafter, the attached assets can be realised through a forced public auction process (*tvangs salg*). If, however, the debtor disputes the decision of the enforcement authorities, the debtor may demand that the enforcement matter be deferred to the courts for decision. For these reasons, enforcement of a disputed claim in Norway pursuant to the Enforcement Act can take considerable time, depending on jurisdiction.

Pursuant to Norwegian law, there is a simplified enforcement process for validly perfected auto chattel mortgages which allows the mortgagee to take possession of the Financed Vehicle with the assistance of Norwegian enforcement authorities, without first obtaining a court judgment and with no requirement for a forced public auction. However, in so far as any of the Purchased Auto Loans were provided in breach of the above-mentioned minimum down payment rules, the Issuer cannot rely on the simplified enforcement procedure. The simplified process can, therefore, not be used for the majority of the auto chattel mortgages related to Purchased Auto Loans. Such auto chattel mortgages can still be enforced in the courts (although court proceedings could make the enforcement procedure more cumbersome, expensive and time consuming) and the chattel mortgagee may also be able to repossess the Financed Vehicle through an agreement with the Debtor, as long as such agreement is entered into after the default has occurred.

Possibility of "unfair contract terms" scrutiny by Norwegian courts

Pursuant to section 36 of the Norwegian Contracts Act ("**Section 36**"), Norwegian courts have a general discretion to annul or revise "unfair contract terms" based on specific circumstances. The courts may take into consideration circumstances which were present at the time of the agreement as well as subsequent circumstances. A violation of the Rules is one factor which can be taken into account.

According to Norwegian preparatory works, case law and legal theory, the threshold for annulling or revising "unfair contract terms" is high. No cases where a court of law has annulled or reduced a consumer's debt pursuant to Section 36 due to a violation of the Rules have been identified. However, there is one known case which went before the Complaints Board for Consumers in Banking, Finance and Mutual Fund Matters in Norway, in which the Board held that a consumer borrower who had borrowed money to purchase a car was entitled to a reduction of 50% of his remaining debt to the lender concerned pursuant to Section 36. However, the case can be distinguished by its facts. It was not the breach of the Rules itself which led the Board to reach its conclusion, but the fact that the Rules had been violated formed part of the Board's reasoning.

Based on the foregoing, Section 36 should only be applied in cases where its application is warranted by other factors in addition to a breach of the Rules. However, as Section 36 provides Norwegian courts with a discretionary power to annul or revise "**unreasonable**" contracts, there will be some risk inherent in relation to the application of Section 36 to Purchased Auto Loans which have been granted in violation of the Rules.

Duration of effectiveness of a chattel mortgage (salgspar)

Under Norwegian law, the duration of a chattel mortgage is limited to a maximum of five years, estimated from the day the chattel was delivered to the borrower (Section 3-21 of the Pledge Act). After this time period the chattel mortgage will be void, unless the mortgagee has taken certain steps to enforce the chattel mortgage before the expiry date.

The expiry of the chattel mortgage does not affect the underlying loan. If the loan's duration is more than five years, it will no longer be secured when the chattel mortgage has expired.

As at 30 September 2012, none of the Purchased Auto Loans have been "**on book**" for five years or longer. The effect of Section 3-21 of the Pledge Act is limited by the fact that, at the time when the chattel mortgage relating to a particular Purchased Auto Loan becomes ineffective, the ratio of the remaining debt owed on such Purchased Auto Loan to the initial principal amount of that Auto Loan would be relatively small.

However, the fact that such Purchased Auto Loans will not be secured after the expiry of such a period may adversely affect the amount of funds available to the Issuer to make payments under the Notes.

Distribution of Collections from the Seller to the Issuer – risks in event of the Seller's insolvency

Currently, the Debtors make payments on Auto Loans into one or more Seller Collections Accounts in the name of the Seller at the Collections Account Bank. Following the purchase of the Portfolio by the Issuer, the Debtors will continue to make payments on the Purchased Auto Loans into the Seller Collections Accounts. It is contemplated that the Seller (acting as Servicer) will, on each Oslo Banking Day when any payments are received and credited to any Seller Collections Account, identify the portion, if any, of those payments that constitute Collections. On the date of this Prospectus, a Servicers' Owner Downgrade 1 has occurred and is continuing, and so the Seller is required to pay collections to the Transaction Account within one Oslo Banking Day after receipt or, in the case of exceptional circumstances causing an operational delay in the transfer, within three Oslo Banking Days after receipt. When a Servicer's Owner Downgrade 1 is not in existence and is not continuing, with respect to each Collection Period, on the relevant Transfer Date, the Seller (acting as Servicer) will pay to the Transaction Account an amount equal to the Collections received during that Collection Period. The Seller (acting as Servicer) shall pay to the Issuer interest on the amount of those Collections, for each day from the Oslo Banking Day when it received those Collections until the date on which it transfers those Collections to the Issuer Collections Account or the Transaction Account, at the same rate as

the effective rate of interest received by the Seller on amounts held in the Seller Collections Account during the relevant period.

If the Seller becomes insolvent and is placed under public administration, the public administration board will gain control over all assets in the Seller's possession, including funds credited to the Seller Collections Accounts and other bank accounts of the Seller. Since both Collections and other monies of the Seller will be credited to the Seller Collections Account and utilised by the Seller in its ordinary course of business, the Collections will be legally deemed as commingled with the Seller's other funds and the Issuer will not be able to claim a preferential right to funds held by the Seller if and when the Seller is placed under public administration. The public administration board will have a unilateral and discretionary right to accede to the Seller's contracts or refrain from doing so. If it accedes to a contract, it will be bound by all the terms and conditions of the contract. However, if it chooses not to accede to a contract, the other parties to the contract may usually terminate the contract and file any claim thereunder with the public administration board as a dividend claim.

Pursuant to the Servicing Agreement, if a Servicer Termination Event occurs (and whether or not the Note Trustee terminates the Servicer's appointment) or if the Servicer's Owner's long term debt is no longer rated at least investment grade by Fitch or at least Baa2 by Moody's, the Issuer or the Note Trustee may give notice or require the Servicer to give notice to the Debtors, instructing them to make payments to an account in the name of the Issuer subject to security in favour of the Security Trustee. However, to the extent Collections have not been redirected and the Seller becomes subject to public administration, Collections received in the Seller Collections Account may not be available for the Issuer to make payments on the Notes. See "*RISK FACTORS — Risk of late forwarding of payments received by the Servicer*").

Limitations with respect to Debtor personal data

Debtors' personal data is protected by Norwegian personal data legislation (mainly the Norwegian Personal Data Act and pertinent regulations). Further, the Seller being a Norwegian financial institution is bound by Norwegian statutory regulations regarding banking secrecy, prohibiting the transfer of confidential customer data to any third party. Based on *inter alia* statements in the FIA's preparatory works, the transfer of the customer information which is being transferred to the Issuer and which is displayed in the Loan Contracts relating to the Purchased Auto Loans is in compliance with the Norwegian statutory regulations on banking secrecy, and no consents from the Debtors are needed. This customer information includes the name of the Debtors, the loan amount, the personal identification number of the Debtors, the Debtors' addresses, information concerning certain security rights for the loan and the loan amount. However, other information about the Debtors and/or their loans (being information not required by the Issuer as part of the securitisation) can only be transferred to the Issuer upon consent from the Debtors.

If the Servicing Agreement with the Issuer is terminated, it will be necessary to appoint a new servicer for the Portfolio. Pursuant to Section 2-38 of the FIA, only a credit institution licensed or passported to conduct banking activities in Norway and which has the experience or capability of administering assets similar to the Portfolio may act as substitute servicers for the Portfolio. The Issuer will not be able to itself act as servicer. If a bank is validly appointed as substitute servicer, then logically the Seller will be entitled to transfer confidential information about the Debtors and the Portfolio to the substitute servicer without explicit consent from the Debtors on the basis that the substitute servicer would be a financial institution which would be subject to the same Norwegian bank confidentiality rules as the Seller. However, there is no Norwegian legislation, regulatory guidelines or other legal sources available to expressly confirm this view, so the position is somewhat uncertain.

If relevant legislation relating to the transfer and processing of Debtors' personal data is not properly observed, this could lead to administrative sanctions against the Seller, the Issuer and/or the Security Trustee (as the case may be). Further, this could also affect the amount of funds available to make payment on the Notes.

Change of law

The structure of the Servicing Agreement, the Norwegian Security Agreement and the Issuer Collections Account Agreement are based on Norwegian law, in effect as at the date of this Prospectus. No assurance can be given as to the impact of any possible change of Norwegian law or administrative practice after the date of this Prospectus.

The structure of the Auto Portfolio Purchase Agreement, the Corporate Administration Agreement and the Irish Security Deed are based on Irish law in effect as at the date of this Prospectus. No assurance can be given as to the impact of any possible change of Irish law or administrative practice after the date of this Prospectus.

The structure of the Cross Currency Swap Agreement, the Subscription Agreement, the Expenses Loan Agreement, the Agency Agreement, the Note Trust Deed, the Notes, the Transaction Account Agreement and the Security Trust Deed are based on English law and the Notes are governed by English law in effect as at the date of this Prospectus. No assurance

can be given as to the impact of any possible change of English law or administrative practice after the date of this Prospectus.

Commercial risks

Cross Currency Swap Agreement

If the Cross Currency Swap Counterparty defaults in respect of its obligations under the Cross Currency Swap Agreement which results in a termination of the Cross Currency Swap Agreement, prior to the delivery by the Note Trustee of an Enforcement Notice or the redemption in full of all outstanding Notes, the Issuer will be obliged to enter into a replacement arrangement with another appropriately rated entity. A failure to enter into such a replacement arrangement may result in a downgrading of the rating of the Series A1 Notes. If a replacement arrangement is able to be put in place, its terms may be less favourable than those in the original arrangement due, for example, to changes in economic conditions. See "*OUTLINE OF THE OTHER PRINCIPAL TRANSACTION DOCUMENTS — Cross Currency Swap Agreement*".

If the Cross Currency Swap Agreement terminates, the Issuer may be obliged to pay a termination payment to the Cross Currency Swap Counterparty. The amount of such termination payment will be based on the value of any benefit that would otherwise accrue to the Issuer as a result of terminating and replacing the Cross Currency Swap Agreement. There can be no assurance that the Issuer will have sufficient funds available to make any termination payment under the Cross Currency Swap Agreement or that the Issuer, following termination of the Cross Currency Swap Agreement, will have sufficient funds to make subsequent payments to the Noteholders in respect of the relevant Class of Notes.

Except where the Cross Currency Swap Counterparty has caused the Cross Currency Swap Agreement to terminate by its default, any termination payment in respect of the Cross Currency Swap Agreement due from the Issuer will rank in priority to payments of principal due on the Class A Notes and *pari passu* with payments of interest due on the Class A Notes. Therefore, if the Issuer is obliged to make a termination payment to the Cross Currency Swap Counterparty or to pay any other additional amount as a result of the termination of the Cross Currency Swap Agreement, this may reduce or otherwise adversely affect the amount of funds which the Issuer has available to make payments on the Notes of either Class.

If the Cross Currency Swap Agreement terminates, there can be no assurance that the Issuer will be able to enter into a replacement cross-currency swap, or if one is entered into, there can be no assurance that the credit rating of the replacement cross-currency swap counterparty will be sufficiently high to prevent a downgrading of the then current ratings of the Series A1 Notes by the Rating Agencies.

In the event of the insolvency of the Cross Currency Swap Counterparty, the Issuer will be treated as a general creditor of the Cross Currency Swap Counterparty. Consequently, the Issuer will be subject to the credit risk of the Cross Currency Swap Counterparty. To mitigate this risk, under the terms of the Cross Currency Swap Agreement, in the event that the relevant ratings of the Cross Currency Swap Counterparty fail to meet the relevant required ratings, the Cross Currency Swap Counterparty will, in accordance with the terms of the Cross Currency Swap Agreement, be required to elect to take certain remedial measures within the applicable time frame stipulated in such Cross Currency Swap Agreement (at its own cost) which may include providing collateral for its obligations under the Cross Currency Swap Agreement, arranging for its obligations under the Cross Currency Swap Agreement to be transferred to an entity with the relevant required ratings, or procuring another entity with the required ratings to become co-obligor or guarantor, as applicable, in respect of its obligations under the Cross Currency Swap Agreement. However, no assurance can be given that, at the time that such actions are required, sufficient collateral will be available to the Cross Currency Swap Counterparty or that another entity with the required ratings will be available to become a replacement cross-currency swap counterparty, co-obligor or guarantor or that the Cross Currency Swap Counterparty will be able to take the requisite other action.

Reliance on representations and warranties

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

Reliance on administration and collection procedures

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

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

Replacement of the Servicer

If the appointment of the Servicer is terminated, the Issuer may appoint a substitute servicer pursuant to the Servicing Agreement. Any substitute servicer which may replace the Servicer in accordance with the terms of the Servicing Agreement would have to be a bank as per FIA Section 2-38. Further, any substitute servicer may charge a servicing fee on a basis different from that of the Servicer. Both the failure to appoint a replacement servicer in the event that the Servicer can no longer perform its agreed function and/or the charging by a substitute servicer of a servicing fee greater than that charged by the Servicer may result in a shortfall in funds available to make payments on the Notes. See "*OUTLINE OF THE OTHER PRINCIPAL TRANSACTION DOCUMENTS — Auto Portfolio Purchase Agreement*" and "*OUTLINE OF THE OTHER PRINCIPAL TRANSACTION DOCUMENTS — Servicing Agreement*".

No independent investigation and limited information

None of the Joint Lead Managers, the Note Trustee, the Security Trustee nor the Issuer has undertaken or will undertake any investigations, searches or other actions to verify the details of the Portfolio or any value of the Related Collateral or to establish the creditworthiness of any Debtor or any other party to the Transaction Documents. Each such person will rely solely on the accuracy of the representations and warranties given by the Seller to the Issuer in the Auto Portfolio Purchase Agreement in respect of, *inter alia*, the Purchased Auto Loans, the Debtors, the Loan Contracts underlying the Purchased Auto Loans and the Related Collateral, including, without limitation, any security interests in the Financed Vehicles. The monetary benefit of all such representations and warranties given to the Issuer will be assigned by way of security by the Issuer in favour of the Security Trustee under the Norwegian Security Agreement and the Irish Security Deed.

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

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

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

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

Risk of losses on the Portfolio

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

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

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

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

Credit risk of the Debtors; sale of Financed Vehicles

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

Risk of early repayment

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

Risk of late payment due to deferral of Purchased Auto Loans

Under the Servicing Agreement, the Servicer may, in specific circumstances and in its sole discretion, grant a deferral of the date on which certain payments are due under the Loan Contracts. This results in a risk of late payment of instalments pursuant to the Loan Contracts underlying the Purchased Auto Loans.

Risk of late forwarding of payments received by the Servicer

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

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

The Reserve Fund, the Liquidity Reserve and the Commingling Reserve Required Amount are designed to mitigate the risk of the Issuer not receiving enough funds to pay interest due under the Notes. The Class A Notes also benefit from the subordination of payments to be made to the Class B Notes.

Creditworthiness of parties to the Transaction Documents

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

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

Sharing with other creditors

The proceeds of enforcement and collection of the Secured Assets created by the Issuer in favour of the Security Trustee will be used in accordance with the Post-Enforcement Priority of Payments to satisfy claims of all Issuer Secured Parties thereunder. The claims of certain creditors will be settled ahead of those of the Noteholders in accordance with the Post-Enforcement Priority of Payments.

Priorities of payment in counterparty's insolvency

The validity of certain contractual priorities of payments provisions (which provide for the changing of the order of application of monies received or recovered after security has become enforceable) has been challenged recently in the English and U.S. courts. This might be of direct relevance in insolvency or other proceedings relating to one or more parties to the extent English or US law is applicable and similar issues could arise under other applicable laws.

The court cases have arisen due to the insolvency of a secured creditor (in that case a swap counterparty) and have considered whether such payment priority provisions (under which the priority of swap termination payments was subordinated to the secured claims of other creditors upon the occurrence of an event of default in relation to the swap counterparty breach (a "**Flip Clause**")) offend the "**anti-deprivation**" principle under English insolvency law (this principle prevents a party from agreeing to a provision that deprives its creditors of an asset upon its insolvency) (the "**Anti Deprivation Rule**"); or other provisions of English law relating to *pari passu* distribution in insolvency (the "**Pari passu Rule**") or would be unenforceable under US bankruptcy law.

The English Supreme Court in *Belmont Park Investments Pty Limited (Respondent) v BNY Corporate Trustee Services Ltd and Lehman Brothers Special Financing Inc* [2011] UKSC 38 (the "**Belmont Case**") decided that the Flip Clause at issue in that case did not offend the so called Anti-Deprivation Rule or the *Pari passu* Rule where certain conditions are met. The Joint Lead Managers have obtained opinions of counsel under English law confirming that, subject to certain assumptions and qualifications, based upon the Belmont Case they would expect an English Court in an insolvency of the Cross Currency Swap Counterparty which is conducted under the jurisdiction of the English courts under English domestic law to hold that the Flip Clause in the Post-Enforcement Priority of Payments did not contravene the anti-deprivation principle. Further, subject to certain assumptions and qualifications, English counsel have opined that, whilst the effectiveness of contractual subordination agreements under English law is not definitively established, the English courts have held that a contractual subordination agreement may be valid and enforceable on insolvency notwithstanding that its effect is to benefit the general body of unsecured creditors to the detriment of the subordinated creditor.

In contrast, the US Bankruptcy Court recently held in *Lehman Brothers Special Financing Inc. ("LBSF") v BNY Corporate Trustee Services Ltd, Adv. Pro. No 09-01242 (JMP) (Bankr. S.D.N.Y. January 25, 2010)* (the "**New York Proceedings**") that the Flip Clause considered in the Belmont Case was unenforceable under US bankruptcy law and that any action to enforce the provision as a result of the debtor's bankruptcy would violate the automatic stay which applies under US bankruptcy law on the bankruptcy of the subordinating party.

It is unclear at this stage the extent to which an Issuer Secured Party that is the subject of US bankruptcy proceedings or, for that matter, insolvency proceedings outside of England and Wales, would be able to challenge successfully the Flip Clause in the Security Trust Deed on the basis of the laws governing or applied in those proceedings. However, by virtue of the New York Proceedings, there is a risk that an Issuer Secured Party which becomes subject to US bankruptcy proceedings as the debtor, may seek to challenge that provision. Furthermore, whether a foreign judgment or order in respect of the priorities of payment in the Security Trust Deed would be recognised and given effect to in England and Wales is equally unclear. It should be noted that the question of whether the English Courts will permit the application of foreign insolvency laws (by virtue of an application under the Cross-Border Insolvency Regulations or otherwise) to invalidate the Flip Clause on the bankruptcy or default of the swap counterparty has yet to be considered by the English courts. That issue was not the subject of the hearings in the Belmont Case before the Court of Appeal or the Supreme

Court, having been adjourned by the English High Court to permit appeals on the anti-deprivation point to be heard before an appropriate application for assistance under the Cross-Border Insolvency Regulations was made by LBSF.

Preferred creditors under Irish law

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

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

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

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

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

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

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

- (a) they have weak priority against purchasers (who are not on notice of any negative pledge contained in the floating charge) and chargees of the assets concerned and against lien holders, execution creditors and creditors with rights of set off;
- (b) they rank after certain preferential creditors, such as claims of employees and certain taxes on winding up;
- (c) they rank after certain insolvency remuneration expenses and liabilities;
- (d) the examiner of a company has certain rights to deal with the property covered by the floating charges; and
- (e) they rank after fixed charges.

Examinership

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

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

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

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

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

Not a bank deposit

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

Other risks

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

CREDIT STRUCTURE

Purchased Auto Loan interest rates

The Purchased Auto Loans include (i) annuity loans under which instalments are calculated on the basis of (approximately) equal monthly periods during the life of each loan, (ii) Balloon Loans under which the final instalment may be substantially higher than the previous instalments and (iii) serial loans under which monthly principal payments remain the same throughout the life of each loan and the portion of each monthly payment which consists of interest may vary each month depending on the interest rate and (declining) loan balance. Each instalment is comprised of a portion allocable to interest and a portion allocable to principal under such loan.

Cash collection arrangements

Payments by the Debtors under the Purchased Auto Loans are due on a monthly basis on the same day each month (subject to business day adjustment). Under the majority of the Purchased Auto Loans, the Debtor can choose the date each month on which payments are to be made.

The majority of Debtors have payment dates falling throughout the month, with the most popular payment dates falling on the first, fifteenth, twentieth and twenty-fifth of the month, interest being payable in arrears.

Following the purchase of the Portfolio by the Issuer, the Debtors will be instructed to continue to make payments on the Purchased Auto Loans into the Seller Collections Accounts until they are otherwise instructed. The Servicer will, not later than the Oslo Banking Day following each Oslo Banking Day when any payments are received and credited to any Seller Collections Account, identify the portion, if any, of those payments that constitute Collections. Unless a Notification Event has occurred and has not been waived, all Collections paid into the Seller Collections Accounts shall be transferred by the Servicer to the Transaction Account on a daily basis (if a Servicer's Owner Downgrade 1 exists) in accordance with the provisions of the Servicing Agreement.

As at the date of this Prospectus, the Servicer's Owner's short-term and long-term unsecured, unsubordinated and unguaranteed indebtedness is rated P-2 and Baa2 respectively by Moody's and, therefore, a Servicer's Owner Downgrade 1 has occurred. As a consequence, (i) on or before the Note Issuance Date, the Commingling Reserve Account will be funded through the proceeds of an advance made by the Subordinated Loan Provider to the Issuer in an amount equal to the Commingling Reserve Required Amount and (ii) any and all Collections received from time to time in the Seller Collections Account will be transferred to the Transaction Account as described above.

If as of any Cut-Off Date the amount standing to the credit of the Commingling Reserve Account exceeds the Commingling Reserve Required Amount (which shall be zero if no Servicer's Owner Downgrade 1 exists), then an amount equal to such excess shall be released and applied towards repayment of the Subordinated Loan on the immediately following Payment Date. If, on and after the occurrence of a Servicer Termination Event of the type described in paragraph (d) of the definition of that term, the Servicer (or the Seller as applicable) holds any Collections, the Calculation Agent, pursuant to the Agency Agreement, and the Note Trustee will treat an equivalent amount of the funds standing to the credit of the Commingling Reserve Account as part of the Available Distribution Amount or the Post-Enforcement Available Distribution Amount, as applicable.

If as of any Cut-Off Date the amount standing to the credit of the Commingling Reserve Account is less than the Commingling Reserve Required Amount, then the Servicer (or, if the Seller is not the Servicer, the Seller) shall procure that the Subordinated Loan Provider, within 10 Business Days, makes available to the Issuer an advance by way of deposit to the Commingling Reserve Account in an amount equal to the shortfall.

On the Discharge Date or, if earlier, on the first Business Day falling not less than two months following the earlier of (i) the date of any notice given to the Debtors to make payments on Purchased Auto Loans to the Issuer Collections Account and (ii) the appointment of a substitute servicer on a Servicer Termination Event, any amount standing to the credit of the Commingling Reserve Account shall be released to the Subordinated Loan Provider on the immediately following Payment Date.

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

The Servicer will keep ledgers which, among other things, identify all amounts paid into the Transaction Account, the Reserve Account and, if applicable, the Commingling Reserve Account which represent the Available Distribution Amount.

The Currency Swap Reserve Account will be established at the Transaction Account Bank in accordance with the Transaction Account Agreement. If the Cross Currency Swap Transaction has been terminated and no replacement cross-currency swap entered into in its place, then interest and principal amounts in Norwegian kroner payable by the Issuer in relation to the Series A1 Notes will be converted into Euro at the Spot Rate by the Cash Administrator. To the extent that the interest and principal amounts payable in Norwegian kroner by the Issuer are greater than the interest and principal amounts in Euro payable to the Series A1 Noteholders after conversion at the Spot Rate by the Cash Administrator, such excess amounts will be transferred to the Currency Swap Reserve Account where, subject to the terms of the Transaction Documents, they may be applied on subsequent Payment Dates to pay firstly Currency Swap Deferred Interest Amounts and secondly, Currency Swap Deferred Principal Amounts or to be applied towards the purchase of, on any future date, a replacement currency swap transaction for the Series A1 Notes.

If at any time a Ratings Downgrade has occurred with respect to the Transaction Account Bank, the Issuer will be required, within thirty (30) calendar days after the Ratings Downgrade, to transfer any amounts credited to the Issuer Secured Accounts, at no cost to the Issuer, to an alternative bank with at least the Required Ratings. The alternative bank will need to (i) enter into a Transaction Account Agreement prior to the transfer and (ii) accede to the Security Trust Deed.

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

"Required Ratings" shall mean,

- (a) with respect to the Cross Currency Swap Counterparty (or its guarantor), that
 - (i) (A) the long-term issuer default rating is rated at least as high as "A" (or its equivalent) by Fitch and (B) the short-term issuer default rating is rated at least as high as "F1" (or its equivalent) by Fitch; and
 - (ii) (A) if the Cross Currency Swap Counterparty (or its guarantor) is subject to a short-term rating by Moody's, such rating is "Prime-1" and its long-term, unsecured and unsubordinated debt or counterparty obligations are rated "A2" or above by Moody's, and (B) if the Cross Currency Swap Counterparty (or its guarantor) is not subject to a short-term rating by Moody's, such rating of its long-term, unsecured and unsubordinated debt or counterparty obligations are rated "A1" or above by Moody's; and
- (b) with respect to any other person, that:
 - (i) the short-term unsecured, unsubordinated and unguaranteed debt obligations of that person are assigned a rating of at least "F1" (or its equivalent) by Fitch and "Prime-1" (or its equivalent) by Moody's or in either case such other rating which is consistent with the then current rating methodology of the applicable Rating Agency; and
 - (ii) the long-term unsecured, unsubordinated and unguaranteed debt obligations of that person are assigned a rating of at least "A" (or its equivalent) by Fitch and "A2" (or its equivalent) by Moody's or in either case such other rating which is consistent with the then current rating methodology of the applicable Rating Agency.

Available Distribution Amount

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

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

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

Pre-Enforcement Priority of Payments

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

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

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

Residual payment to the Seller

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

Post-Enforcement Priority of Payments

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

Reserve Account

The Issuer will establish and maintain the Reserve Account for the purpose of holding (a) a credit reserve in an amount up to the Required Reserve Amount (the "**Reserve Fund**"), which is designed to provide additional credit enhancement for the Class A Notes, and (b) a liquidity reserve in an amount up to the Required Liquidity Reserve Amount (the "**Liquidity Reserve**"), designed to cover temporary shortfalls in Collections available to pay senior expenses and interest on the Class A Notes and, on the earlier of (i) the Payment Date, if any, on which the Aggregate Outstanding Loan Principal Amount is zero but the Class A Notes have not been redeemed in full, and (ii) the Maturity Date, to cover shortfalls in Collections available to pay the outstanding principal amount of the Class A Notes.

On the Note Issuance Date, an amount of NOK 212,257,350 will be credited to the Reserve Account (being the initial Required Liquidity Reserve Amount of NOK 70,752,450 and the Required Reserve Amount of NOK 141,504,900) by the making of a drawing under the Subordinated Loan. See "*CREDIT STRUCTURE — Subordinated Loan*".

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

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

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

- (a) on the Note Issuance Date and as at each Cut-Off Date prior to (but excluding) the Amortisation Threshold Date, an amount equal to (i) 3.00% of the Initial Aggregate Outstanding Note Principal Amount less (ii) the Required Liquidity Reserve Amount as at such date;

- (b) on the Cut-Off Date falling on the Amortisation Threshold Date and as at each Cut-Off Date following the Amortisation Threshold Date, an amount equal to (i) 6.00% of the Aggregate Outstanding Note Principal Amount as at the applicable Cut-Off Date less (ii) the Required Liquidity Reserve Amount as at such Cut-Off Date; and
- (c) zero, following the earliest of:
 - (i) repayment in full of interest and principal due in respect of the Notes;
 - (ii) the Cut-Off Date on which the Aggregate Outstanding Loan Principal Amount is zero but the Notes have not been redeemed in full; and
 - (iii) the Maturity Date,

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

further provided that, if a Reserve Shortfall occurred on the preceding Payment Date, the Required Reserve Amount shall not be less than the Required Reserve Amount as of the Cut-Off Date immediately preceding that Payment Date.

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

- (a) on the Note Issuance Date, NOK 70,752,450;
- (b) as at each Cut-Off Date prior to (but excluding) the Amortisation Threshold Date, an amount equal to 1.00% of the Initial Aggregate Outstanding Note Principal Amount;
- (c) on the Cut-Off Date falling on the Amortisation Threshold Date and as at each Cut-Off Date following the Amortisation Threshold Date, an amount equal to 2.00% of the Aggregate Outstanding Note Principal Amount as at such Cut-Off Date; and
- (d) zero following the earliest of:
 - (i) repayment in full of interest and principal due in respect of the Class A Notes;
 - (ii) the Cut-Off Date on which the Aggregate Outstanding Loan Principal Amount is zero but the Class A Notes have not been redeemed in full; and
 - (iii) the Maturity Date;

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

further provided that, if a Liquidity Reserve Shortfall occurred on the preceding Payment Date, the Required Liquidity Reserve Amount shall not be less than the Required Liquidity Reserve Amount as of the Cut-Off Date immediately preceding that Payment Date.

Cross Currency Swap Transaction

The payments made by the customers in relation to the Purchased Auto Loans will be denominated in Norwegian kroner, but interest and principal payments in respect of the Series A1 Notes will be payable in Euros. In order to hedge the resulting currency exchange rate risk, the Issuer will enter into the Cross Currency Swap Transaction with the Cross Currency Swap Counterparty.

Pursuant to the Cross Currency Swap Transaction, on the Initial Exchange Payment Date, the Issuer will pay the Cross Currency Swap Counterparty the Initial Exchange Amount, which is an amount in Euro equal to the Series A1 Principal Amount on the Note Issuance Date, and the Cross Currency Swap Counterparty will pay to the Issuer an amount in Norwegian kroner equivalent to the Initial Exchange Amount converted into Norwegian kroner at the Cross Currency Exchange Rate.

On each Interim Exchange Payment Date and the Final Exchange Payment Date:

- (a) the Issuer will pay to the Cross Currency Swap Counterparty, in respect of interest payments, an amount in Norwegian kroner equal to the Issuer Swap Interest, which is the product of (i) the Issuer Interest Rate, (ii) the NOK Equivalent of the Series A1 Principal Amount as at the first day of the related Interest Period and (iii) the actual number of days in the applicable Interest Period in respect of which payment is being made divided by 360;
- (b) prior to the delivery by the Note Trustee of an Enforcement Notice or prior to a Class A Principal Payment Trigger Event, the Issuer will pay to the Cross Currency Swap Counterparty, in respect of principal payments, the Series A1 Notes NOK Amortisation Amount, which is an amount in Norwegian kroner equal to the lesser of (i) the applicable Expected NOK Amortisation Amount plus the Carried Over NOK Amortisation Amount and (ii) the Actual NOK Amortisation Amount;
- (c) on and after the delivery by the Note Trustee of an Enforcement Notice or after a Class A Principal Payment Trigger Event and thereafter, the Issuer will pay to the Cross Currency Swap Counterparty an amount in Norwegian kroner equal to the amount available for redemption of the Series A1 Notes on the relevant Payment Date in accordance with the applicable Priority of Payments;
- (d) the Cross Currency Swap Counterparty will pay to the Issuer, in respect of interest payments, an amount in Euro equal to the product of (i) the Series A1 Principal Amount, (ii) EURIBOR plus the Series A1 Interest Margin and (iii) the actual number of days in the applicable Interest Period in respect of which payment is being made divided by 360;
- (e) prior to the delivery by the Note Trustee of an Enforcement Notice or prior to a Class A Principal Payment Trigger Event, the Issuer will pay to the Cross Currency Swap Counterparty, the Cross Currency Swap Counterparty will pay to the Issuer, in respect of principal payments, the Series A1 Notes EUR Amortisation Amount, which is an amount in Euro equal to the Series A1 Notes NOK Amortisation Amount at the Cross Currency Exchange Rate; and
- (f) on and after the delivery by the Note Trustee of an Enforcement Notice or after a Class A Principal Payment Trigger Event, the Cross Currency Swap Counterparty will pay to the Issuer an amount in Euro equal to the amount received by the Cross Currency Swap Counterparty under sub-clause (c) above at the Cross Currency Exchange Rate.

Pursuant to the Cross Currency Swap Agreement, if and so long as the short-term or long-term unsecured, unsubordinated and unguaranteed debt obligations of the Cross Currency Swap Counterparty are assigned a rating lower than the Required Ratings (as defined below) or any such Required Rating is withdrawn by any Rating Agency, then the Cross Currency Swap Counterparty will be obliged, within fourteen (14) calendar days, at its own cost, to post collateral for its obligations in accordance with the provisions of the Credit Support Annex or within thirty (30) calendar days, at its cost, to either (i) obtain a guarantee of its obligations under the Cross Currency Swap Agreement from a third party with the Required Ratings; (ii) transfer all of its rights and obligations under the Cross Currency Swap Agreement to a third party with the Required Ratings; or (iii) take any such further action to maintain the then current rating of the Series A1 Notes (subject to confirmation from the Rating Agencies that such action will not affect the then current ratings of the Series A1 Notes). In addition, if such obligations are assigned a rating lower than the Subsequent Required Ratings or any such rating is withdrawn by any Rating Agency, will be obliged, within thirty (30) calendar days, at its cost, to either (i) obtain a guarantee of its obligations under the Cross Currency Swap Agreement from a third party with the Required Ratings; (ii) transfer all of its rights and obligations under the Cross Currency Swap Agreement to a third party with the Required Ratings; or (iii) take any such further action to maintain the then current rating of the Series A1 Notes (subject to confirmation from the Rating Agencies that such action will not affect the then current ratings of the Series A1 Notes) and pending the taking of such action, within ten (10) calendar days, at its own cost, to post collateral for its obligations in accordance with the provisions of the Credit Support Annex.

Failure by the Cross Currency Swap Counterparty to comply with any of the aforementioned requirements will constitute a reason for termination by the Issuer of the Cross Currency Swap Agreement in accordance with the conditions thereof. Where the Cross Currency Swap Counterparty provides collateral in accordance with the provisions of the Credit Support Annex, such collateral or interest thereon will not form part of the Available Distribution Amount (other than collateral amounts applied in satisfaction of termination payments due to the Issuer following the designation of an early termination date under the Cross Currency Swap Agreement). See "*OUTLINE OF THE OTHER PRINCIPAL TRANSACTION DOCUMENTS — Cross Currency Swap Agreement*" and "*THE CROSS CURRENCY SWAP COUNTERPARTY*".

Credit enhancement

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

Prior to the delivery by the Note Trustee of an Enforcement Notice, the Class A Notes have the benefit of credit enhancement provided through the subordination of the Class B Notes and through the Reserve Fund.

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

Class A Cash Accumulation Fund

The Class A Notes will have the benefit of the amount, if any, from time to time retained in the Transaction Account and standing to the credit of the Class A Cash Accumulation Ledger (the "**Class A Cash Accumulation Fund**"), which will be available solely for payments of principal on the Class A Notes (and, following payment in full of the Class A Principal Amount, of principal of the Class B Notes, in accordance with the relevant Priority of Payments. For the avoidance of doubt, the Class A Cash Accumulation Fund forms a part of the Available Distribution Amount but is only available for payments of principal on the Class A Notes (and, following payment in full of the Class A Principal Amount, of principal of the Class B Notes), not for any other items in the relevant Priority of Payments. Prior to the occurrence of a Class A Principal Payment Trigger Event or the redemption of all Class A Notes in full, the Class A Cash Accumulation Fund is available for payments of principal on the Class A Notes and, if on the Cut-off Date prior to the relevant Payment Date the Class A Cash Accumulation exceeds the Class A Principal Amount, any such excess shall be used for payments of principal on the Class B Notes. On or after the occurrence of a Class A Principal Payment Trigger Event, the delivery of an Enforcement Notice or the redemption of all Class A Notes in full, the Class A Cash Accumulation Fund is available for payments of principal on all Notes. The Class A Cash Accumulation Fund will be used first (before the remainder of the Available Distribution Amount) for principal payments on the relevant Class A Notes. The remainder of the Available Distribution Amount will be applied for the other items in the relevant Priority of Payments and only used for principal payments on the relevant Class A Notes if the Class A Cash Accumulation Fund is not sufficient for that purpose. The Class A Cash Accumulation Ledger will be maintained as a ledger to the Transaction Account. Prior to the delivery of an Enforcement Notice, the Class A Cash Accumulation Ledger will be replenished on each Payment Date up to the Class A Cash Accumulation Ledger Required Amount in accordance with the Pre-Enforcement Priority of Payments. See "*TERMS AND CONDITIONS OF THE NOTES Redemption Pre-Enforcement Priority of Payments*".

Subordinated Loan

The Subordinated Loan Provider has made available to the Issuer on or prior to the Purchase Date an advance in the principal amount of NOK 611,851,951 which has been utilised for the purpose of funding the Reserve Account (up to the amount of the Required Reserve Amount and the Required Liquidity Reserve Amount), the Supplementary Liquidity Reserve, the CPI Reserve Ledger and the Commingling Reserve Account. After the Note Issuance Date, the Subordinated Loan Provider shall make further advances to the Issuer if funds are required to be credited to the CPI Reserve Ledger, the Commingling Reserve Account or the Supplementary Liquidity Ledger pursuant to the Transaction Documents, and the Subordinated Loan Provider may make, in its sole discretion, Series A1 Principal Requirement Advances to the Issuer if such funds are required.

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

Prior to the delivery by the Note Trustee of an Enforcement Notice, interest under the Subordinated Loan will be payable by the Issuer monthly in arrear on each Payment Date, subject to and in accordance with the Pre-Enforcement Priority of Payments. The principal amount outstanding and unpaid on the Subordinated Loan will be repaid by the Issuer out of reductions in the amount of the Required Reserve Amount and the Required Liquidity Reserve Amount in accordance with the Pre-Enforcement Priority of Payments and amounts released from the Commingling Reserve Account and the Transaction Account in connection with debits to the CPI Reserve Ledger for such purpose in accordance with the provisions of the Transaction Documents.

In addition, the Subordinated Loan Provider, from time to time and acting in its absolute discretion, is entitled to (but not required to) make an additional advance available to the Issuer under the Auto Portfolio Purchase Agreement (the "**Series A1 Principal Requirement Advance**") in an amount up to (and including) the Series A1 Principal Requirement Shortfall. Prior to the delivery of an Enforcement Notice, the Series A1 Principal Requirement Advance will be utilised for the purpose of making up any shortfall between the Available Distribution Amounts and the Series A1 Notes Principal, solely for the purpose of paying certain amounts of principal on the Series A1 Notes. The obligations of the Issuer to make payments of principal and interest (if any) to the Subordinated Loan Provider under the Series A1 Principal Requirement Advance are separate from, and rank in priority to, the obligations of the Issuer to make payments to the Subordinated Loan Provider of any other amounts under the Auto Portfolio Purchase Agreement.

Prior to the delivery of an Enforcement Notice, interest and principal under each of the Subordinated Loan and the Series A1 Principal Requirement Advance will be payable by the Issuer monthly in arrear on each Payment Date, subject to and in accordance with the Pre-Enforcement Priority of Payments. See "*OUTLINE OF THE OTHER PRINCIPAL TRANSACTION DOCUMENTS — Auto Portfolio Purchase Agreement*".

Series A1 Principal Requirement Advance to cure a Principal Requirement Shortfall

If, on any Cut-Off Date, the Servicer determines that there is a Series A1 Principal Requirement Shortfall with respect to the immediately following Payment Date (prior to a Class A Principal Payment Trigger Event), the Servicer shall notify the Issuer and the Seller of the amount of such Series A1 Principal Requirement Shortfall. Upon being so notified, the Subordinated Loan Provider may, in its sole discretion, make funds available to the Issuer prior to such immediately following Payment Date in any amount up to (and including) the Series A1 Principal Requirement Shortfall (such funds being a "**Series A1 Principal Requirement Advance**"). Such funds shall be credited to the Transaction Account of the Issuer and applied on the immediately following Payment Date, together with the portion of the Available Distribution Amount available to make the payments of principal on the Series A1 Notes under item (g) (prior to a Class A Principal Payment Trigger Event) of the Pre-Enforcement Priority of Payments in order to reduce or eliminate the Series A1 Principal Requirement Shortfall.

The Series A1 Principal Requirement Advance shall be in the form of an advance from the Subordinated Loan Provider to the Issuer under the Auto Portfolio Purchase Agreement. Repayment of amounts (if any) advanced pursuant to the Series A1 Principal Requirement Advance shall rank in priority to payment by the Issuer of principal and interest to the Subordinated Loan Provider of any other amounts under the Auto Portfolio Purchase Agreement.

Expenses Loan

The Expenses Loan Provider has made available to the Issuer on or prior to the Purchase Date an interest-bearing amortising Expenses Loan in the principal amount of NOK 13,000,000 which is not credit-linked to the Portfolio and which will, subject to certain conditions, be disbursed on the Note Issuance Date for the purpose of providing the Issuer with the funds necessary to pay certain amounts payable by it on the Note Issuance Date under the Transaction Documents (including, without limitation, the fees, costs and expenses payable on the Note Issuance Date to the Joint Lead Managers and to other parties in connection with the offer and sale of the Notes) and certain other costs.

The Expenses Loan will be repaid in twenty-four (24) instalments on each Payment Date following the Note Issuance Date. The Expenses Loan will be subject to partial repayment, early repayment or optional repayment in specific circumstances and subject to certain conditions.

The claims and rights of the Expenses Loan Provider for repayment of and otherwise in respect of the Expenses Loan will, however, be limited to the amounts received by the Issuer from time to time in respect of the Transaction Cost Fee to be paid by the Seller on each Payment Date in accordance with the Auto Portfolio Purchase Agreement (and which will not form part of the Available Distribution Amount).

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

NOTE CONDITIONS

The floating rate secured notes of Bilkreditt 3 Limited (the "**Issuer**") will be issued on or about 28 November 2012 (the "**Note Issuance Date**") and consist of the EUR 670,000,000 Class A Series A1 Floating Rate Secured Notes due April 2027 (the "**Series A1 Notes**"), the NOK 1,096,100,000 Class A Series A2 Floating Rate Secured Notes due April 2027 (the "**Series A2 Notes**"), and the Series A1 Notes and Series A2 Notes, each a "Series" of Notes and together, the "**Class A Notes**") and the NOK 1,061,345,000 Class B Floating Rate Secured Notes due April 2027 (the "**Class B Notes**" and, each being a "Class of Notes" and together with the Class A Notes, the "**Notes**").

Application has been made to the Irish Stock Exchange for the Class A Notes to be admitted to the Official List and trading on its regulated market.

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

These conditions (the "**Note Conditions**") include summaries of, and are subject to, the detailed provisions of the following agreements, dated the Note Issuance Date and as amended and supplemented from time to time: the Note Trust Deed (which includes the forms of the Notes), the Agency Agreement, an English law security trust deed (the "**Security Trust Deed**") between, *inter alios*, the Issuer and Deutsche Trustee Company Limited as security trustee (the "**Security Trustee**"), a Norwegian security agreement between the Issuer and the Security Trustee (the "**Norwegian Security Agreement**") and an Irish security deed of assignment between the Issuer and the Security Trustee (the "**Irish Security Deed**"). Copies of the Note Trust Deed, the Security Trust Deed, the Agency Agreement, the Norwegian Security Agreement and Irish Security Deed and the other Transaction Documents are available for inspection during usual business hours at the specified office of the Principal Paying Agent.

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

1. FORM, DENOMINATION AND TITLE

1.1 Form

- (a) The Series A1 Notes will be initially represented by a temporary global note in bearer form (the "**Temporary Global Note**") without Coupons or Receipts attached. The Temporary Global Note will be exchangeable for a permanent global note in bearer form which is recorded in the records of Euroclear and Clearstream (the "**Permanent Global Note**", and together with the Temporary Global Notes, the "**Series A1 Note Certificates**") without Coupons attached. The Temporary Global Note will be exchangeable not earlier than 40 calendar days and not later than 180 calendar days after the Note Issuance Date, upon certification of non-U.S. beneficial ownership, for interests in a Permanent Global Note. The Series A1 Note Certificates will be deposited with a common safekeeper for Euroclear and Clearstream Luxembourg and on or before the Note Issuance Date and recorded in the records of Euroclear and Clearstream Luxembourg. The Series A1 Notes will be transferred in book-entry form only. The Series A1 Notes shall be effectuated by the Common Safekeeper.
- (b) The Series A1 Notes are issued in a new global note ("**NGN**") form and kept in custody with the Common Safekeeper for the Series A1 Notes until all obligations of the Issuer under the Series A1 Notes have been satisfied.
- (c) The Series A2 Notes shall be represented by one or more Note Certificates in definitive registered form. The Class B Notes shall be represented by a Note Certificate in global registered form. The Series A2 Note Certificate shall be delivered to the Series A2 Noteholder and registered in the name of the Series A2 Noteholder. The Class B Note Certificate shall be deposited with the Class B Noteholder and registered in the name of the Class B Noteholder. Each Note Certificate shall be manually signed by or on behalf of the Issuer and shall be authenticated by the Principal Paying Agent.

- (d) Each of the Series A1 Note Certificates and the Class B Note Certificate will be exchangeable, free of charge to the holder in whole but not in part, for a Note in definitive form ("**Definitive Notes**"):
- (i) (in respect of the Series A1 Notes only) if either Euroclear or Clearstream, Luxembourg is closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or announces an intention permanently to cease business or has in fact done so and no successor clearing system acceptable to the Note Trustee is available; or
 - (ii) (in respect of either Class of Notes) as a result of any amendment to, or change in (A) the laws or regulations of Ireland or the United Kingdom (or of any political sub-division thereof) or of any authority therein or thereof having power to tax or (B) the interpretation or administration of such laws or regulations, which becomes effective on or after the Note Issuance Date, the Issuer or the Principal Paying Agent is or will be required to make any deduction or withholding for or on account of tax from any payment in respect of the Notes which would not be required were the Notes in definitive form, then the Issuer will, within 30 days of the occurrence of the relevant event, issue serially numbered note certificates, where applicable, in definitive form in exchange for the whole outstanding interest in the relevant Note Certificate.

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

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

- (e) The holder of a Definitive Note may transfer the Notes represented thereby in whole or in part in the applicable minimum denomination by surrendering it at the specified office of the Registrar, together with the completed form of transfer thereon. Upon the transfer, exchange or replacement of a Definitive Note, any legends or restrictions set forth therein are required to be complied with at all times.
- (f) The aggregate nominal amount of the Series A1 Notes represented by the Series A1 Note Certificate shall be the aggregate amount from time to time entered in the records of both Euroclear and Clearstream, Luxembourg. Absent errors, the records of Euroclear and Clearstream, Luxembourg (meaning the records that each Euroclear and Clearstream, Luxembourg holds for its customers which reflect the amount of such customer's interest in the Series A1 Notes) shall be conclusive evidence of the aggregate nominal amount of the Series A1 Notes represented by the Series A1 Note Certificate and, for these purposes, a statement issued by Euroclear or Clearstream, Luxembourg, as applicable, stating the aggregate nominal amount of the Notes so represented at any time shall be conclusive evidence of the records of Euroclear and Clearstream, Luxembourg (as applicable) at that time.
- (g) On any redemption or payment of interest being made in respect of any of the Series A1 Notes, the Issuer shall procure that details of any such redemption or payment (as the case may be) shall be entered *pro rata* in the records of Euroclear and Clearstream, Luxembourg and, upon any such entry being made, the aggregate nominal amount of the Series A1 Notes recorded in the records of Euroclear and Clearstream, Luxembourg and represented by the applicable Class A Note Certificate shall be reduced by the aggregate nominal amount of the Series A1 Notes so redeemed.
- (h) The aggregate nominal amount of the Series A2 Notes represented by the Series A2 Note Certificate and the Class B Notes represented by the Class B Note Certificate shall be the aggregate amount from time to time entered in the records of the Registrar. Absent manifest errors, the records of the Registrar shall be conclusive evidence of the aggregate nominal amount of the Series A2 Notes represented by the Series A2 Note Certificate and of the Class B Notes represented by the Class B Note Certificate and, for these purposes, a statement issued by the Registrar stating the aggregate nominal amount of relevant Series A2 Notes or Class B Notes so represented at any time shall be conclusive evidence of the records of the Registrar at that time.
- (i) On any redemption or payment of interest being made in respect of any of the Series A2 Notes or the Class B Notes, the Issuer shall procure that details of any such redemption or payment (as the case may be) shall be entered *pro rata* in the records of the Registrar and in relation to any such redemption or payment, upon any

such entry being made, the aggregate nominal amount of the Series A2 Notes or the Class B Notes, as applicable, recorded in the records of the Registrar and represented by the Series A2 Note Certificate or the Class B Note Certificate, as applicable, shall be reduced by the aggregate nominal amount of the relevant Series A2 Notes or Class B Notes so redeemed.

1.2 Denomination

The Series A1 Notes will be issued in the denomination of EUR 100,000 and integral multiples of EUR 100,000, and the Series A2 Notes and the Class B Notes will be issued in the denomination of NOK 1,000,000 and integral multiples of NOK 1,000.

1.3 Title

Title to the Notes shall pass by registration of transfer in the Register. The person(s) in whose name any Note is registered in the Register shall (except as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any other interest therein, any writing thereon or any notice of any previous loss or theft thereof) and no person shall be liable for so treating such holder. All Note Certificates issued upon any registration of a transfer or exchange of Notes shall be the valid obligations of the Issuer, evidencing the same obligation, and entitled to the same benefits Note Certificates surrendered upon such registration of the transfer or exchange.

Every Note Certificate presented or surrendered for registration of a transfer or for exchange shall (if so required by the Issuer or the Trustee) be duly endorsed, or be accompanied by a written instrument of transfer in form satisfactory to the Trustee, the Registrar and the relevant Transfer Agent duly executed by the holder thereof or his attorney duly authorised in writing together with such evidence as the Registrar or the Transfer Agent may reasonably require to prove the title of the transferor and the authority of the individuals who have executed the form of transfer; provided, however, that a Note may not be transferred unless, (i) the principal amount of Notes transferred and (where not all of the Notes held by a holder are being transferred) the principal amount of the balance of Notes not transferred each amounts to, with respect to (i) the Series A1 Notes, at least EUR 100,000 and integral multiples of EUR 100,000 in excess of such amount, and (ii) the Series A2 Notes and the Class B Notes each amounts to at least NOK 1,000,000 and integral multiples of NOK 1,000 in excess of such amount, and (ii) in the case of any transfer of the Series A2 Notes or Class B Notes, the proposed transferee represents and warrants to the Issuer that it is, and will remain, a Qualifying Noteholder. Where not all the Notes represented by the surrendered Note Certificate are the subject of the transfer, a new Note Certificate in respect of the balance of the Notes will be issued to the transferor.

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

2. STATUS, SECURITY AND PRIORITY

2.1 Status and relationship between the Classes of Notes

The Notes constitute direct, secured and (subject to Note Condition 2.5 (Limited recourse and non petition)) unconditional obligations of the Issuer. The obligations of the Issuer under the Series A1 Notes rank *pari passu* amongst themselves without priority or preference, and the obligations of the Issuer under the Series A2 Notes rank *pari passu* amongst themselves without priority or preference. Prior to the delivery by the Note Trustee of an Enforcement Notice (as defined in Note Condition 12 (Events of Default)), the Issuer's obligations to repay the Series A1 Principal Amount to the Series A1 Noteholders have priority over its obligations to repay the Series A2 Principal Amount to the Series A2 Noteholders. Following the delivery by the Note Trustee of an Enforcement Notice (as defined in Note Condition 12 (Events of Default)), the obligations of the Issuer under the Class A Notes rank *pari passu* amongst themselves and rank against all other current and future obligations of the Issuer in accordance with the Post-Enforcement Priority of Payments.

The obligations of the Issuer under the Class B Notes rank *pari passu* amongst themselves without priority or preference. Following the delivery by the Note Trustee of an Enforcement Notice the obligations of the Issuer under the Class B Notes rank against all other current and future obligations of the Issuer in accordance with the Post-Enforcement Priority of Payments.

2.2 Security

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

- (a) pursuant to the Norwegian Security Agreement, pledged by first priority to the Security Trustee, (i) the Issuer's monetary claims under the Purchased Auto Loans and the Related Collateral acquired by the Issuer pursuant to the Auto Portfolio Purchase Agreement, (ii) the Issuer's monetary claims under the Servicing Agreement and the Issuer Collections Account Agreement, and (iii) the Issuer's right, title and interest in and to the Issuer Collections Account (the "**Norwegian Secured Assets**");
- (b) pursuant to the Irish Security Deed assigned absolutely all its present and future rights, title and interest in relation to the Corporate Administration Agreement and the Auto Portfolio Purchase Agreement to the Security Trustee (the "**Irish Secured Assets**"); and
- (c) pursuant to the Security Trust Deed, granted (i) an assignment with full title guarantee of all of its rights under the Assigned Documents, (ii) a first fixed charge over all of the Issuer's rights, amounts, benefits and securities standing to the credit, or deposited in, Issuer Secured Accounts and the indebtedness represented by them and (iii) a first floating charge with full title guarantee over the whole of the Issuer's undertaking and all of its property, assets and rights whatsoever and wheresoever present and future (other than amounts standing to the credit of, or deposited in, the Share Capital Account and the Expenses Loan Payment Account) from time to time (collectively the "**English Secured Assets**" and together with the Norwegian Secured Assets, the Irish Secured Assets, the Irish Security Deed and the Norwegian Secured Agreement, the "**Secured Assets**").

2.3 Pre-Enforcement Priority of Payments

On each Payment Date prior to the delivery by the Note Trustee of an Enforcement Notice, the Available Distribution Amount as of the Cut-Off Date immediately preceding such Payment Date shall be applied by the Cash Administrator in accordance with the following order of priority in each case only to the extent payments of a higher priority have been made in full and to the extent permitted by applicable law:

- (a) *first*, to pay any obligation of the Issuer which is due and payable with respect to any taxes including corporation and trade tax under any applicable law (if any);
- (b) *second*, to pay *pari passu* with each other on a *pro rata* basis (according to the respective amounts due and payable) any fees, costs, taxes (excluding, for the avoidance of doubt, any income taxes or other general taxes due and payable in the ordinary course of business), expenses, indemnity payments and other amounts due and payable to the Note Trustee and the Security Trustee under the Transaction Documents;
- (c) *third*, to pay *pari passu* with each other on a *pro rata* basis (according to the respective amounts due and payable) any fees, costs, taxes (excluding, for the avoidance of doubt, any income taxes or other general taxes due in the ordinary course of business), expenses, indemnity payments and other amounts due and payable to the directors of the Issuer (properly incurred with respect to their duties), legal advisers, tax advisers or auditors of the Issuer, the Rating Agencies (including any ongoing monitoring fees), the Principal Paying Agent, the Calculation Agent, the Registrar, the Transfer Agent and the Cash Administrator under the Agency Agreement, the Corporate Administrator under the Corporate Administration Agreement, the Custodian under the Custody Agreement, the Transaction Account Bank under the Transaction Account Agreement, the Collections Account Bank under the Issuer Collections Account Agreement, the Joint Lead Managers under the Subscription Agreement (excluding commissions and concessions (if any) which are payable to the Joint Lead Managers under the Subscription Agreement on the Note Issuance Date and which are to be paid by the Issuer by applying the funds disbursed to it under the Expenses Loan), the relevant stock exchange on which the Notes may be listed, any listing agent, any intermediary between the Issuer, the Noteholders and the relevant stock exchange, the Common Safekeeper, the Common Service Provider and any other relevant party with respect to the issue of the Notes and any other amounts due and payable from the Issuer in connection with the establishment, liquidation and/or or dissolution of the Issuer or any annual return, filing, registration and registered office or other company, licence or statutory fees in Ireland, and a reserved profit of the Issuer of EUR 1,000 annually;
- (d) *fourth*, to pay *pari passu* with each other on a *pro rata* basis (according to the respective amounts due and payable) any fees (including the Servicer Fee), costs, taxes (excluding, for the avoidance of doubt, any income taxes or other general taxes due in the ordinary course of business), expenses and other amounts due and payable to the Servicer under the Servicing Agreement, and any such amounts due and payable to any substitute servicer (including any expenses, costs and fees incurred in the course of replacement) for the Purchased Auto Loans and the Related Collateral which may be appointed from time to time in accordance with the Auto Portfolio Purchase Agreement or the Servicing Agreement;

- (e) *fifth*, to pay *pari passu* with each other and on a *pro rata* basis (according to the respective amounts of the Issuer Swap Interest, the Series A2 Notes Interest and any termination payments due and payable under item (e)(iii)):
 - (i) the Series A1 Notes Interest in relation to the Series A1 Notes (other than Currency Swap Deferred Interest Amounts) provided always that for the purposes of making the payments of Series A1 Notes Interest under this item (e)(i):
 - (A) the Issuer shall pay the Issuer Swap Interest to the Cross Currency Swap Counterparty in accordance with the Cross Currency Swap Agreement and the Cross Currency Swap Counterparty shall pay the Cross Currency Counterparty Swap Interest (determined in accordance with the Cross Currency Swap Agreement) to the Principal Paying Agent for the account of the Series A1 Noteholders; or
 - (B) if there is no Cross Currency Swap Transaction in effect, the Issuer shall pay the Issuer Swap Interest (that would have been due under the Cross Currency Swap Transaction) to the Cash Administrator and the Cash Administrator shall convert such amount into Euro at the Spot Rate and pay such Euro amount to the Principal Paying Agent for the account of the Series A1 Noteholders, if the amount resulting from the conversion of the Series A1 Notes Interest by the Cash Administrator is greater than the Interest Amount payable to the Series A1 Noteholders, such Currency Swap Excess Interest Amounts shall be used to pay Currency Swap Deferred Amounts on the Series A1 Notes with any remainder transferred to the Currency Swap Reserve Account; and
 - (ii) the Series A2 Note Interest to the Series A2 Noteholders; and
 - (iii) any termination payments due and payable to the Cross Currency Swap Counterparty under the Cross Currency Swap Agreement (other than any Swap Subordinated Amounts);
- (f) *sixth*, until (but not including) the Payment Date on which the Class A Principal Amount is reduced to zero, first to credit the Supplementary Liquidity Ledger so that the Supplementary Liquidity Ledger Amount equals the Supplementary Liquidity Ledger Amount as of such Cut-Off Date, and second to credit the Reserve Account so that the amount on deposit in the Reserve Account in respect of the Liquidity Reserve will equal the Required Liquidity Reserve Amount as of such Cut-Off Date;
- (g) *seventh*, in an aggregate amount equal to the Available Principal Collections, if such Payment Date occurs:
 - (i) prior to a Class A Principal Payment Trigger Event,
 - (A) *first*, to pay to the Series A1 Noteholders the Series A1 Notes EUR Amortisation Amount (other than Currency Swap Deferred Principal Amounts), provided always that for the purposes of paying the Series A1 Notes EUR Amortisation Amount under this item (g)(i):
 - (1) the Issuer shall pay the Series A1 Notes NOK Amortisation Amount to the Cross Currency Swap Counterparty in accordance with the Cross Currency Swap Agreement and the Cross Currency Swap Counterparty shall pay the Series A1 Notes EUR Amortisation Amount (determined in accordance with the Cross Currency Swap Agreement) to the Principal Paying Agent for the account of the Series A1 Noteholders; or
 - (2) if there is no Cross Currency Swap Transaction in effect, the Issuer shall pay the amount in Norwegian kroner (that would have been due under the Cross Currency Swap Transaction) to the Cash Administrator and the Cash Administrator shall convert such Norwegian kroner amount into Euro at the Spot Rate and pay the Euro amount to the Principal Paying Agent for the account of the Series A1 Noteholders, if the amount resulting from the conversion of the amount in Norwegian kroner by the Cash Administrator is greater than the amount of funds that would have been payable by the Cross Currency Swap Counterparty on that Payment Date in respect of such principal if the Currency Swap Transaction was still in effect, such Currency Swap Excess Principal Amounts shall be used to pay Currency Swap Deferred Amounts on the Series A1 Notes with any remainder transferred to the Currency Swap Reserve Account; and
 - (B) *second*, to pay the Series A2 Notes NOK Amortisation Amount to the Series A2 Noteholders;

- (ii) on or after a Class A Principal Payment Trigger Event, to pay *pari passu* with each other on a *pro rata* basis (according to the respective amounts of the NOK Equivalent of the Series A1 Principal Amount and the Series A2 Principal Amount):
 - (A) the Series A1 Principal Amount until the Note Principal Amount of the Series A1 Notes has been reduced to zero provided always that for the purposes of paying the Series A1 Principal Amount under this item (g)(ii):
 - (1) the Issuer shall pay an amount in Norwegian kroner to the Cross Currency Swap Counterparty and the Cross Currency Swap Counterparty shall pay the corresponding Euro amount (in each case such payments determined in accordance with the Cross Currency Swap Agreement) to the Principal Paying Agent for the account of the Series A1 Noteholders; or
 - (2) if there is no Cross Currency Swap, the Issuer shall pay the amount in Norwegian kroner that would have been due under the Cross Currency Swap Transaction to the Cash Administrator and the Cash Administrator shall convert such Norwegian kroner amount into Euro at the Spot Rate and pay the Euro amount to the Principal Paying Agent for the account of the Series A1 Noteholders; and
 - (B) the Series A2 Principal Amount until the Note Principal Amount of the Series A2 Notes has been reduced to zero;

provided that, for the purposes of making the payments of principal under this item (g), amounts standing to the credit of the Class A Cash Accumulation Ledger shall be used first for such payments with the remainder of the Available Distribution Amount applied to the next following item in this Priorities of Payment. For the avoidance of doubt, if the amounts standing to the credit of the Class A Cash Accumulation Ledger are not sufficient to meet the payments due under this item (g), the remainder of the Available Distribution Amount (to the extent required to meet the relevant principal payment in full) will be applied to cover the shortfall for that principal payment;

- (h) *eighth*, to retain in the Transaction Account and credit to the Class A Cash Accumulation Ledger an amount equal to the excess, if any, of the Class A Cash Accumulation Ledger Required Amount over the Class A Cash Accumulation Fund as of the Cut-Off Date immediately preceding such Payment Date;
- (i) *ninth*, to credit the Reserve Account so that the Reserve Fund will equal the Required Reserve Amount as of the immediately preceding Cut-Off Date;
- (j) *tenth*, to pay interest due and payable on the Class B Notes *pari passu* with each other on a *pro rata* basis;
- (k) *eleventh*, only after the Class A Notes have been redeemed in full, to pay any Class B Notes Principal due and payable (*pro rata* and *pari passu* on each Class B Note) in an amount equal to the excess, if any, of the Class B Principal Amount over the Class B Target Principal Amount as of such Cut-Off Date;
- (l) *twelfth*, to pay, any Currency Swap Deferred Interest Amounts due and payable on the Series A1 Notes (to the extent not fully paid under items (e)(i) and (g)(i) above or from amounts credited to the Currency Swap Reserve Account), provided that for the purposes of making such payment under this item (l), the Principal Paying Agent shall pay such amounts, once converted into Euro at the Spot Rate by the Cash Administrator, for the account of the Series A1 Noteholders;
- (m) *thirteenth*, to pay any Currency Swap Deferred Principal Amounts due and payable on the Series A1 Notes (to the extent not fully paid under items (e)(i) and (g)(i) above or from amounts credited to the Currency Swap Reserve Account), provided that for the purposes of making such payment under this item (m), the Principal Paying Agent shall pay such amounts, once converted into Euro at the Spot Rate by the Cash Administrator, for the account of the Series A1 Noteholders;
- (n) *fourteenth*, to pay, (i) first, the Series A1 Principal Requirement Advance (if any) advanced to the Issuer on the immediately preceding Payment Date, (ii) second, interest (including any deferred interest) due and payable to the Subordinated Loan Provider on the Subordinated Loan and, (iii) third, outstanding principal on the Subordinated Loan in the event of any reduction of the Required Reserve Amount and/or the Required Liquidity Reserve Amount from time to time (if any), in an amount (if any) which is equal to the aggregate of (A) the difference between the sum of the Required Reserve Amount and the Required Liquidity Reserve Amount as of the Cut-Off Date immediately preceding such Cut-Off Date and (B) the sum of the Required Reserve Amount and the Required Liquidity Reserve Amount as of such Cut-Off Date, but in no event more than the difference

between the actual credit then standing to the Reserve Account as of such Cut-Off Date and the sum of the Required Reserve Amount and the Required Liquidity Reserve Amount as of such Cut-Off Date (and if such difference is negative it shall be deemed to be zero);

- (o) *fifteenth*, to pay any Swap Subordinated Amounts due and payable to the Cross Currency Swap Counterparty under the Cross Currency Swap Agreement;
- (p) *sixteenth*, to pay any amounts due and payable by the Issuer to the Seller under the Auto Portfolio Purchase Agreement in respect of (i) any tax credit, relief, remission or repayment received by the Issuer on account of any tax or additional amount paid by the Seller, or (ii) any Deemed Collection paid by the Seller for a Disputed Auto Loan which proves subsequently, as determined by a final judgment not subject to appeal, to be an enforceable Purchased Auto Loan, or otherwise (including, for the avoidance of doubt, any claims of the Seller against the Issuer for breach of obligation) under the Auto Portfolio Purchase Agreement or other Transaction Documents;
- (q) *seventeenth*, to credit the Supplementary Liquidity Ledger in an amount up to the Supplementary Liquidity Reserve Payment; and
- (r) *lastly*, to pay any remaining amount to the Seller as a deferred purchase price in accordance with the terms of the Auto Portfolio Purchase Agreement.

When amounts are due to be paid on a "*pro rata*" or "*pari passu*" basis to the extent that funds are not available to make all payments of such amounts within the same priority, the amounts will be distributed proportionately between the recipients according to each recipient's share of the NOK Equivalent of the total amount owed to all participants within that priority.

When amounts are due to be paid on a "*pro rata*" or "*pari passu*" basis and the recipients are owed amounts denominated in NOK and other currencies, for the purposes of calculating each recipient's share of the total amount, interest and principal amounts payable to the Series A1 Noteholders shall be converted into NOK using the Cross Currency Swap Exchange Rate and all other amounts that are denominated in such other currencies shall be converted into NOK using the Spot Rate.

2.4 Post-Enforcement Priority of Payments

Following the delivery by the Note Trustee of an Enforcement Notice, on any Payment Date the Post-Enforcement Available Distribution Amount shall be applied by the Security Trustee in the following order towards fulfilling the payment obligations of the Issuer, in each case only to the extent payments of a higher priority have been made in full and to the extent permitted by applicable law:

- (a) *first*, to pay any obligation of the Issuer with respect to corporation and trade tax under any applicable law (if any) which is due and payable and which, pursuant to applicable law, is payable in priority to the Transaction Secured Obligations;
- (b) *second*, to pay *pari passu* with each other on a *pro rata* basis (according to the respective amounts due and payable) any fees, costs, taxes (excluding, for the avoidance of doubt, any income taxes or other general taxes due and payable in the ordinary course of business), expenses, indemnity payments and other amounts due and payable to the Note Trustee and the Security Trustee under the Transaction Documents and any Receiver, manager or administrative receiver under the Transaction Documents appointed in respect of the Issuer;
- (c) *third*, to pay *pari passu* with each other on a *pro rata* basis (according to the respective amounts due and payable) any fees, costs, taxes (excluding, for the avoidance of doubt, any income taxes or other general taxes due in the ordinary course of business), indemnity payments, expenses and other amounts due and payable to the directors of the Issuer (properly incurred with respect to their duties), legal advisers or auditors of the Issuer, the Rating Agencies (including any ongoing monitoring fees), the Principal Paying Agent, the Calculation Agent, the Registrar, the Transfer Agent and the Cash Administrator under the Agency Agreement, the Corporate Administrator under the Corporate Administration Agreement, the Custodian under the Custody Agreement, the Transaction Account Bank under the Transaction Account Agreement and the Collections Account Bank under the Issuer Collections Account Agreement, the Joint Lead Managers under the Subscription Agreement (excluding commissions and concessions (if any) which are payable to the Joint Lead Managers under the Subscription Agreement on the Note Issuance Date and which are to be paid by the Issuer by applying the funds disbursed to it under the Expenses Loan), the relevant stock exchange on which the Notes may be listed, any listing agent, any intermediary between the Issuer, the Noteholders and the relevant stock exchange, and any other amounts due from the Issuer in connection with the liquidation or dissolution of the Issuer or any annual return, filing, registration and registered office or other company, licence or statutory fees in Ireland;

- (d) *fourth*, to pay *pari passu* with each other on a *pro rata* basis (according to the respective amounts due and payable) any fees (including the Servicer Fee), costs, taxes (excluding, for the avoidance of doubt, any income taxes or other general taxes due in the ordinary course of business), expenses and other amounts due and payable to the Servicer under the Servicing Agreement, and any such amounts due to any substitute servicer (including any expenses, costs and fees incurred in the course of replacement) for the Purchased Auto Loans and the Related Collateral which may be appointed from time to time in accordance with the Auto Portfolio Purchase Agreement or the Servicing Agreement;
- (e) *fifth*, to pay *pari passu* with each other on a *pro rata* basis (according to the respective amounts of the Issuer Swap Interest, the Series A2 Notes Interest and any termination payments due and payable under item (e)(iii)):
- (i) the Series A1 Notes Interest (other than Currency Swap Deferred Interest Amounts) to the Series A1 Noteholders provided always that for the purposes of making the payments of Interest Amounts under this item (e)(i):
- (A) the Issuer shall pay the Issuer Swap Interest to the Cross Currency Swap Counterparty in accordance with the Cross Currency Swap Agreement and the Cross Currency Swap Counterparty shall pay the Cross Currency Counterparty Swap Interest (determined in accordance with the Cross Currency Swap Agreement) to the Principal Paying Agent for the account of the Series A1 Noteholders; or
- (B) if there is no Currency Swap Transaction in effect, the Issuer shall pay the Issuer Swap Interest (that would have been due under the Cross Currency Swap Transaction) to the Servicer and the Servicer shall convert such amount into Euro at the Spot Rate and pay such Euro amount to the Principal Paying Agent for the account of the Series A1 Noteholders; and
- (ii) the Series A2 Note Interest to the Series A2 Noteholders; and
- (iii) any termination payments due and payable to the Cross Currency Swap Counterparty under the Cross Currency Swap Agreement (other than any Swap Subordinated Amounts);
- (f) *sixth*, to pay *pari passu* with each other and on a *pro rata* basis (according to the respective amounts of the NOK Equivalent of the Series A1 Principal Amount and the Series A2 Principal Amount):
- (i) the Series A1 Principal Amount until the Note Principal Amount of the Series A1 Notes has been reduced to zero provided always that for the purposes of paying the Series A1 Principal Amount :
- (A) the Issuer shall pay an amount in Norwegian kroner to the Cross Currency Swap Counterparty and the Cross Currency Swap Counterparty shall pay the corresponding Euro amount (in each case such payments determined in accordance with the Cross Currency Swap Agreement) to the Principal Paying Agent for the account of the Series A1 Noteholders; or
- (B) if there is no Cross Currency Swap, the Issuer shall pay the amount in Norwegian kroner that would have been due under the Cross Currency Swap Transaction to the Cash Administrator and the Cash Administrator shall convert such Norwegian kroner amount into Euro at the Spot Rate and pay the Euro amount to the Principal Paying Agent for the account of the Series A1 Noteholders; and
- (ii) the Series A2 Principal Amount until the Note Principal Amount of the Series A2 Notes has been reduced to zero;
- (g) *seventh*, to pay, first, the Currency Swap Deferred Interest Amounts due and payable on the Series A1 Notes, for the account of the Series A1 Noteholders and, second, Currency Swap Deferred Principal Amounts due and payable on the Series A1 Notes, for the account of the Series A1 Noteholders, *pro rata* and *pari passu* according to the respective amounts due (in each case, once converted into Euro at the Spot Rate by the Cash Administrator);
- (h) *eighth*, to pay interest due and payable on the Class B Notes (*pro rata* and *pari passu* on each Class B Note);
- (i) *ninth*, to pay any Class B Notes Principal due and payable (*pro rata* and *pari passu* on each Class B Note) until the Class B Principal Amount has been reduced to zero;
- (j) *tenth*, to pay interest (including any deferred interest) due and payable to the Subordinated Loan Provider under the Auto Portfolio Purchase Agreement in respect of the Subordinated Loan;

- (k) *eleventh*, to repay outstanding principal due and payable to the Subordinated Loan Provider on the Subordinated Loan under the Auto Portfolio Purchase Agreement;
- (l) *twelfth*, to pay any Swap Subordinated Amounts due and payable to the Cross Currency Swap Counterparty under the Cross Currency Swap Agreement;
- (m) *thirteenth*, to pay any amounts due and payable by the Issuer to the Seller under the Auto Portfolio Purchase Agreement in respect of (i) any tax credit, relief, remission or repayment received by the Issuer on account of any tax or additional amount paid by the Seller or (ii) any Deemed Collection paid by the Seller for a Disputed Auto Loan which proves subsequently, as determined by a final judgement not subject to appeal, to be an enforceable Purchased Auto Loan, or otherwise (including, for the avoidance of doubt, any claims of the Seller against the Issuer for breach of obligation) under the Auto Portfolio Purchase Agreement or other Transaction Documents; and
- (n) *lastly*, to pay any remaining amount to the Seller as a deferred purchase price in accordance with the terms of the Auto Portfolio Purchase Agreement.

When amounts are due to be paid on a "*pro rata*" or "*pari passu*" basis to the extent that funds are not available to make all payments of such amounts within the same priority, the amounts will be distributed proportionately between the recipients according to each recipient's share of the NOK Equivalent of the total amount owed to all participants within that priority.

When amounts are due to be paid on a "*pro rata*" or "*pari passu*" basis and the recipients are owed amounts denominated in NOK and other currencies, for the purposes of calculating each recipient's share of the total amount, interest and principal amounts payable to the Series A1 Noteholders shall be converted into NOK using the Cross Currency Swap Exchange Rate and all other amounts that are denominated in such other currencies shall be converted into NOK using the Spot Rate.

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

2.5 Limited recourse and non petition

- (a) All payment obligations of the Issuer under the Notes constitute limited recourse obligations to pay solely of the Issuer and therefore the Noteholders will have a claim under the Notes against the Issuer only to the extent of the Available Distribution Amount or the Post-Enforcement Available Distribution Amount which includes, *inter alia*, amounts received by the Issuer on the Portfolio and under Transaction Documents. Such funds will be generated by, and limited to, the lesser of (i) the nominal amount of such payment which would be due and payable at such time in accordance with the applicable Priority of Payments or the Notes or the relevant Transaction Documents, as applicable, and (ii) the actual amount received or recovered, at such time, by or on behalf of the Issuer in respect of the Collections and the other Secured Assets and which the Issuer is entitled, at such time, to apply, in accordance with the applicable Priority of Payments, in satisfaction of such payment (or in relation to the Expenses Loan, the Transaction Cost Fee). Upon and after the enforcement of the Security and realisation of all the Secured Assets, to the extent that the actual amounts received or recovered as per (ii) above are less than the nominal amounts due and payable as per (i) above, the Issuer's obligations in respect to the unpaid amount shall be automatically extinguished and the Issuer Secured Parties shall have no further claim against the Issuer. Provided that, prior to the delivery by the Note Trustee of an Enforcement Notice, the Available Distribution Amount shall be applied in accordance with the Pre-Enforcement Priority of Payment (Note Condition 2.3 (Pre-Enforcement Priority of Payment)) and following the delivery by the Note Trustee of an Enforcement Notice, the Post-Enforcement Available Distribution Amount shall be applied in accordance with the Post-Enforcement Priority of Payments (Note Condition 2.4 (Post-Enforcement Priority of Payments)). The Notes shall not give rise to any payment obligation in excess of the foregoing and recourse shall be limited accordingly.
- (b) The Transaction Account Bank shall hold all monies paid to it in the Transaction Account and the Reserve Account or, as and if applicable, in the Commingling Reserve Account and the Currency Swap Reserve Account.
- (c) The Issuer shall exercise all of its rights and obligations under the Transaction Documents with due care such that obligations under the Notes may be performed to the fullest extent possible.

- (d) None of the Note Trustee, Security Trustee nor the Noteholders shall be entitled to institute against the Issuer any action or commence any proceedings against the Issuer to recover any amounts due and payable by the Issuer under the Transaction Documents except as permitted by the provisions in the Transaction Documents.

2.6 Shortfall after application of proceeds

To the extent that such assets, or the proceeds of realisation thereof, after payment of all claims ranking in priority to the Class A Notes or the Class B Notes, prove ultimately insufficient to satisfy the claims of all Class A Noteholders or Class B Noteholders in full, then any shortfall arising therefrom shall be extinguished and none of the Class A Noteholders or the Class B Noteholders, as applicable, the Note Trustee or the Security Trustee shall have any further claims against the Issuer in respect of the Class A Notes or the Class B Notes, as applicable. Such assets and proceeds shall be deemed to be "**ultimately insufficient**" at such time as no further assets of the Issuer are available and no further proceeds can be realised therefrom to satisfy any outstanding claim of the Noteholders, and neither assets nor proceeds shall be so available thereafter.

2.7 Enforcement of the Security

- (a) The Notes are secured by the Security.
- (b) The Security will become enforceable upon delivery by the Note Trustee of an Enforcement Notice in accordance with Note Condition 12 (Events of Default) subject to the matters referred to in Note Condition 13 (Proceedings) and receipt by the Security Trustee of written instructions from the Note Trustee to take enforcement action.
- (c) If the Security has become enforceable, subject to the Security Trustee being indemnified and/or secured and/or pre-funded to its satisfaction, the Security Trustee shall take such action as instructed to enforce its rights under the Security Documents.
- (d) Only the Security Trustee (acting on the instructions of the Note Trustee) may pursue the remedies available under the Security Documents to enforce the rights of the Noteholders in respect of the Secured Assets and no Noteholder is entitled to proceed against the Issuer unless (i) the Note Trustee, having become bound to do so, fails to take action against the Issuer, or fails to instruct the Security Trustee to enforce any of the Security, within a reasonable time and such failure is continuing or (ii) (as determined by a court of competent jurisdiction in a decision not subject to appeal) Norwegian law requires that the Noteholders exercise their rights individually and not through the Note Trustee.
- (e) Having realised the Security and the Note Trustee having distributed the net proceeds in accordance with this Note Condition 2, none of the Security Trustee, the Note Trustee or the Noteholders may take any further steps against the Issuer to recover any sums still unpaid (other than in relation to interest) and any such liability (other than in relation to interest) shall be extinguished.

2.8 Obligations of the Issuer only

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

3. GENERAL COVENANTS OF THE ISSUER

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

3.1 Negative pledge

At any time prior to the Discharge Date, create or permit to subsist any Security Interest over any Secured Asset other than pursuant to and in accordance with the Transaction Documents.

3.2 No disposals

At any time prior to the Discharge Date, dispose of (or agree to dispose of) any Secured Asset except as expressly permitted by the Transaction Documents.

3.3 Dividends or distributions

Except with respect to any dividends payable to the Share Trustee arising from the Issuer fees of €1,000 per month, pay any dividend or make any other distribution or return or repay any equity capital to any shareholders, or increase its share capital save as required by applicable law.

3.4 Subsidiaries

Have any subsidiaries or any employees or premises.

3.5 Borrowings

Incur any indebtedness in respect of borrowed money whatsoever or give any guarantee in respect of indebtedness or of any obligation of any person, save as provided in the Transaction Documents.

3.6 Merge

Consolidate or merge with any other person or convey or transfer all or substantially all of its properties or assets to any other person.

3.7 Other

Amend, terminate, discharge, or exercise any powers of consent or waiver pursuant to the terms of any of the other Transaction Documents to which it is a party, or permit any party to any of the Transaction Documents to which it is a party to be released from its obligations thereunder.

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

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

4. INTEREST

4.1 Interest calculation

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

4.2 Payment Dates

Interest shall become due and payable monthly in arrear on the twenty-fifth day of each calendar month or, if such day is not a Business Day, on the next succeeding Business Day, commencing in January 2013 (each such day, a "**Payment Date**").

4.3 Interest Amount

The amount of interest payable by the Issuer in respect of each Note on any Payment Date (the "**Interest Amount**") shall be calculated by applying the relevant Interest Rate (as defined in Note Condition 4.5 (Interest Rate)), for the relevant Interest Period (as defined in Note Condition 4.4 (Interest Period)) to the Note Principal Amount of that Note or (in the case of the Series A1 Notes) the Series A1 Principal Amount 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 rounding the result to the nearest EUR 0.01 (in the case of the Series A1 Notes) or NOK 1.0 (in the case of the Series A2 Notes and the Class B Notes) (with EUR 0.005 or NOK 0.5 being rounded upwards) and (in the case of the Series A1 Notes) apportioning the resulting total between the Series A1 Noteholders *pro rata* and *pari passu*. "**Series A1 Notes Interest**" and "**Series A2 Notes Interest**" mean, respectively, the aggregate Interest Amount payable (including any Interest Shortfall) in respect of all Series A1 Notes or Series A2 Notes, as applicable, on any date, and "**Class B Notes Interest**" shall mean the aggregate Interest Amount payable (including any Interest Shortfall) in respect of all Class B Notes on any date.

4.4 Interest Period

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

4.5 Interest Rate

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

- (a) in the case of the Series A1 Notes, EURIBOR plus 0.52% per annum (the **"Series A1 Interest Margin"**);
- (b) in the case of the Series A2 Notes, NIBOR plus 0.90% per annum (the **"Series A2 Interest Margin"**); and
- (c) in the case of the Class B Notes, NIBOR plus 1.15% per annum (the **"Class B Interest Margin"**).

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

4.6 Notifications

The Calculation Agent shall, as soon as practicable on or after each Rate Determination Date, determine the relevant Interest Period, any Interest Shortfall, Interest Rate, Interest Amount and Payment Date with respect to each Note and shall notify the Principal Paying Agent. The Principal Paying Agent shall notify such information (i) to the Issuer, the Note Trustee, the Cash Administrator, the Cross Currency Swap Counterparty and the Corporate Administrator and (ii) on behalf of the Issuer, by means of notification in accordance with Note Condition 16 (Notices to Noteholders), the Noteholders and, as long as any Notes are listed on the Official List and traded on the regulated market of the Irish Stock Exchange, to the Irish Stock Exchange. In the event that such notification is required to be given to the Irish Stock Exchange, this notification shall be given no later than the close of the first Business Day following the relevant Rate Determination Date.

4.7 Interest Shortfall

Accrued interest not distributed on any Payment Date related to the Interest Period in which it accrued, will be an **"Interest Shortfall"** with respect to the relevant Note. An Interest Shortfall in respect of the Class B Notes shall become due and payable on the next Payment Date and on any following Payment Date (subject to Note Condition 2.5 (Limited recourse and non petition)) until it is reduced to zero. Interest shall not accrue on Interest Shortfalls at any time.

4.8 Interest accrual

- (a) On each Payment Date, Interest Amounts shall be due and payable on each Class of Notes. However, subject to paragraph (b) below, the Issuer shall only be obliged to pay in respect of (i) the Series A1 Notes, the Issuer Swap Interest to the Cross Currency Swap Counterparty or, if there is no cross-currency swap transaction for the Series A1 Notes, the Series A1 Notes Interest in accordance with the applicable Priority of Payments to the Cash Administrator for the purposes of payments by the Principal Paying Agent to the Series A1 Noteholders and (ii) the Series A2 Notes Interest and the Class B Notes Interest to the Principal Paying Agent for the purposes of paying such interest amounts to the Series A2 Noteholders and the Class B Noteholders.
- (b) To the extent that the Issuer pays, on a Payment Date, the Issuer Swap Interest on the Series A1 Notes to the Cross Currency Swap Counterparty or the applicable Interest Amount to the Cash Administrator (as applicable) and such entity has failed to make the equivalent payment in full to the Issuer, the shortfall or non-payment will not then fall due but will instead be deferred until the next Payment Date thereafter on which funds are available (after allowing for the Issuer's liabilities of higher priority and subject to and in accordance with these Note Conditions) to make such payments in accordance with the applicable Priority of Payments, and the Series A1 Notes Interest to be paid on such Payment Date for the Series A1 Notes will be increased to include such deferred amount. For the avoidance of doubt, payments by the Issuer of Issuer Swap Interest to the Cross Currency Swap Counterparty or to the Cash Administrator in respect of the Series A1 Notes cannot be deferred.

4.9 Currency Swap Deferred Interest Amounts

In respect of the Series A1 Notes only, if the Cross Currency Swap Transaction has been terminated and no replacement cross-currency swap transaction entered into in its place, then, on each Payment Date prior to the delivery by the Note Trustee of an Enforcement Notice:

- (a) to the extent that the Series A1 Notes Interest payable by the Issuer on the Series A1 Notes on that Payment Date (once converted into Euro at the Spot Rate by the Cash Administrator) is insufficient to pay the Interest Amount due and payable on the Series A1 Notes on that Payment Date, the shortfall amounts (such amounts, together with any such shortfall from prior Payment Dates not previously paid as provided below in this paragraph, being "**Currency Swap Deferred Interest Amounts**") shall be paid on that Payment Date first, from any Currency Swap Excess Amounts available to pay Currency Swap Deferred Interest Amounts, and second, from Available Distribution Amounts as a subordinated item in the Pre-Enforcement Priority of Payments, with the payment of any remainder being deferred until such Payment Date as there are Currency Swap Excess Amounts available, or funds available under the Pre-Enforcement Priority of Payments, to pay Currency Swap Deferred Interest Amounts; and
- (b) to the extent that the Series A1 Notes Interest payable by the Issuer on the Series A1 Notes on such Payment Date (once converted into Euro at the Spot Rate by the Cash Administrator) is greater than the Interest Amount due and payable on such Series A1 Notes on such Payment Date, the excess amounts (such amounts being "**Currency Swap Excess Interest Amounts**") shall be used to pay on such Payment Date, first Currency Swap Deferred Interest Amounts, and second, Currency Swap Deferred Principal Amounts, with any excess being transferred to the Currency Swap Reserve Account where, subject to the terms of the Transaction Documents, it may be applied on subsequent Payment Dates to pay, first Currency Swap Deferred Interest Amounts, and second, Currency Swap Deferred Principal Amounts or it may be applied towards the purchase, on any future date, of a replacement currency swap for the Series A1 Notes.

On each Payment Date on or after the delivery by the Note Trustee of an Enforcement Notice, any Currency Swap Deferred Interest Amounts remaining outstanding shall be paid in accordance with the Post-Enforcement Priority of Payments.

In respect of the Series A1 Notes only, if the Cross Currency Swap Transaction have been terminated and no replacement currency swap transaction entered into in its place, then on each Payment Date on or after the delivery by the Note Trustee of an Enforcement Notice, any Currency Swap Deferred Interest Amount remaining outstanding shall be paid in accordance with the Post-Enforcement Priority of Payments.

5. REDEMPTION

5.1 Amortisation

On each Payment Date prior to the delivery by the Note Trustee of an Enforcement Notice and subject to the Pre-Enforcement Priority of Payments, the Issuer will pay the difference, if any, between the Class A Principal Amount and the Class A Target Principal Amount, first to the Cross Currency Swap Counterparty in an amount equal to the Series A1 Notes NOK Amortisation Amount and the Cross Currency Swap Counterparty will pay the Series A1 Notes EUR Amortisation Amount to the Issuer for the account of the Series A1 Noteholders, and second to the Series A2 Noteholders all remaining amounts. To the extent that on any Payment Date prior to the delivery by the Note Trustee of an Enforcement Notice, the Series A1 Notes NOK Amortisation Amount is greater than the Actual NOK Amortisation Amount, such shortfall shall be added to the Carried Over NOK Amortisation Amount to be paid on each subsequent Payment Date pursuant to the applicable Priority of Payments until such amount is paid in full. For the avoidance of doubt, on each Payment Date prior to the delivery by the Note Trustee of an Enforcement Notice, and prior to the occurrence of a Class A Principal Payment Trigger Event, the Series A2 Noteholders will only receive payment of principal after the Expected NOK Amortisation Amount plus the Carried Over NOK Amortisation Amount have been paid to the Series A1 Noteholders. After the Class A Notes have been redeemed in full, the Class B Notes, shall be redeemed on each Payment Date in an amount determined in accordance with the Pre-Enforcement Priority of Payments.

Following the occurrence of a Class A Principal Payment Trigger Event, the Class A Notes will amortise *pari passu* and *pro rata* with each other and in priority to the Class B Notes.

Following the delivery by the Note Trustee of an Enforcement Notice and subject to the limitations set forth in Note Condition 2.5 (Limited recourse and non petition) and the Post-Enforcement Priority of Payments, the Class A Notes and, after the Class A Notes have been redeemed in full, the Class B Notes, in this order sequentially, shall be redeemed on each Payment Date. Payments of principal on the Class A Notes will be made *pari passu* and *pro rata* to the Series A1 Noteholders and the Series A2 Noteholders. Each Note of a particular Series or Class shall be redeemed on each Payment Date in an amount equal to the redemption amount allocated to such Series or Class divided by the number of Notes in such Series or Class.

5.2 Scheduled Redemption

Prior to a Class A Principal Payment Trigger Event, the Series A1 Notes shall be redeemed on the Payment Dates and in the amounts equal to the corresponding Series A1 Notes EUR Amortisation Amount where the Expected EUR

Amortisation Amounts are as set out in the Series A1 Notes Amortisation schedule to the Note Conditions to the extent of the Available Distribution Amount and subject to the Pre-Enforcement Priority of Payments.

5.3 Currency Swap Deferred Principal Amounts

In respect of the Series A1 Notes only, if the Cross Currency Swap Transaction has been terminated and no replacement currency swap transaction entered into in its place then, on each Payment Date prior to the delivery by the Note Trustee of an Enforcement Notice:

- (a) to the extent that the Available Distribution Amount available under the Pre-Enforcement Priority of Payments to pay principal on the Series A1 Notes (once converted into Euro at the Spot Rate by the Cash Administrator) is less than the amount of funds that would have been payable by the Cross Currency Swap Counterparty on that Payment Date in respect of such principal if the Cross Currency Swap Transaction had still been in full force and effect, the shortfall amounts (such amounts, together with any such shortfall from prior Payment Dates not previously paid as provided below in this paragraph, being "**Currency Swap Deferred Principal Amounts**" and together with the Currency Swap Deferred Interest Amounts, the "**Currency Swap Deferred Amounts**") shall be paid on that Payment Date, *first*, from any Currency Swap Excess Amounts available to pay Currency Swap Deferred Principal Amounts, and *second*, from Available Distribution Amounts as a subordinated item in the Pre-Enforcement Priority of Payments with the payment of any remainder being deferred until such Payment Date as there are any Currency Swap Excess Amounts available, or funds available under the Pre-Enforcement Priority of Payments, to pay Currency Swap Deferred Principal Amounts; and
- (b) to the extent that the Available Distribution Amount available under the Pre-Enforcement Priority of Payments to pay principal on the Series A1 Notes (once converted into Euro at the Spot Rate by the Cash Administrator) is greater than the amount of funds that would have been payable by the Cross Currency Swap Counterparty on that Payment Date in respect of such principal if the Cross Currency Swap Transaction had still been in full force and effect, the excess amounts (such amounts being "**Currency Swap Excess Principal Amounts**" and together with any Currency Swap Excess Interest Amounts and any termination payment received by the Issuer and deposited in the relevant Currency Swap Reserve Account, "**Currency Swap Excess Amounts**") shall be used to pay on such Payment Date, *first*, Currency Swap Deferred Interest Amounts, and *second*, Currency Swap Deferred Principal Amounts, with any excess being transferred to the Currency Swap Reserve Account where, subject to the terms of the Transaction Documents, it may be applied on subsequent Payment Dates to pay, *first*, Currency Swap Deferred Interest Amounts, and *second*, Currency Swap Deferred Principal Amounts, or it may be applied towards the purchase, on any future date, of a replacement currency swap for the Series A1 Notes.

On each Payment Date on or after the delivery by the Note Trustee of an Enforcement Notice, any Currency Swap Deferred Principal Amounts remaining outstanding shall be paid in accordance with the Post-Enforcement Priority of Payments.

If a new currency swap transaction is entered into at a later date, no new Currency Swap Deferred Principal Amounts will arise on or after such date and any then existing Currency Swap Excess Principal Amounts will form part of the Available Distribution Amount (provided that there are no then outstanding Currency Swap Deferred Amounts) and will be applied under the relevant Priority of Payments.

5.4 Maturity Date

On the Payment Date falling in April 2027 (the "**Maturity Date**"), each Class A Note shall, unless previously redeemed or purchased and cancelled, be redeemed in full at its Note Principal Amount and, after all Class A Notes have been redeemed in full, each Class B Note shall, unless previously redeemed or purchased and cancelled, be redeemed in full at its Note Principal Amount, subject to the availability of funds pursuant to the Pre-Enforcement Priority of Payments. In the event of insufficient funds pursuant to the Pre-Enforcement Priority of Payments, any Outstanding Note shall be redeemed on the next Payment Date and on any following Payment Date in accordance with and subject to the limitations set forth in Note Condition 2.5 (Limited recourse and non petition) until each Note has been redeemed in full.

5.5 Early redemption – clean-up call

- (a) On any Payment Date on which the Aggregate Outstanding Note Principal Amount has been reduced to less than 10% of the Aggregate Outstanding Note Principal Amount as of the Note Issuance Date, the Seller shall have, subject to certain requirements and prior notification to the FSAN, the option under the Auto Portfolio Purchase Agreement to repurchase all outstanding Purchased Auto Loans (together with any Related Collateral) held by the Issuer (and the proceeds from such repurchase shall constitute Collections), provided that:

- (i) the proceeds distributable as a result of such repurchase on the Early Redemption Date being sufficient to redeem all of the Class A Notes in full at their Note Principal Amount and to pay accrued but unpaid interest thereon together with all amounts ranking prior thereto according to the Pre-Enforcement Priority of Payments;
 - (ii) the Seller having advised the Issuer and the Issuer giving notice to the Note Trustee and the Noteholders in accordance with Note Condition 16 (*Notices to Noteholders*) of its intention to exercise the repurchase option at least 30 days prior to the contemplated redemption date, which shall be a Payment Date (the "**Early Redemption Date**");
 - (iii) the Seller having provided, prior to giving such notice in Note Condition 5.5(a)(ii), to the Note Trustee a certificate signed by the chairman of the board or the sole director of the Issuer (as applicable) to the effect that it will have the funds on such Early Redemption Date to discharge all its obligations under the Class A Notes and any obligations ranking in priority thereto; and
 - (iv) the repurchase price to be paid by the Seller being equal to the sum of (A) the then current Aggregate Outstanding Loan Principal Amount, plus (B) any Deemed Collections owed by the Seller and other Collections received by the Seller, as Servicer, and not otherwise paid to the Issuer, plus (C) any interest on the Purchased Auto Loans accrued until and outstanding on the Early Redemption Date (and not included in such Deemed Collections).
- (b) In the event that all of the conditions set out in Note Condition 5.5(a) are met, the Issuer may, at its option, apply the proceeds to redeem all (but not some only) of the Notes at their then outstanding Note Principal Amounts together with accrued but unpaid interest thereon prior to the Early Redemption Date, or, if less in the case of the Class B Notes, at an amount equal to the amount available to pay the outstanding Note Principal Amount and unpaid interest thereon on the Early Redemption Date pursuant to the applicable Priority of Payments.
 - (c) Early redemption of the Class A Notes pursuant to this Note Condition 5.5 shall not be permitted if the sum of the repurchase price determined pursuant to Note Condition 5.5(a)(iii) is not sufficient (together with any other monies included in the Available Distribution Amount) to fully satisfy the obligations of the condition specified in Note Condition 5.5(a)(i).
 - (d) Upon payment in full to the Noteholders of the redemption amounts specified in Note Condition 5.5(b), the Noteholders shall not receive any further payments of interest on or principal of the Notes.

5.6 **Optional redemption for taxation reasons**

If the Issuer is or becomes at any time required by law to deduct or withhold, in respect of any payment under the Notes, current or future taxes, levies or governmental charges, regardless of their nature, which are imposed under any applicable system of law or in any country which claims fiscal jurisdiction by, or for the account of, any political subdivision thereof or government agency therein authorised to levy taxes, the Issuer shall immediately inform the Note Trustee accordingly and shall determine within 20 calendar days of such circumstance occurring whether it would be practicable to arrange for the substitution of the Issuer in accordance with Note Condition 11 (Substitution of the Issuer) or to change its tax residence to another jurisdiction approved by the FSAN and by the Note Trustee. The Note Trustee shall notify the Issuer within 15 calendar days whether it approves any such proposed change of tax residence and shall not give approval to a proposed change of tax residence unless (i) it has received a legal opinion (in form and substance satisfactory to the Note Trustee) from a firm of lawyers of international repute (approved in writing by the Note Trustee) opining on the relevant change in law or interpretation or administration thereof, (ii) all applicable laws, regulations and other mandatory conditions are observed and complied with and (iii) it has received a certificate from the chairman of the board of directors or the sole director of the Issuer (as applicable) stating that the obligation to make such a deduction or withholding of tax or the suffering by the Issuer of such deduction or withholding of tax cannot be avoided or, as the case may be, will apply on the next Payment Date and cannot be avoided by the Issuer taking reasonable endeavours. If the Issuer determines that any of such measures would be practicable, it shall (i) provide the Note Trustee with legal opinions in respect of such substitution in form and substance satisfactory to it; and (ii) effect such substitution in accordance with Note Condition 11 (Substitution of the Issuer) or (as relevant) such change of tax residence within 60 calendar days from such determination. If, however, it determines within 20 calendar days of such circumstance occurring that none of such measures would be practicable or if, having determined that any of such measures would be practicable (and having certified to the Note Trustee such determination), it is unable so to avoid such deduction or withholding within such further period of 60 calendar days, then the Issuer shall be entitled at its option (but shall have no obligation) to fully redeem all (but not some only) of the Notes, upon not more than 60 calendar days' nor less than 30 calendar days' notice of redemption given to the Note Trustee, to the Principal Paying Agent and, in accordance with Note Condition 16 (*Notices to Noteholders*), the Noteholders, at their then aggregate Outstanding Note Principal Amounts, together with accrued but unpaid interest (if any) to the date (which must be a Payment Date) fixed for redemption. Any such notice

shall be irrevocable, must specify the date fixed for redemption and must set forth a statement in summary form of the facts constituting the basis for the right of the Issuer so to redeem.

6. NOTIFICATIONS

The Principal Paying Agent shall notify the Issuer, the Note Trustee, the Cross Currency Swap Counterparty, the Corporate Administrator, the Cash Administrator and, on behalf of the Issuer, by means of notification in accordance with Note Condition 16 (*Notices to Noteholders*), the Noteholders, and for so long as any of the Notes are listed on the Official List and traded on the regulated market of the Irish Stock Exchange, the Irish Stock Exchange:

- (a) with respect to each Payment Date and each Class A Note and each Class B Note, of:
 - (i) the Interest Amount pursuant to Note Condition 4.1 (*Interest calculation*);
 - (ii) the Interest Period pursuant to Note Condition 4.4 (*Interest Period*);
 - (iii) the Interest Rate pursuant to Note Condition 4.5 (*Interest Rate*); and
 - (iv) the amount of any Interest Shortfall pursuant to Note Condition 4.7 (*Interest Shortfall*);
- (b) with respect to each Payment Date, of the amount of principal of each Series A1 Note, each Series A2 Note and each Class B Note to be paid on such Payment Date pursuant to Note Condition 5 (*Redemption*);
- (c) with respect to each Payment Date, of the Note Principal Amount of each Series A1 Note, each Series A2 Note and each Class B Note, and the Series A1 Principal Amount, the Series A2 Principal Amount, the Class A Principal Amount and the Class B Principal Amount as from such Payment Date; and
- (d) in the event the payments to be made on a Payment Date constitute the final payment with respect to the Notes pursuant to Note Condition 5.4 (*Maturity Date*), Note Condition 5.5 (*Early Redemption -clean-up call*) or Note Condition 5.6 (*Optional Redemption for taxation reasons*), of the fact that such is the final payment.

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

7. AGENTS

7.1 Appointment of Agents

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

7.2 Replacement of the Agents

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

7.3 Calculations binding

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

7.4 Relationship of the Agents

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

7.5 Variation or termination of appointment

The initial Agents and their initial Specified Offices are listed below. The Issuer reserves the right (with the prior written approval of the Note Trustee) to vary or terminate the appointment of any Agent and to appoint successor agents, at any

time, having given not less than 30 calendar days prior notice to such Agent and providing notice thereof to the Noteholders in accordance with Note Condition 16 (Notice to Noteholders).

8. PAYMENTS IN RESPECT OF THE NOTES

8.1 Payments and discharge

- (a) Payments of principal and interest in respect of the Notes shall be made by the Issuer, through the Principal Paying Agent, on each Payment Date to, or to the order of (i) in respect of the Series A1 Notes, the Clearing Systems, as relevant, for credit to the relevant participants in the Clearing Systems for subsequent transfer to the Series A1 Noteholders, (ii) in respect of the Series A2 Notes, the Series A2 Noteholder and (iii) in respect of the Class B Notes, the Class B Noteholder.
- (b) All payments made by the Issuer to, or to the order of (i) in respect of the Series A1 Notes, the Clearing Systems (ii) in respect of the Series A2 Notes, the Series A2 Noteholders and (iii) in respect of the Class B Notes, the Class B Noteholder as relevant, shall discharge the liability of the Issuer under the relevant Notes to the extent of the sums so paid. Any failure to make the entries in the records of the Clearing Systems in respect of the Series A1 Notes shall not affect the discharge referred to in the preceding sentence.
- (c) Payments of principal in respect of Definitive Notes shall be made only against:
 - (i) (in the case of final redemption, provided that payment is made in full) presentation and surrender of the relevant Definitive Notes; and
 - (ii) in respect of any Note Principal Payment which becomes due on a Payment Date, presentation and (in the case of payment in full) surrender of the appropriate Receipts,at the Specified Office of the Principal Paying Agent.
- (d) Payments of interest in respect of Definitive Notes shall, subject to Condition 8.5 (*Cancellation of Coupons*), be made only against presentation and (provided that payment is made in full) surrender of the appropriate Coupons at the Specified Office of the Principal Paying Agent in the manner described above.

8.2 Subject to law

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

8.3 Payment on a non-Business Day

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

8.4 Cancellation of Receipts

On the due date for final redemption of any Definitive Note pursuant to Condition 5.4 (*Maturity Date*) or early redemption of such Note pursuant to Condition 5.5 (*Early Redemption-clean-up call*), Condition 5.6 (*Optional redemption for taxation reasons*), or Condition 12 (*Events of Default*), all unmatured Receipts relating thereto (whether or not still attached) shall become void, any later scheduled interest payments will be cancelled and no payment will be made in respect thereof.

8.5 Cancellation of Coupons

On the due date for final redemption of any Definitive Note pursuant to Condition 5.4 (*Maturity Date*) or early redemption of such Note pursuant to Condition 5.5 (*Early Redemption-clean-up call*), Condition 5.6 (*Optional redemption for taxation reasons*), or Condition 12 (*Events of Default*) all unmatured Coupons relating thereto (whether or not still attached) shall become void, any scheduled payments of interest will be cancelled and no payment will be made in respect thereof.

8.6 Payments on un-matured Coupons

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

8.7 Partial payment

If the Principal Paying Agent makes a partial payment in respect of any Note, the Issuer shall procure and the Registrar will ensure that the amount and date of such payment are noted on the Register and, in the case of partial payment upon presentation of a Note Certificate, that a statement indicating the amount and date of such payment is endorsed on the relevant Note Certificate.

8.8 Record Date

Each payment in respect of a Series A1 Note will be made to the persons shown as the holder in the register at the close of business in the place of the Clearing Systems on the day before the due date for such payment (the "**record date**"). Each payment in respect of the Series A2 Notes and the Class B Notes will be made to the persons shown as the holder in the Register maintained by the Registrar.

8.9 Coupons after payment

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

9. PRESCRIPTION

Claims for principal and interest shall become void unless presented for payment within a period of 10 years from the Relevant Date in respect of payment of principal and five years in respect of payment of interest. After the date on which a Note becomes void in its entirety, no claim may be made in respect thereof. In this Note Condition 9, the "**Relevant Date**" in respect of a Note is the date on which a payment in respect thereof first becomes due or (if the full amount of the monies payable in respect of all the Notes due on or before that date has not been duly received by the Principal Paying Agent or the Note Trustee on or prior to such date) the date on which the full amount of such monies having been so received, notice to that effect is duly given to the Noteholders in accordance with Note Condition 16 (Notices to Noteholders).

10. TAXES

10.1 Payments shall only be made by the Issuer after the deduction and withholding of current or future taxes, levies or governmental charges, regardless of their nature, which are imposed, levied or collected (collectively, "**taxes**") under any applicable system of law or in any country which claims fiscal jurisdiction by, or for the account of, any political subdivision thereof or government agency therein authorised to levy taxes, to the extent that such deduction or withholding is required by law. The Issuer shall account for the deducted or withheld taxes with the competent government agencies and shall, upon request of a Noteholder, provide proof thereof. The Issuer is not obliged to pay any additional amounts as compensation for taxes.

10.2 Each Noteholder agrees or is deemed to agree that the Issuer and any other relevant party to the Transaction Documents may (1) provide any information or documentation collected from an investor and any other information concerning any investment in the Notes to the IRS and any other relevant tax authority, and (2) take such other steps as they deem necessary or helpful to comply with FATCA, including withholding on "passthru payments" (as defined in the IRC). Notwithstanding any other provision in these Note Conditions, the Issuer and any Paying Agent or other party shall be permitted to withhold or deduct any amounts required by the rules of IRC Sections 1471 through 1474 (or any amended or successor provisions), pursuant to any inter-governmental agreement, or implementing legislation adopted by another jurisdiction in connection with these provisions, or pursuant to any agreement with the US Internal Revenue Service ("**FATCA withholding**"). The Issuer will have no obligation to pay additional amounts or otherwise indemnify a holder for any FATCA withholding deducted or withheld by the Issuer, a Paying Agent or any other party as a result of any person (other than an agent of the Issuer) not being entitled to receive payments free of FATCA withholding.

The Issuer may hire advisors, such advisors and Persons to be paid in accordance with the Priority of Payments (including legal advisors and an accounting firm) or other Persons experienced in such matters to (x) assist the Issuer in entering into the agreement with Treasury required under IRC Section 1471(b), to the extent the Issuer is legally entitled to do so, and (y) assist the Issuer in complying with the terms of such agreement. The Issuer will take all reasonable actions consistent with the law and its obligations under this Note Condition to insure that the Issuer satisfies any and all withholding and tax payment obligations under IRC Sections 1471, 1472 or any other provision of IRC or other applicable law, including complying with the terms of the agreement required under IRC Section 1471(b).

11. **SUBSTITUTION OF THE ISSUER**

11.1 **Substitution of the Issuer**

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

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

then, without prejudice to the Note Condition 5.6 (Optional Redemption for taxation reasons) the Issuer shall immediately inform the Note Trustee accordingly and shall, in order to avoid the relevant event described in paragraph (a) or, if it determines it would be practicable as provided in Note Condition 5.6 (Optional redemption for taxation reasons), to avoid the event in paragraph (b), arrange the substitution of the Issuer with a company incorporated in another jurisdiction in accordance with the terms of the Note Trust Deed.

11.2 **New Issuer**

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

11.3 **Notice of Substitution of Issuer**

Not later than fourteen days after the execution of any documents required to be executed pursuant to Clause 10 (Substitution) of the Note Trust Deed and after compliance with any requirements under this Note Condition 11 and/or Clause 10 (Substitution) of the Note Trust Deed, the new issuer shall cause notice thereof to be given to the Noteholders, Receiptholders or Couponholders and the other Issuer Secured Parties in accordance with Note Condition 16 (Notices to Noteholders) and the relevant Transaction Documents.

11.4 **Change of law**

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

11.5 **No indemnity**

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

12. **EVENTS OF DEFAULT**

If an Issuer Event of Default occurs and is continuing, then the Note Trustee at its discretion may and, if so requested in writing by holders of at least 50% of the aggregate Note Principal Amounts of the Senior Class of Notes Outstanding or if so directed by an Extraordinary Resolution of the holders of the Senior Class of Notes Outstanding, in all cases subject to the Note Trustee having been indemnified and/or prefunded and/or provided with security to its satisfaction) give written notice (an "**Enforcement Notice**") to the Issuer, copied to the Noteholders, the Security Trustee, the Agents and

the other Issuer Secured Parties declaring the Notes to be immediately due and payable, whereupon they shall become immediately due and payable at their principal amount together with accrued interest without further action or formality.

13. PROCEEDINGS

The Note Trustee may at its discretion and without notice, institute such proceedings against the Issuer as it may think fit to recover any amounts due in respect of the Notes, Receipts and Coupons which are unpaid or to enforce any of its rights under the Note Trust Deed, the Note Conditions or the other Transaction Documents, but it shall not be bound to take any such proceedings (including directing the Security Trustee) unless:

- (a) it shall have been so directed by an Extraordinary Resolution or so requested in writing by the holders of at least one-quarter of the aggregate Note Principal Amounts of the Senior Class of Notes Outstanding, Receipts and Coupons; and
- (b) it shall have been indemnified and/or secured and/or prefunded to its satisfaction against all Losses to which it may therefore become liable and all costs, charges and expenses which may be properly incurred by it in connection therewith,

provided that, the Note Trustee shall not be held liable for the consequence of taking any such action and may take such action without having regard to the effect of such action on individual Noteholders, Receiptholders or Couponholders or any other Issuer Secured Party, provided that so long as any of the Notes are Outstanding, the Note Trustee shall not, and shall not be bound to, act at the request or direction of the holders of any Class of Notes other than the Senior Class of Notes Outstanding unless:

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

14. MEETINGS OF NOTEHOLDERS; MODIFICATION

14.1 Noteholder Meetings

The Note Trust Deed contains provisions for convening joint meetings of all Noteholders or separate meetings of Noteholders on the basis of a Series or Class of Notes to consider matters relating to the Notes, including the modification of any provision of these Note Conditions, the Note Trust Deed or the other Transaction Documents. Any such modification may be made if sanctioned by an Extraordinary Resolution. Such a Meeting may be convened by the Issuer or by the Note Trustee and shall be convened by the Note Trustee, subject to its being indemnified and/or prefunded and/or secured to its satisfaction upon the request in writing of a Series, Class or Classes of Noteholders holding not less than one-tenth of the aggregate principal amount of the Outstanding Notes of the relevant Series or Class. The quorum at any Meeting convened to vote on an Extraordinary Resolution, other than relating to a Reserved Matter, relating to a Meeting of a particular Series, Class or Classes of Notes will be two or more Voters holding or representing more than half of the aggregate Note Principal Amounts of the Outstanding Notes of the relevant Series or Class or, at any adjourned Meeting, two or more Voters being or representing Noteholders of the relevant Series or Class whatever the aggregate Note Principal Amounts of the Notes then Outstanding so held or represented in such Series, Class or Classes; provided, however, that certain proposals (including any proposal to change any date fixed for payment of principal or interest in respect of the Notes, to reduce the amount of principal or interest payable on any date in respect of the Notes of either Series or Class, to alter the method of calculating the amount of any payment in respect of the Notes of either Series or Class or the date for any such payment, to change the currency of payments under the Notes, or to change the quorum requirements relating to Meetings or the majority required to pass an Extraordinary Resolution (each, a "**Reserved Matter**")) may only be sanctioned by an Extraordinary Resolution passed at a Meeting of Noteholders at which two or more Voters holding or representing in the aggregate not less than three-quarters or, at any adjourned Meeting, one quarter of the aggregate Note Principal Amounts of the Outstanding Notes of the relevant Series or Class form a quorum.

No Extraordinary Resolution involving a Reserved Matter that is passed by the holders of one Series or Class of Notes shall be effective unless it is sanctioned by an Extraordinary Resolution of the holders of each of the other Series or Classes of Notes then Outstanding.

No Extraordinary Resolution to approve any matter other than a Reserved Matter of either Series or Class of Notes shall be effective unless it is sanctioned by an Extraordinary Resolution by the holders of the Senior Class of Notes Outstanding (to the extent that there are Outstanding Notes ranking senior to such Class) unless the Note Trustee

considers that none of the holders of the Senior Class of Notes would be materially prejudiced by the absence of such sanction. For the purposes of this Note Condition 14.1, Class A Notes rank senior to Class B Notes.

No Extraordinary Resolution to approve any matter other than a Reserved Matter of the Series A1 Notes shall be effective unless it is sanctioned by an Extraordinary Resolution of the Series A2 Noteholders unless the Note Trustee considers that none of the Series A2 Noteholders would be materially prejudiced by the absence of such sanction. No Extraordinary Resolution to approve any matter other than a Reserved Matter of the Series A2 Notes shall be effective unless it is sanctioned by an Extraordinary Resolution of the Series A1 Noteholders unless the Note Trustee considers that none of the Series A1 Noteholders would be materially prejudiced by the absence of such sanction.

Subject to the above, (a) any resolution passed at a Meeting of Noteholders duly convened and held in accordance with the Note Trust Deed shall be binding upon all Noteholders of such Series, Class or Classes, whether or not present at such Meeting and whether or not voting of such Series, Class or Classes; (b) any resolution passed at a Meeting of the Class A Noteholders duly convened and held as aforesaid shall also be binding upon all the Class B Noteholders; (c) any resolution passed at a Meeting of the Series A1 Noteholders or Series A2 Noteholders duly convened and held as aforesaid shall also be binding upon all the Class A Noteholders; and (d) any resolution passed at a meeting of all Series or Classes of Noteholders shall be bound to give effect to any such resolution accordingly and the passing of such resolution shall be conclusive evidence that the circumstances justify the passing thereof.

In addition, a resolution in writing signed by or on behalf of all Noteholders of a Series or Class who for the time being are entitled to receive notice of a Meeting of Noteholders under the Note Trust Deed will take effect as it were an Extraordinary Resolution. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders.

The quorum at any Meeting of the Noteholders of either Class of Notes for all business other than voting on an Extraordinary Resolution shall be two or more Voters holding or representing in the aggregate not less than 10 per cent. of the aggregate Note Principal Amounts of the Outstanding Notes of the relevant Series or Class or, at any adjourned Meeting, two or more Voters being or representing the Noteholders of the relevant Series or Class, whatever the aggregate Note Principal Amounts of the Notes of the relevant Series or Class then Outstanding so held or represented.

14.2 Modification and waiver

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

15. THE NOTE TRUSTEE AND THE SECURITY TRUSTEE

- (a) Under the Note Trust Deed and Security Trust Deed, the Note Trustee and Security Trustee are respectively entitled to be indemnified and/or prefunded and/or secured to their satisfaction and relieved from responsibility in certain circumstances and to be paid their costs and expenses in priority to the claims of the Noteholders. In addition, the Note Trustee and Security Trustee are entitled to enter into business transactions with the Issuer and any entity relating to the Issuer without accounting for any profit.
- (b) In the exercise of its powers and discretions under these Note Conditions and the Note Trust Deed, the Note Trustee will have regard to the interests of the Noteholders, Receiptholders and Couponholders as a Class (except as expressly set out in Note Condition 14 (Meetings of Noteholders; Modification)) and will not be responsible for any consequence for individual holders of Notes as a result of such holders being connected in any way with a particular territory or taxing jurisdiction.
- (c) Notwithstanding anything to the contrary in the Transaction Documents, the Note Trustee shall only be required to have regard to the interests of the Noteholders as a Class (except as expressly set out in Note Condition 14 (Meetings of Noteholders; Modification)) and subject to Note Condition 15.4 below, shall have no responsibility

to any other Issuer Secured Party, except to distribute amounts received in accordance with the Post-Enforcement Priority of Payments.

- (d) In acting under the Security Trust Deed, the Note Trustee shall have an ability to direct the Security Trustee pursuant to the terms thereof, provided that nothing shall oblige the Note Trustee to act for, or to consider the interests of, any other Issuer Secured Party and provided always that the exercise of such right is subject to the detailed terms of the Note Trust Deed.
- (e) Subject to the terms of the Security Trust Deed, the Security Trustee shall act in accordance with the instructions of the Instructing Secured Party when exercising any right, power, duties, discretions and authorities under or pursuant to the Transaction Documents.

16. NOTICES TO NOTEHOLDERS

- (a) All notices to the Noteholders hereunder shall be published in a leading newspaper published in Ireland (which is expected to be The Irish Times) or, if such newspaper shall cease to be published or timely publication therein shall not be practicable, in such English language newspaper or newspapers as the Note Trustee shall approve having a general circulation in Dublin. Any such notice shall be deemed to have been given to all Noteholders on the date of such publication.
- (b) So long as any Class A Notes are listed on the Official List and traded on the regulated market of the Irish Stock Exchange and the rules of the Irish Stock Exchange so permit, any publication provided for under Note Condition 16(a) in respect of the Class A Notes may be substituted by delivery to the Companies Announcement office section of the Irish Stock Exchange website and, in relation to the Series A1 Noteholders, the Clearing Systems of the relevant notice for communication to the Series A1 Noteholders. Any such notice shall be deemed to have been given to all Class A Noteholders on the same day that such notice was delivered to the Clearing Systems and/or such notice is delivered to the Companies Announcement office section of the Irish Stock Exchange website, as applicable.

17. REPLACEMENT

- (a) If a Note Certificate is lost, stolen, mutilated, defaced or destroyed, the Issuer will deliver a replacement Note Certificate to the registered holder upon receipt of satisfactory evidence and surrender of any defaced or mutilated Note Certificate. A replacement will only be made upon payment of the expenses for a replacement and compliance with the Issuer's, Registrar's and Principal Paying Agent's reasonable requests as to evidence and indemnity.
- (b) If Definitive Notes are lost, stolen, mutilated, defaced or destroyed, the Noteholder can replace them at the Specified Office of the Principal Paying Agent subject to all applicable laws and stock exchange requirements. The Noteholder will be required both to pay the expenses of producing a replacement and to comply with the Issuer's, Registrar's and Principal Paying Agent's reasonable requests as to evidence and indemnity.
- (c) Defaced or mutilated note certificates must be surrendered before replacements will be issued.

18. GOVERNING LAW AND JURISDICTION

18.1 Governing law

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

18.2 Jurisdiction

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

19. CERTAIN DEFINITIONS

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

The definitions set out below under "CERTAIN DEFINITIONS" will be set out in Note Condition 19.

SCHEDULE

SERIES A1 NOTES AMORTISATION SCHEDULE

<u>Payment Date falling in</u>	<u>Expected NOK Amortisation Amount</u>	<u>Expected EUR Amortisation Amount</u>
January 2013	NOK 365,770,733	EUR 49,832,525
February 2013	NOK 183,864,037	EUR 25,049,596
March 2013	NOK 172,839,815	EUR 23,547,659
April 2013	NOK 175,383,171	EUR 23,894,165
May 2013	NOK 175,136,077	EUR 23,860,501
June 2013	NOK 171,834,853	EUR 23,410,743
July 2013	NOK 167,265,669	EUR 22,788,238
August 2013	NOK 172,370,400	EUR 23,483,706
September 2013	NOK 169,610,446	EUR 23,107,690
October 2013	NOK 164,431,148	EUR 22,402,064
November 2013	NOK 161,740,799	EUR 22,035,531
December 2013	NOK 148,042,739	EUR 20,169,310
January 2014	NOK 146,747,185	EUR 19,992,804
February 2014	NOK 142,271,236	EUR 19,383,002
March 2014	NOK 135,574,537	EUR 18,470,645
April 2014	NOK 137,857,980	EUR 18,781,741
May 2014	NOK 134,221,790	EUR 18,286,347
June 2014	NOK 135,007,744	EUR 18,393,426
July 2014	NOK 129,767,047	EUR 17,679,434
August 2014	NOK 133,626,714	EUR 18,205,274
September 2014	NOK 122,491,052	EUR 16,688,154
October 2014	NOK 123,414,016	EUR 16,813,899
November 2014	NOK 120,546,027	EUR 16,423,164
December 2014	NOK 116,260,369	EUR 15,839,287
January 2015	NOK 116,691,030	EUR 15,897,961
February 2015	NOK 113,047,704	EUR 15,401,595
March 2015	NOK 109,235,791	EUR 14,882,260
April 2015	NOK 108,112,398	EUR 14,729,209
May 2015	NOK 104,626,806	EUR 14,254,333
June 2015	NOK 103,117,189	EUR 14,048,663
July 2015	NOK 102,183,614	EUR 13,921,473
August 2015	NOK 101,896,080	EUR 13,882,300
September 2015	NOK 95,207,807	EUR 12,971,091
October 2015	NOK 91,631,050	EUR 12,483,794
November 2015	NOK 65,974,947	EUR 8,988,416
December 2015	NOK 0	EUR 0

CERTAIN DEFINITIONS

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

"Actual/360" shall mean the actual number of days in the period in respect of which a payment is being made in Euro divided by 360;

"Actual EUR Amortisation Amount" shall mean an amount in Euro equal to the Actual NOK Amortisation Amount at the Cross Currency Swap Exchange Rate;

"Actual NOK Amortisation Amount" shall mean for any Payment Date the amount in Norwegian kroner available for redemption of the Series A1 Notes in accordance with the applicable Priority of Payments and the Cross Currency Swap Transaction;

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

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

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

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

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

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

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

"Arrangers" shall mean J.P. Morgan Securities plc and Banco Santander, S.A.;

"Assigned Documents" shall mean the Agency Agreement, the Note Trust Deed, the Cross Currency Swap Agreement, the Transaction Account Agreement, the Custody Agreement and any other English law governed agreements included in the Transaction Documents or entered into by the Issuer in connection with the Transaction Documents from time to time;

"Auto Loan" shall mean any loan in respect of a Financed Vehicle, originated by the Seller in its ordinary course of business, including the right to claim and receive Loan Instalments from the relevant Debtor in accordance with a Loan Contract, together with any and all present and future ancillary rights and obligations under the relevant Loan Contract;

"Auto Portfolio Purchase Agreement" shall mean the auto portfolio purchase agreement dated the Note Issuance Date between the Issuer and the Seller;

"Available Principal Collections" shall mean, with respect to any Payment Date prior to the delivery by the Note Trustee of an Enforcement Notice, a portion of the Available Distribution Amount equal to the lesser of (a) the Available Distribution Amount less the amounts to be applied pursuant to paragraphs (a) through (g) of the Pre-Enforcement Priority of Payments, and (b) the excess, if any, of the Class A Principal Amount over the Class A Target Principal Amount as of the immediately preceding Cut-Off Date;

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

- (a) the amounts standing to the credit of the Reserve Account as of such Cut-Off Date;

- (b) any Collections (including, for the avoidance of doubt, Deemed Collections paid by the Seller or (if different) the Servicer) received by the Seller or (if different) the Servicer during the Collection Period ending on such Cut-Off Date;
- (c) any amounts received or to be received by the Issuer or the Principal Paying Agent on behalf of the Issuer under the Cross Currency Swap Agreement (or, if the Cross Currency Swap Transaction has been terminated and not replaced, Norwegian kroner converted into Euro at the Spot Rate by the Cash Administrator plus amounts standing to the credit of the Currency Swap Reserve Account to pay, firstly, any applicable Currency Swap Deferred Interest Amounts and, secondly, any applicable Currency Deferred Principal Amounts) on or before and with respect to the Payment Date immediately following such Cut-Off Date (excluding, for the avoidance of doubt, (i) any collateral posted by the Cross Currency Swap Counterparty under any Credit Support Annex and any interest thereon but including any enforcement proceeds from such collateral applied in satisfaction of payments due to the Issuer in accordance with the Cross Currency Swap Agreement and, upon termination of a Cross Currency Swap Transaction, including any proceeds from such collateral to the extent not applied to put in place a replacement cross-currency swap transaction and (ii) any amount received by the Issuer by way of any premium paid by any replacement Cross Currency Swap Counterparty to the extent applied to pay any termination payment under such Cross Currency Swap Agreement being replaced);
- (d) the amounts paid by the Seller to the Issuer during such period pursuant to the Auto Portfolio Purchase Agreement in respect of: (A) any stamp duty, registration and other similar taxes, (B) any taxes levied on the Issuer and any relevant parties involved in the financing of the Issuer due to the Issuer and such parties having entered into the Auto Portfolio Purchase Agreement, the other Transaction Documents or other agreements relating to the financing of the acquisition by the Issuer of the Purchased Auto Loans, (C) any liabilities, costs, claims and expenses which arise from the non-payment or the delayed payment of any taxes specified under (B) above, except for those penalties and interest charges which are attributable to the gross negligence of the Issuer, and (D) any additional amounts corresponding to sums which the Seller is required to deduct or withhold for or on account of tax with respect to all payments made by the Seller to the Issuer under the Auto Portfolio Purchase Agreement;
- (e) (i) any amounts paid by the Seller to the Issuer in respect of (A) any default interest on unpaid sums due by the Seller to the Issuer and (B) indemnities against any loss or expense, including legal fees, incurred by the Issuer as a consequence of any default of the Seller, in each case paid by the Seller to the Issuer pursuant to the Auto Portfolio Purchase Agreement, and (ii) any default interest and indemnities paid by the Servicer to the Issuer pursuant to the Servicing Agreement, in each case as collected during such Collection Period;
- (f) any other amounts paid by the Seller to the Issuer under or with respect to the Auto Portfolio Purchase Agreement (other than the Subordinated Loan and any Transaction Cost Fee) or the Purchased Auto Loans or the Related Collateral and any other amounts paid by the Servicer to the Issuer under or with respect to the Servicing Agreement, the Purchased Auto Loans or the Related Collateral, in each case as paid to the Issuer and deposited to the Transaction Account during such Collection Period;
- (g) any interest earned on and paid into any Issuer Secured Account or paid by the Seller or the Collections Account Bank to the Issuer in respect of Collections held in any Collections Account during such Collection Period;
- (h) if applicable, any amount on deposit in the Commingling Reserve Account, to the extent provided in the Servicing Agreement and the Agency Agreement);
- (i) any funds standing to the credit of the CPI Reserve Ledger released from the Transaction Account in accordance with the Servicing Agreement and the Agency Agreement;
- (j) in respect of payments of principal on the Class A Notes, in accordance with the relevant Priority of Payments only, the amounts then standing to the credit of the Class A Cash Accumulation Ledger; and
- (k) any Series A1 Principal Requirement Advances paid by the Subordinated Loan Provider to the Issuer under the Auto Portfolio Purchase Agreement, provided that any such amounts shall solely be available and applied to reduce or eliminate any Series A1 Principal Requirement Shortfall under item (g) (prior to a Class A Principal Payment Trigger Event) of the Pre-Enforcement Priority of Payments;

"Average Aggregate Outstanding Loan Principal Amount" shall mean, for any Collection Period, an amount calculated by (i) adding the Aggregate Outstanding Loan Principal Amounts as at the Cut-Off Date for that Collection Period and as of the immediately preceding Cut-Off Date and (ii) dividing that sum by two;

"Average NIBOR" shall mean, with respect to any Cut-Off Date, the arithmetic average of the rates which appear on the Reuters Page NIBR following that Cut-Off Date as the monthly average nominal one-month Norwegian Inter Bank

Offered Rate (monthly average of daily observations) for the calendar month ending on such Cut-Off Date and for the next preceding calendar month. With respect to any Cut-Off Date, if Norges Bank no longer publishes such rates or has not published such rates prior to the Reporting Date next following that Cut-Off Date, then Average NIBOR shall mean the arithmetic average of "NIBOR" (as defined in the Master Definitions Schedule) determined for a one-month period beginning on each of the Oslo Banking Days falling in the calendar month ending on such Cut-Off Date and the next preceding calendar month;

"Balloon Loan" shall mean an Auto Loan where the final Loan Instalment is substantially greater than any of the previous Loan Instalments payable by the relevant Debtor;

"Basis Spread" shall mean 0.25%;

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

"Calculation Agent" shall mean Deutsche Bank AG, London Branch and any successor or replacement calculation agent appointed from time to time in accordance with the Agency Agreement;

"Capitalised Interest" shall mean, with respect to any Collection Period, the aggregate amount added to the Outstanding Principal Amount of Purchased Auto Loans (other than Defaulted Auto Loans) during that Collection Period and representing accrued interest otherwise falling due during any Payment Holiday and added to principal in accordance with the relevant Loan Contracts;

"Carried Over EUR Amortisation Amount" shall mean, with respect to any Payment Date, the sum (which shall not be less than zero) of the amounts, calculated with respect to all preceding Payment Dates, equal to (a) in the case of any Payment Date on which the Expected EUR Amortisation Amount exceeded the Actual EUR Amortisation Amount, the amount of such excess (expressed as a positive number), and (b) in the case of any Payment Date on which the Series A1 Notes EUR Amortisation Amount paid in accordance with the applicable Priority of Payments exceeded the Expected EUR Amortisation Amount, the amount of such excess (expressed as a negative number);

"Carried Over NOK Amortisation Amount" shall mean, with respect to any Payment Date, the sum the sum (which shall not be less than zero) of the amounts, calculated with respect to all preceding Payments Dates, equal to (a) in the case of any Payment Date on which the Expected NOK Amortisation Amount exceeded the Actual NOK Amortisation Amount, the amount of such excess (expressed as a positive number), and (b) in the case of any Payment Date on which the Series A1 Notes NOK Amortisation Amount paid in accordance with the applicable Priority of Payments exceeded the Expected NOK Amortisation Amount, the amount of such excess (expressed as a negative number);

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

"Class A Cash Accumulation Fund" shall mean, at any time, the amount standing to the credit of the Class A Cash Accumulation Ledger;

"Class A Cash Accumulation Ledger" shall mean a ledger on the Transaction Account to be maintained by the Cash Administrator in order to retain amounts up to the Class A Cash Accumulation Ledger Required Amount;

"Class A Cash Accumulation Ledger Required Amount" shall mean, as at each Payment Date prior to delivery by the Note Trustee of an Enforcement Notice, an amount equal to the lesser of (a) the excess (if any) of (i) the Class A Principal Amount as at such Payment Date over (ii) the Class A Target Principal Amount, and (b) the NOK Equivalent of the Series A1 Principal Amount, in each case after payment of the Series A1 Principal Amount on such Payment Date in accordance with the Pre-Enforcement Priority of Payments;

"Class A Note Certificate" shall mean the Series A1 Note Certificate or the Series A2 Note Certificate, as applicable;

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

"Class A Notes" shall mean the Series A1 Notes and the Series A2 Notes;

"Class A Notes Interest" shall mean, with respect to any Payment Date, the sum of the Series A2 Notes Interest and the NOK Equivalent of the Series A1 Notes Interest;

"Class A Notes Principal" shall mean, with respect to any Payment Date, the sum of the Series A2 Notes Principal and the NOK Equivalent of the Series A1 Notes Principal;

"Class A Principal Amount" shall mean as of any date, the sum of the Series A2 Principal Amount and the NOK Equivalent of the Series A1 Principal Amount;

"Class A Principal Payment Trigger Event" shall mean an event that occurs if, as at any Cut-Off Date, after taking account of amounts to be applied pursuant to the applicable Priority of Payments on the immediately following Payment Date, the sum of the Aggregate Outstanding Loan Principal Amount and the Class A Cash Accumulation Fund is less than the sum of the Class A Principal Amount and the Class B Principal Amount;

"Class A Target Principal Amount" shall mean, with respect to any Payment Date or the immediately preceding Cut-Off Date, an amount equal to the least of (a) the Class A Principal Amount as of that Cut-Off Date, (b) the excess (if any) of (i) the Aggregate Outstanding Loan Principal Amount as of that Cut-Off Date over (ii) the Class B Principal Amount as of that Cut-Off Date and (c) the Class A Target Principal Amount with respect to the immediately preceding Payment Date;

"Class B Note Certificate" shall mean the Note Certificate in respect of the Class B Notes;

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

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

"Class B Notes" shall mean the NOK 1,061,345,000 Class B Floating Rate Secured Notes due on the Payment Date falling in April 2027;

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

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

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

"Class B Target Principal Amount" shall mean, with respect to any Payment Date or the immediately preceding Cut-Off Date, (a) so long as the Class A Principal Amount on such Cut-Off Date is greater than zero and, on such Payment Date after giving effect to the distributions to be made pursuant to item (g) of the Pre-Enforcement Priority of Payments, would remain greater than zero, the Class B Principal Amount, or (b) if on such Cut-Off Date the Class A Principal Amount is zero or if on such Payment Date after giving effect to distributions pursuant to item (g) of the Pre-Enforcement Priority of Payments, it will have been reduced to zero, an amount equal to the least of (i) the Class B Principal Amount as of that Cut-Off Date, (ii) the Aggregate Outstanding Loan Principal Amount as of that Cut-Off Date, and (iii) the Class B Target Principal Amount with respect to the immediately preceding Payment Date;

"Class Principal Amount" shall mean, in relation to the Series A1 Notes, the Series A1 Principal Amount, in relation to the Series A2 Notes, the Series A2 Principal Amount, in relation to the Class A Notes, the Class A Principal Amount and in relation to the Class B Notes, the Class B Principal Amount;

"Collection Period" shall mean, in relation to any Cut-Off Date, the period commencing on (but excluding) the Cut-Off Date immediately preceding such Cut-Off Date and ending on (and including) such Cut-Off Date and with respect to the first Payment Date the period that commenced on 31 October 2012 (excluding such date) and ends on 31 December 2012 (including such date);

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

- (a) all payments by or on behalf of any Debtor or any relevant guarantor of insurer in respect of principal (including, for the avoidance of doubt, principal amounts which arose as a result of the addition of Capitalised Interest to principal in accordance with the relevant Loan Contracts), interest, fees, premiums, expenses or otherwise in respect of such Purchased Auto Loan or under the related Loan Contract, including, without limitation, all payments made by CPI Insurers to or for the benefit of the Seller under a CPI policy with respect to such Purchased Auto Loan and any and all proceeds from vehicle insurance policies relating to the Financed Vehicles, but excluding, however, any payments in respect of insurance premiums which are identifiable as such and not included in the Principal Amount of such Purchased Auto Loan;
- (b) all cash proceeds in relation to the enforcement of any Related Collateral, any proceeds from the sale of Defaulted Auto Loans (together with the relevant Related Collateral) received by the Servicer on behalf of the Issuer from any third party and any participation in extraordinary profits after realisation of the Related Collateral to which the Issuer is entitled under the relevant Loan Contract;

- (c) all amounts paid to the Issuer by or on behalf of the Seller in respect of any Deemed Collections; and
- (d) interest paid to the Issuer by the Seller or the Collections Account Bank on any Collections on deposit in the Collections Accounts;

"Collections Account Bank" shall mean Skandinaviska Enskilda Banken AB (publ) or, with respect to the Issuer Collections Account, any successor account bank as may be appointed in accordance with the Issuer Collections Account Agreement, and with respect to any Seller Collections Account, any successor collections account bank as may be appointed by the Servicer;

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

"Commingling Reserve Required Amount" shall mean:

- (a) on the Note Issuance Date and as at the first and second Cut-Off Date falling after the Note Issuance Date, an amount equal to 3.5% of the Initial Aggregate Outstanding Note Principal Amount;
- (b) as at each Cut-Off Date thereafter, an amount to be determined by the Servicer and set out in the Monthly Report on the next following Reporting Date as the lesser of:
 - (i) an amount equal to the Commingling Reserve Required Amount as at the immediately preceding Cut-Off Date; and
 - (ii) the product of 1.1 and the average of Collections for the Collection Period ending on that Cut-Off Date and Collections for the immediately preceding two Collection Periods,

provided that if a Servicer's Owner Downgrade 1 does not exist, the Commingling Reserve Required Amount shall be zero;

"Common Safekeeper" shall mean Euroclear or Clearstream Luxembourg for the Series A1 Notes;

"Common Service Provider" shall mean Deutsche Bank AG, London Branch;

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

"Corporate Administrator" shall mean Deutsche International Corporate Services (Ireland) Limited, an Irish limited company having its registered office on the date of this Prospectus at 5 Harbourmaster Place, IFSC, Dublin 1, Ireland;

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

"Couponholder" shall mean the holders of the Coupon;

"CPI Insurers" shall mean Financial Insurance Company Limited and Financial Assurance Company Limited, both operating under the joint marketing name **"Genworth Financial"**, or any other issuer of CPI Policies from time to time;

"CPI Policy" shall mean a credit protection insurance policy relating to a Debtor's acquisition of a Financed Vehicle;

"CPI Reserve Ledger" shall mean the ledger on the Transaction Account to be established and maintained by the Servicer to hold the proceeds of the Subordinated Loan to be made by the Subordinated Loan Provider to the Issuer pursuant to Clause 9.3 of the Servicing Agreement;

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

"Credit Support Annex" shall mean any credit support document entered into between the Issuer and the Cross Currency Swap Counterparty from time to time which forms part of, and is subject to the Cross Currency Swap Agreement;

"Cross Currency Counterparty Swap Interest" shall mean for each Payment Date the product of (i) the Cross Currency Swap Interest Rate, (ii) the Series A1 Principal Amount as at the first day of the related Interest Period and (iii) the actual number of days in the applicable Interest Period in respect of which payment is being made divided by 360;

"Cross Currency Swap Counterparty" shall mean Deutsche Bank AG, London Branch or any of its successors (whether by novation or otherwise), transferees and assigns;

"Cross Currency Swap Agreement" shall mean the 1992 ISDA Master Agreement, the Schedule, any Credit Support Annex thereto and the confirmation evidencing the Cross Currency Swap Transaction entered into on the Note Issuance Date between the Issuer and the Cross Currency Swap Counterparty;

"Cross Currency Swap Exchange Rate" shall mean the Euro/Norwegian kroner exchange rate specified in the Cross Currency Swap Agreement;

"Cross Currency Swap Interest Rate" shall mean EURIBOR plus the Series A 1 Interest Margin;

"Cross Currency Swap Transaction" shall mean the cross-currency swap transaction entered into in relation to the Series A1 Notes, evidenced by a confirmation and governed by the Cross Currency Swap Agreement and entered into on or about the Note Issuance Date between the Issuer and the Cross Currency Swap Counterparty;

"Currency Swap Deferred Amounts" shall have the meaning given in Note Condition 5.3(a) (Currency Swap Deferred Principal Amounts);

"Currency Swap Deferred Interest Amounts" shall have the meaning given in Note Condition 4.9(a) (Currency Swap Deferred Interest Amounts);

"Currency Swap Deferred Principal Amounts" shall have the meaning given in Note Condition 5.3(a) (Currency Swap Deferred Principal Amounts);

"Currency Swap Excess Amounts" shall have the meaning given in Note Condition 5.3(b) (Currency Swap Deferred Principal Amounts);

"Currency Swap Excess Interest Amounts" shall have the meaning given in Note Condition 4.9(b) (Currency Swap Deferred Interest Amount);

"Currency Swap Excess Principal Amounts" shall have the meaning given in Note Condition 5.3(b) (Currency Swap Deferred Principal Amounts);

"Currency Swap Reserve Account" shall mean the relevant currency swap reserve account established in respect of principal or interest payments on the Series A1 Notes with the Transaction Account Bank as well as any other bank account specified as such by or on behalf of the Issuer with the consent of the Note Trustee in substitution of such Currency Swap Reserve Account in accordance with the Transaction Account Agreement and the Security Trust Deed;

"Custodian" shall mean Deutsche Bank AG, London Branch;

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

"Cut-Off Date" shall mean the last day of each calendar month, beginning 31 October 2012, and the Cut-Off Date with respect to any Payment Date is the Cut-Off Date immediately preceding such Payment Date;

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

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

- (a) the Outstanding Principal Amount of such Purchased Auto Loan (or, as the context may require, the affected portion of such Outstanding Principal Amount, in each case before giving effect to any event described in this definition), plus accrued and unpaid interest on such Outstanding Principal Amount (or, as applicable, such portion) as of the date when the Seller makes payment to the Seller Collections Account or, as applicable, the Issuer Collections Account with respect to such Deemed Collection, if:
 - (i) such Purchased Auto Loan proves not to have been an Eligible Auto Loan on the Purchase Cut-Off Date;

- (ii) such Purchased Auto Loan becomes a Disputed Auto Loan (irrespective of any subsequent court determination in respect thereof);
- (iii) such Purchased Auto Loan is rescheduled (including any extension of its maturity date) or otherwise substantially modified (in each case, other than as a result of a Payment Holiday or otherwise in accordance with the Servicing Agreement or the Credit and Collection Policy, provided that any extension of the maturity date of any Purchased Auto Loan to a date later than 31 March 2025 shall result in a Deemed Collection with respect to that Auto Loan); or
- (iv) such Purchased Auto Loan is cancelled or otherwise ceases to exist for any reason other than full payment by the Debtor to the Servicer or the Issuer (for example, if the Debtor requests and the Servicer agrees to exchange the Financed Vehicle for a different Financed Vehicle and in connection therewith to replace it with a different Loan Contract covering the replacement Financed Vehicle);

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

- (b) the amount of any reduction of the Outstanding Principal Amount of any Purchased Auto Loan, accrued and unpaid interest or any other amount owed by a Debtor with respect to such Purchased Auto Loan due to:
 - (i) any set-off against the Seller or the Issuer (as the case may be) due to a counterclaim of the Debtor, or any set-off or equivalent action against the relevant Debtor by the Seller;
 - (ii) any discount or other credit in favour of the Debtor (for the avoidance of doubt, the granting of a Payment Holiday to a Debtor shall not be classified as a credit); or
 - (iii) any final and conclusive decision by a court or similar authority with binding effect on the parties, based on any reason (including but not limited to any non-compliance with the minimum cash down payment requirements (*forskrifter om minste kontantinnsats*) contained in the Norwegian Financial Agreements Act 1999 (as amended) and the Credit Agreement Regulations 2010);

"Defaulted Auto Loan" shall mean any Purchased Auto Loan (which is not a Disputed Auto Loan) which has

- (a) an amount equivalent to at least six Loan Instalments overdue as indicated in the Monthly Report for the preceding Collection Period (provided, however, that a Loan Instalment which has been deferred during a Payment Holiday shall to that extent not be treated as overdue); or
- (b) been written off by the Servicer in accordance with the Credit and Collection Policy;

"Definitive Note" shall mean a note certificate representing the Series A1 Notes or the Class B Notes issued in exchange for the relevant global note pursuant to Note Condition 1.1(d) (*Form*), in each case substantially in the form set out in Schedule 2 (Form of Definitive Note) to the Note Trust Deed;

"Delinquent Auto Loan" shall mean, as of any date, any Purchased Auto Loan (which is not a Disputed Auto Loan and not a Defaulted Auto Loan) which has any Loan Instalment overdue by at least 30 days, as indicated in the Monthly Report for the Collection Period ending on or immediately preceding such date provided, however, that any Loan Instalment which has been deferred during a Payment Holiday shall to that extent not be treated as overdue;

"Detailed Investor Report" shall mean any detailed investor report in the form as set out in Schedule 1, Part B (Sample detailed investor report) to the Servicing Agreement, or in a form as otherwise agreed between the Servicer, the Seller and the Issuer, which shall be prepared by the Servicer with respect to each Collection Period;

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

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

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

"Eligible Auto Loan" shall mean any Auto Loan which meets the eligibility criteria specified in Schedule 2 (Eligible Auto Loans) to the Auto Portfolio Purchase Agreement;

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

"EURIBOR" shall mean the European Interbank Offered Rate determined on the following basis:

- (a) the Calculation Agent will determine EURIBOR for such Interest Period as being the rate for deposits in Euro for a period equal to one month which appears on the Reuters page EURIBOR01 as of 11:00 a.m. (Brussels time) on the EURIBOR Determination Date provided that in respect of the first Interest Period the Calculation Agent will determine such rate by straight line linear interpolation of the rates which appear in respect of 1 month and 2 month deposits; or
- (b) if such rate does not appear on that page, the Calculation Agent will:
 - (i) request that the principal Euro-zone office of each of four major banks (selected by the Calculation Agent) provide a quotation of the rate at which deposits in Euro are offered by it at approximately 11:00 a.m. (Brussels time) on the EURIBOR Determination Date to prime banks in the Euro-zone interbank market for a period of one month commencing on the first day of the relevant Interest Period and in an amount that is representative for a single transaction in that market at that time, assuming an Actual/360 day count basis; and
 - (ii) if at least two quotations are provided, accordingly determine the arithmetic mean (rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, 0.000005 being rounded upwards) of such quotations and the Calculation Agent will determine EURIBOR for such Interest Period as being such mean; or
- (c) if such rate does not appear on that page and fewer than two such quotations are provided as requested in the manner described above, the Calculation Agent will determine the arithmetic mean (rounded, if necessary, as aforesaid) of the rates quoted by major banks in the Euro-zone, selected by the Calculation Agent, at approximately 11:00 a.m. (Brussels time) on first day of the relevant Interest Period for loans in Euro to leading European banks for a period of one month commencing on the first day of the relevant Interest Period and in an amount that is representative for a single transaction in that market at that time, and the Calculation Agent will determine EURIBOR for such Interest Period as being such mean; or
- (d) if the Calculation Agent is unable to determine a rate or (as the case may be) an arithmetic mean in accordance with the above provisions in relation to any Interest Period, EURIBOR for such Interest Period will be EURIBOR as last determined in relation to the immediately preceding Interest Period;

"EURIBOR Determination Date" shall mean the second TARGET 2 Settlement Day (being a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET 2) System launched on 19 November 2007 is open for settlement of payment in euro) immediately preceding the commencement of the relevant Interest Period for which the interest amount will apply;

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

"Euro Account" shall mean the Euro denominated interest-bearing bank account held in the name of the Issuer with the Transaction Account Bank, as well as any other Euro denominated bank accounts specified as such by or on behalf of the Issuer with the consent of the Note Trustee in addition to or in substitute for such Euro Account in accordance with the Transaction Account Agreement and the Security Trust Deed;

"Euroclear" shall mean Euroclear Bank SA/NV;

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

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

"Expected EUR Amortisation Amount" shall mean for any Payment Date the fixed amount in Euro expected to be paid by the Cross Currency Swap Counterparty to the Issuer for such Payment Date as set out in Annex I to the confirmation of the Cross Currency Swap Agreement and the schedule to the Note Conditions;

"Expected NOK Amortisation Amount" shall mean for any Payment Date the fixed amount in Norwegian kroner expected to be paid by the Issuer to the Cross Currency Swap Counterparty for such Payment Date as set out in Annex I to the confirmation of the Cross Currency Swap Agreement and the schedule to the Note Conditions;

"Expenses Loan" shall mean an interest bearing amortising funding loan provided or to be provided by the Expenses Loan Provider to the Issuer pursuant to the Expenses Loan Agreement;

"Expenses Loan Agreement" shall mean an expenses loan agreement dated on or about the Signing Date between the Issuer as borrower, the Expenses Loan Provider and the Cash Administrator;

"Expenses Loan Payment Account" shall mean a specified account in the name of the Issuer at the Transaction Account Bank, as may be redesignated or replaced from time to time in accordance with the Transaction Account Agreement;

"Expenses Loan Provider" shall mean Santander Consumer Finance S.A.;

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

"FAA" shall mean the Norwegian Financial Agreements Act 1999 (Finansavtaleloven);

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

"FATCA Withholding Tax" shall mean any withholding or deduction imposed under FATCA;

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

"Final EUR Exchange Amount" shall mean the Expected EUR Amortisation Amount plus the Carried Over EUR Amortisation Amount on the Final Exchange Payment Date;

"Final NOK Exchange Amount" shall mean the Expected NOK Amortisation Amount plus the Carried Over NOK Amortisation Amount on the Final Exchange Payment Date;

"Final Exchange Payment Date" shall mean the final Payment Date specified in the Series A1 Notes Amortisation Schedule set out as a schedule to the Note Conditions;

"Financed Vehicles" shall mean, pursuant to its respective Norwegian car certificate, registration certificate or any equivalent documents located in Norway, (i) any motor vehicle (motorvogn) as defined in the Norwegian Road Traffic Act 1965 under Norwegian law (including but not limited to cars, light commercial vehicles, motor homes and motor cycles), and (ii) any other vehicle (kjøretøy) as defined in the Norwegian Road Traffic Act 1965 (including but not limited to caravans), and which is financed pursuant to the relevant Loan Contract;

"Fitch" shall mean Fitch Ratings Limited;

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

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

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

"Initial Aggregate Outstanding Note Principal Amount" shall mean the Aggregate Outstanding Note Principal Amount immediately following the issuance of the Notes on the Note Issuance Date;

"Initial Exchange Amount" shall be an amount in Euro equal to the Series A1 Principal Amount as of the Note Issuance Date;

"Initial Exchange Payment Date" shall mean 28 November 2012;

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

"Insolvency Proceedings" shall mean in respect of the Issuer:

- (a) an order is made or an effective resolution passed for the winding up of the Issuer, except a winding-up for the purposes of or pursuant to an amalgamation or reconstruction the terms of which have previously been approved by the Note Trustee in writing; or
- (b) the Issuer, otherwise than for the purposes of such amalgamation or reconstruction as is referred to in paragraph (a) above, ceases or through an authorised action of its board of directors, threatens to cease to carry on all or substantially all of its business or is deemed unable to pay its debts as and when they fall due within the meaning of Section 214 of the Companies Act, 1963 (as amended by Section 123 of the Companies Act, 1990) and/or Section 2 of the Companies (Amendment) Act, 1990 of Ireland; or
- (c) proceedings shall be initiated against the Issuer under any applicable liquidation, insolvency, bankruptcy, composition, examination, reorganisation (other than a reorganisation where the Issuer is solvent) or other similar laws (including, but not limited to, presentation of a petition for an examination order, the filing of documents with the court for the appointment of an examiner, the service of a notice of intention to appoint an examiner or the taking of any steps to appoint an examiner) and (except in the case of presentation of a petition for an examination order, the filing of documents with the court for the appointment of an examiner, the service of a notice of intention to appoint an examiner or the taking of any steps to appoint an examiner) being disputed in good faith with a reasonable prospect of success or an examination order shall be granted or the appointment of an examiner takes effect or an examiner or other receiver, liquidator, trustee in sequestration or other similar official shall be appointed in relation to the Issuer or in relation to the whole or any substantial part of the undertaking or assets of the Issuer, or an encumbrancer shall take possession of the whole or any substantial part of the undertaking or assets of the Issuer, or a distress, execution or diligence or other process shall be levied or enforced upon or sued out against the whole or any substantial part of the undertaking or assets of the Issuer and such possession or process (as the case may be) shall not be discharged or otherwise ceases to apply within 30 days of its commencement, or the Issuer (or its directors or shareholders) initiates or consents to judicial proceedings relating to itself under applicable liquidation, insolvency, bankruptcy, composition, examination, reorganisation or other similar laws or makes a conveyance or assignment for the benefit of its creditors generally or takes steps with a view to obtaining a moratorium in respect of any indebtedness;

"Instructing Secured Party" shall mean:

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

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

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

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

"Interim Exchange Payment Date" shall mean each Payment Date prior to the earlier of the termination of the Cross Currency Swap Agreement and the Final Exchange Payment Date;

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

"Irish Security Deed" shall mean an Irish security deed of assignment dated on or about the Note Issuance Date between the Issuer and Security Trustee;

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

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

"Issuer Event of Default" shall mean the occurrence of any of the following events:

- (a) the Issuer becomes subject to Insolvency Proceedings; or
- (b) the Issuer fails to pay on any Payment Date or the Maturity Date, as applicable, (i) the Issuer Swap Interest in relation to the Series A1 Note Interest (as provided in item (e) of the applicable Priority of Payments), (ii) any interest then due and payable in respect of the Series A2 Notes or the Class B Notes, or (iii) any principal then due and payable in respect of any Notes, and such failure continues for five Business Days; provided that such a failure to pay with respect to interest or principal of any of the Class B Notes or, prior to the Maturity Date, with respect to principal of the Class A Notes, will only constitute an Issuer Event of Default if the Available Distribution Amount as of the immediately preceding Cut-Off Date would have been sufficient to pay such amount in full in accordance with the Pre-Enforcement Priority of Payments; or
- (c) the Issuer fails to pay or perform, as applicable, when and as due any other obligation under the Transaction Documents (in the case of any payment obligation with respect to any Payment Date, to the extent the Available Distribution Amount as of the immediately preceding Cut-Off Date would have been sufficient to pay such amounts in accordance with the applicable Priority of Payments), other than any obligation referred to in paragraph (b) of this definition and any obligation to pay the Subordinated Loan Provider under item (n) and the Seller under items (p) and (r) of the Pre-Enforcement Priority of Payments, and such failure continues for 30 calendar days after the date on which the Note Trustee gives written notice thereof to the Issuer or the Issuer otherwise has actual knowledge of such failure (whichever is earlier); or
- (d) a distress, execution, attachment or other legal process is levied or enforced upon or sued out against all or any substantial part of the assets of the Issuer and is not discharged or does not otherwise cease to apply within 30 calendar days of being levied, enforced or sued out or legal proceedings are commenced for any of the aforesaid, or the Issuer makes a conveyance or assignment for the benefit of its creditors generally;

"Issuer Interest Rate" shall mean NIBOR plus the Series A1 Interest Margin plus the Basis Spread;

"Issuer Secured Accounts" shall mean, together, the Transaction Account, the Reserve Account, the Currency Swap Reserve Account and the Commingling Reserve Account;

"Issuer Secured Party" shall mean each of the Noteholders, any receiver, manager or administrative receiver appointed under the Security Trust Deed, the Principal Paying Agent, the Calculation Agent, the Cash Administrator, the Registrar, the Transfer Agent, the Cross Currency Swap Counterparty, the Transaction Account Bank, the Collections Account Bank, the Security Trustee, the Note Trustee, the Corporate Administrator, the Seller, the Servicer, the Subordinated Loan Provider, the Custodian and any other party from time to time acceding to the Security Trust Deed;

"Issuer Swap Interest" shall mean for each Payment Date the product of (i) the Issuer Interest Rate, (ii) the NOK Equivalent of the Series A1 Principal Amount as at the first day of the related Interest Period and (iii) the actual number of days in the applicable Interest Period in respect of which payment is being made divided by 360;

"Joint Lead Managers" shall mean Banco Santander, S.A., Deutsche Bank AG, London Branch, J.P. Morgan Securities plc and RBC Europe Limited;

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

"Liquidity Reserve Shortfall" shall occur if the credit standing to the Reserve Account in respect of the Liquidity Reserve as of any Payment Date, after replenishing the Reserve Account in accordance with item (f) of the Pre-

Enforcement Priority of Payments, falls short of the Required Liquidity Reserve Amount as of the Cut-Off Date immediately preceding such Payment Date;

"Loan Contract" shall mean any non-negotiable promissory note executed by any Debtor for the purpose of financing:

- (a) the acquisition of a Financed Vehicle; and
- (b) in certain cases where the Debtor has arranged for a CPI Policy with respect to the Debtor's acquisition of that Financed Vehicle, the insurance premium due and payable by the Debtor in relation to that CPI Policy;

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

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

"Losses" shall mean losses (including loss of profit), claims, demands, actions, proceedings, damages and other payments, costs, expenses and other liabilities of any kind;

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

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

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

"NIBOR" shall mean, for any Interest Period or other one-month period, the rate for deposits in Norwegian kroner for a period of one month which appears on the Reuters Page NIBR at 12.00 noon, Oslo time, on the day which is two Oslo Banking Days preceding the first day of that Interest Period or other period, as applicable. If Reuters Page NIBR is not available or if no such quotation appears thereon, in each case as at such time, the Calculation Agent shall request the principal Oslo office of the Norwegian Reference Banks selected by it to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for one-month deposits in NOK at approximately 11:00 a.m. (Oslo time) on the relevant Rate Determination Date to prime banks in the Norwegian inter-bank market for the relevant Interest Period or other period and in an amount that is representative for a single transaction in that market at that time. If two or more of the selected Norwegian Reference Banks provide the Calculation Agent with such offered quotations, NIBOR for such Interest Period shall be the arithmetic mean of such offered quotations (rounded if necessary to the nearest one thousandth of a percentage point, with 0.000005 being rounded upwards). If on the relevant Rate Determination Date fewer than two of the selected Norwegian Reference Banks provide the Calculation Agent with such offered quotations, NIBOR for such Interest Period or other period shall be the rate per annum which the Calculation Agent determines as being the arithmetic mean (rounded if necessary to the nearest one thousandth of a percentage point, with 0.000005 being rounded upwards) of the rates communicated to (and at the request of) the Calculation Agent by major banks in Norway, selected by the Calculation Agent, at approximately 11:00 a.m. (Oslo time) on such Rate Determination Date for loans in NOK to leading Norwegian banks for such Interest Period or other period and in an amount that is representative for a single transaction in that market at that time;

"NIBOR Determination Date" shall mean for any Interest Period, a day which is two Oslo Banking Days preceding the first day of that Interest Period;

"NOK Equivalent" shall mean, with respect to any amount denominated in Euro, (a) for the purpose of calculating (or, as applicable, calculating the NOK Equivalent of) the Class A Notes Interest, the Class A Notes Principal, the Series A1 Principal Amount, the Series A1 Notes Interest, the Class A Principal Amount, the Note Principal Amount and the Available Principal Collections, such amount in Euro multiplied by the Cross Currency Swap Exchange Rate, and (b) for any other calculations, such amount in Euro multiplied by the Spot Rate as of the relevant Cut-Off Date;

"Norwegian kroner" or **"NOK"** shall mean the lawful currency of Norway;

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

"Norwegian Security Agreement" shall mean a Norwegian law security agreement dated on or about the Note Issuance Date entered into between the Issuer, the Security Trustee and the Note Trustee;

"Noteholder" and **"holder"** shall mean (i) with respect to the Series A1 Notes, the bearer of a Series A1 Note save that, each person who has for the time being a particular principal amount of such Series A1 Note credited to his securities account in the records of Clearstream, Luxembourg or Euroclear shall be deemed to be the Noteholder in respect of the principal amount of such Series A1 Note for all purposes hereof other than for the purpose of payments in respect thereof, the right to which shall be vested, as against the Issuer, solely in the bearer of the Series A1 Note in accordance with and subject to the terms of the Note Trust Deed and the Series A1 Notes, (ii) with respect to the Series A2 Notes and the Class B Note, the person(s) in whose name the Series A2 Notes or Class B Note, as applicable, is registered in the Register and (iii) with respect to any Definitive Note, the term shall also include a reference to any Couponholder;

"Noteholder FATCA Information" shall mean information sufficient to eliminate the imposition of U.S. withholding tax under FATCA;

"Noteholder Tax Identification Information" shall mean properly completed and signed tax certifications (generally, in the case of U.S. Federal Income Tax, IRS Form W-9 (or applicable successor form) in the case of a person that is a "United States Person" within the meaning of Section 7701(a)(30) of the IRC (as defined at clause 14.15 of this agreement) or the appropriate IRS Form W-8 (or applicable successor form) in the case of a person that is not a "United States Person" within the meaning of Section 7701(a)(30) of the IRC);

"Note Certificate" shall mean any of the certificates representing the Notes, in each case in the form or substantially in the form set out in Part A, in the case of the Series A1 Notes (the **"Series A1 Note Certificate"**), Part B, in the case of the Series A2 Notes (the **"Series A2 Note Certificate"**), or Part C, in the case of the Class B Notes (the **"Class B Note Certificate"**), of Schedule 1 (Forms of Note Certificates) of the Note Trust Deed;

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

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

"Note Principal Amount" shall mean, as of any date, in respect of any Note, the initial principal amount of that Note (in the aggregate amount of EUR 670,000,000 in respect of the Series A1 Notes, NOK 1,096,100,000 in respect of the Series A2 Notes and NOK 1,061,345,000 in respect of the Class B Notes), in each case as reduced by all amounts paid prior to such date on such Note in respect of principal;

"Note Trustee" shall mean Deutsche Trustee Company Limited, its successors or any other person appointed from time to time as Note Trustee in accordance with the Note Trust Deed;

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

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

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

- (a) a Servicer's Owner Downgrade 3 occurs; or
- (b) any Servicer Termination Event occurs;

"NSRA" shall mean the Norwegian Securities Register Act of 2002 (in Norwegian: lov om registrering av finansielle instrumenter av 5. juli 2002 nr. 64);

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

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

- (a) those which have been redeemed in full and cancelled in accordance with the Note Conditions;
- (b) those in respect of which the date for redemption in accordance with the provisions of the Note Conditions has occurred and for which the redemption moneys (including all interest accrued thereon to the date for such redemption) have been duly paid to the Note Trustee or the Principal Paying Agent in the manner provided for in the Agency Agreement (and, where appropriate, notice to that effect has been given to the Noteholders in

accordance with Note Condition 16 (Notices to Noteholders)) and remain available for payment in accordance with the Note Conditions; and

- (c) those which have been purchased and surrendered for cancellation as provided in Note Condition 5 (Redemption) and notice of the cancellation of which has been given to the Note Trustee;

provided that for each of the following purposes, namely:

- (i) the right to attend and vote at any Meeting of Noteholders;
- (ii) the determination of how many and which Notes are for the time being outstanding for the purposes of Clauses 8.1 (Waiver) and 10.1 (Legal proceedings) of the Note Trust Deed, Note Condition 14 (Meeting of Noteholders; modifications) and Schedule 3 (Provisions for Meetings of Noteholders) of the Note Trust Deed; and
- (iii) any discretion, right, power or authority, whether contained in the Note Trust Deed or provided by law, which the Note Trustee is required to exercise in or by reference to the interests of the Noteholders or any of them,

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

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

- (a) the Principal Amount of such Purchased Auto Loan; minus
- (b) the aggregate amount of Collections (other than Deemed Collections) received by the Issuer or the Servicer on its behalf in respect of such Purchased Auto Loan on or before such date and applied to the Principal Amount of such Purchased Auto Loan in accordance with the Loan Contract; minus
- (c) the amount of any unpaid portion of such Principal Amount corresponding to CPI Policy premium where the CPI Policy has been cancelled, except to the extent the Issuer or the Servicer on its behalf has received such amount as Collections described in paragraph (b) of this definition; minus
- (d) the amount of any reduction in the principal amount owed by the Debtor on such Purchased Auto Loan as a result of a cancellation or other event described in sub-paragraph (a)(iv) of the definition of **"Deemed Collection"** or any set-off, discount or other event described in sub-paragraphs (b)(i) through (b)(iii) of the definition of **"Deemed Collections"**; plus
- (e) the aggregate amount of accrued interest otherwise falling due during any Payment Holiday and added to principal in accordance with the Loan Contract;

"Participating FFI" shall mean a "participating foreign financial institution", a "deemed-compliant FFI" or an FFI that is otherwise exempt from the requirements of FATCA, as such terms are used in FATCA. A FFI that is subject to and complies with an applicable agreement between the government of the non-US jurisdiction in which it is located and the United States that addresses the manner in which financial institutions located in such non-US jurisdiction comply with FATCA shall be considered a deemed-compliant FFI;

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

"Payment Holiday" shall mean a period agreed by the Seller in accordance with the Credit and Collection Policy (and in any event not longer than three months in any calendar year) for which the Debtor's obligation to make any Principal Payments under the relevant Loan Contract is deferred;

"Permanent Global Note" shall mean a Permanent Global Note representing the Series A1 Notes to be issued pursuant to Clause 5.1 (*Global Notes*) of the Note Trust Deed in each case in the form or substantially in the form set out in Part B of Schedule 1 (*Form of Series A1 Permanent Global Note Certificate*) of the Note Trust Deed;

"Permitted Investments" shall mean:

- (a) NOK-denominated money market funds which have a long-term rating of "AAAmmf" by Fitch and, if rated by Moody's, "Aaa" and "MR1+" by Moody's and have a maturity date falling at least one Business Day before the next following Payment Date, provided that such money market funds are disposable without penalty or loss;

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

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

- (i) in relation to investments rated by Fitch (A) "F1" and "A" (or "F1" only in respect of investments carrying only a short-term rating) in respect of investments having a maturity of 30 days or less; and (B) "F1+" in respect of short-term debt having a maturity of more than 30 days, and/or "AA-" in respect of the long-term debt with regard to investments having a maturity equal to, or less than, 365 days but more than 30 days; and
- (ii) in relation to investments rated by Moody's (A) "A2" or "Prime-1" in respect of investments having a maturity of one month or less; (B) "A1" and "Prime-1" in respect of investments having a maturity of two months or less but more than one month; (C) "Aa3" and "Prime-1" in respect of investments having a maturity of three months or less but more than two months; and (D) "Aaa" and "Prime-1" in respect of investments having a maturity of more than six months (and, in each case, have not been placed on "review for possible downgrade"); and

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

"Portfolio" shall mean the Purchased Auto Loans and Related Collateral;

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

- (a) any funds standing to the credit of the Transaction Account on such Payment Date (excluding any amount standing to the credit of the CPI Reserve Ledger other than such amounts to be released on such Payment Date to form part of the Post-Enforcement Available Distribution Amount in accordance with the Transaction Documents);
- (b) any amounts received by the Issuer from the Cross Currency Swap Counterparty or payable by the Cross Currency Swap Counterparty to the Issuer on or before such Payment Date in accordance with the Cross Currency Swap Agreement;
- (c) any funds standing to the credit of the Reserve Account (including any credit balance on the Supplementary Liquidity Ledger) on such Payment Date;
- (d) any funds to be released from the Commingling Reserve Account on such Payment Date to form part of the Post-Enforcement Available Distribution Amount in accordance with the Transaction Documents; and
- (e) the proceeds of enforcement of the Secured Assets available for distribution on such Payment Date;

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

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

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

"Principal Paying Agent" shall mean Deutsche Bank AG, London Branch, and any successor or replacement principal paying agent appointed from time to time in accordance with the Agency Agreement;

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

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

"Prospectus" shall mean the prospectus relating to the Notes dated 27 November 2012;

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

"Purchase Cut-Off Date" shall mean 31 October 2012;

"Purchase Date" shall mean the Note Issuance Date;

"Purchased Auto Loan" shall mean any Auto Loan and all rights and obligations under the Loan Contract generating the Auto Loan which is sold and assigned or purported to be assigned to the Issuer in accordance with the Auto Portfolio Purchase Agreement;

"Qualifying Jurisdiction" shall mean:

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

"Qualifying Lender" shall mean a person which is by virtue of the law of a Qualifying Jurisdiction, resident in that Qualifying Jurisdiction for the purposes of tax and the payment of interest from the Issuer to it is, under the laws of that Qualifying Jurisdiction, subject (without any reduction computed by reference to the amount of such interest) to a tax which corresponds to Irish corporation tax which generally applies to profits, income or gains received in that Qualifying Jurisdiction by persons from sources outside that Qualifying Jurisdiction;

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

"Rate Determination Date" shall mean the EURIBOR Determination Date in respect of the Series A1 Notes and the NIBOR Determination Date in respect of the Series A2 Notes and the Class B Notes;

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

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

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

"Receiver" shall mean any receiver, receiver and manager or administrative receiver appointed by the Security Trustee over all or any of the Secured Assets under the Security Trust Deed whether solely, jointly, severally or jointly and severally with any other person and includes any substitute for any of them appointed from time to time;

"Records" shall mean with respect to any Purchased Auto Loan, Related Collateral, Financed Vehicle and the related Debtors all contracts, correspondence, files, notes of dealings and other documents, books, books of accounts, registers, records and other information regardless of how stored, and which may be disclosed to the Issuer or any other third party

without the Debtor's explicit consent pursuant to applicable law (including but not limited to the provisions in the Norwegian Data Protection Act 2000 and the bank confidentiality provision in section 18 of the Norwegian Commercial Bank Act 1961);

"Register" shall mean the register in relation to the Notes maintained by the Registrar;

"Registrar" shall mean Deutsche Bank Luxembourg S.A. at its specified office, or, if applicable, any successor or additional registrar as may from time to time be appointed by the Issuer;

"Regulations" shall mean the regulations concerning the transfer of Series A2 Notes and Class B Notes as the same may be from time to time promulgated by the Issuer and approved by the Registrar (the initial such regulations being set out in Schedule 3 to the Agency Agreement);

"Related Collateral" shall mean with respect to any Purchased Auto Loan:

- (a) any chattel mortgage (*salgs pant*) granted as collateral in favour of the Seller to secure the payment of such Purchased Auto Loan;
- (b) any type of guarantee (*kausjon*), surety and other agreements or arrangements of whatever character from time to time supporting or securing payment of such Purchased Auto Loan whether pursuant to the Loan Contract relating to such Auto Loan or otherwise;
- (c) any and all other present and future claims against property insurers taken with respect to the relevant specified Financed Vehicles (*kaskoforsikring*) or other insurance schemes where the Seller has been named a beneficiary;
- (d) any and all present and future rights and claims under any loss compensation insurance policies, credit protection insurance policies, or other similar insurances or compensation schemes supporting or securing payment of such Purchased Auto Loan, and where the Seller has been named a beneficiary;
- (e) any other ownership interests, liens, charges, encumbrances, security interest or other rights or claims in favour of the Seller on any property from time to time securing the payment of such Purchased Auto Loan, and the Records relating thereto;
- (f) all Records relating to the Purchased Auto Loans and/or the Related Collateral under items (a) through (e) and (g); and
- (g) any claims to receive proceeds which arise from the disposal of or recourse to the Related Collateral, provided that any costs incurred by the Seller or (if different) the Servicer in connection with such disposal or recourse and any amounts which are due to the relevant Debtor in accordance with the relevant Loan Contract shall be deducted from such proceeds;

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

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

"Required Liquidity Reserve Amount" shall mean:

- (a) on the Note Issuance Date, NOK 70,752,450;
- (b) on each subsequent Cut-Off Date prior to (but excluding) the Amortisation Threshold Date, an amount equal to 1.00% of the Initial Aggregate Outstanding Note Principal Amount;
- (c) on the Cut-Off Date falling on the Amortisation Threshold Date and as at each Cut-Off Date following the Amortisation Threshold Date, an amount equal to, 2.00% of the Aggregate Outstanding Note Principal Amount as at such Cut-Off Date; and
- (d) zero following the earliest of:
 - (i) repayment in full of interest and principal due in respect of the Class A Notes;
 - (ii) the Cut-Off Date on which the Aggregate Outstanding Loan Principal Amount is zero but the Class A Notes have not been redeemed in full; and

- (iii) the Maturity Date,

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

further provided that, if a Liquidity Reserve Shortfall occurred on the preceding Payment Date, the Required Liquidity Reserve Amount shall not be less than the Required Liquidity Reserve Amount as of the Cut-Off Date immediately preceding that Payment Date;

"Required Ratings" shall mean:

- (a) with respect to the Cross Currency Swap Counterparty (or its guarantor), that
 - (i) (A) the long-term issuer default rating is rated at least as high as "A" (or its equivalent) by Fitch and (B) the short-term issuer default rating is rated at least as high as "F1" (or its equivalent) by Fitch; and
 - (ii) (A) if the Cross Currency Swap Counterparty (or its guarantor) is subject to a short-term rating by Moody's, such rating is "Prime-1" and its long-term, unsecured and unsubordinated debt or counterparty obligations are rated "A2" or above by Moody's, and (B) if the Cross Currency Swap Counterparty (or its guarantor) is not subject to a short-term rating by Moody's, such rating of its long-term, unsecured and unsubordinated debt or counterparty obligations are rated "A1" or above by Moody's; and
- (b) with respect to any other person, that:
 - (i) the short-term unsecured, unsubordinated and unguaranteed debt obligations of that person are assigned a rating of at least "F1" (or its equivalent) by Fitch and "Prime-1" (or its equivalent) by Moody's or in either case such other rating which is consistent with the then current rating methodology of the applicable Rating Agency; and
 - (ii) the long-term unsecured, unsubordinated and unguaranteed debt obligations of that person are assigned a rating of at least "A" (or its equivalent) by Fitch and "A2" (or its equivalent) by Moody's or in either case such other rating which is consistent with the then current rating methodology of the applicable Rating Agency.

"Required Reserve Amount" shall mean:

- (a) on the Note Issuance Date and as at each Cut-Off Date prior to (but excluding) the Amortisation Threshold Date, an amount equal to (i) 3.00% of the Initial Aggregate Outstanding Note Principal Amount less (ii) the Required Liquidity Reserve Amount;
- (b) on the Cut-Off Date falling on the Amortisation Threshold Date and as at each Cut-Off Date following the Amortisation Threshold Date, an amount equal to (i) 6.00% of the Aggregate Outstanding Note Principal Amount as at the applicable Cut-Off Date less (ii) the Required Liquidity Reserve Amount as at such Cut-Off Date; and
- (c) zero, following the earliest of:
 - (i) repayment in full of interest and principal due in respect of the Class A Notes;
 - (ii) the Cut-Off Date on which the Aggregate Outstanding Loan Principal Amount is zero but the Class A Notes have not been redeemed in full; and
 - (iii) the Maturity Date,

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

further provided that, if a Reserve Shortfall occurred on any preceding Payment Date, an amount equal to the Required Reserve Amount as of the Cut-Off Date immediately preceding that Payment Date;

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

"Reserve Fund" shall mean at any time the amount standing to the credit of the Reserve Account at that time, up to the Required Reserve Amount;

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

"Secured Assets" shall mean the Norwegian Secured Assets, the Irish Secured Assets and the English Secured Assets (each as defined in Note Condition 2.2 (Security));

"Security" shall mean the security created in favour of the Security Trustee and the proceeds thereof pursuant to the Security Documents and held on trust by the Security Trustee for the Issuer Secured Parties;

"Security Documents" shall mean the Security Trust Deed, the Norwegian Security Agreement, the Irish Security Deed and any other document guaranteeing or creating security for or supporting the obligations of the Issuer to any Issuer Secured Party in connection with any Transaction Secured Obligations (other than the Expenses Loan Agreement);

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

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

"Security Trustee" shall mean Deutsche Trustee Company Limited, its successors or any other person appointed from time to time as Security Trustee in accordance with the Security Trust Deed;

"Seller" shall mean Santander Consumer Bank AS;

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

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

"Series A1 Note Certificate" shall mean the Temporary Global Notes and the Permanent Global Notes (as appropriate);

"Series A1 Interest Margin" shall have the meaning set out in Note Condition 4.5 (Interest Rate);

"Series A1 Noteholder" shall mean a holder of Series A1 Notes;

"Series A1 Notes" shall mean the EUR 670,000,000 Class A Series A1 Floating Rate Secured Notes of the Issuer due on the Payment Date falling in April 2027;

"Series A1 Notes EUR Amortisation Amount" shall mean, with respect to any Payment Date, an amount equal to the lesser of (a) the Expected EUR Amortisation Amount plus the Carried Over EUR Amortisation Amount and (b) the Actual EUR Amortisation Amount, in each case for that Payment Date;

"Series A1 Notes NOK Amortisation Amount" shall mean, with respect to any Payment Date, an amount equal to the lesser of (a) the Expected NOK Amortisation Amount plus the Carried Over NOK Amortisation Amount and (b) the Actual NOK Amortisation Amount, in each case for that Payment Date;

"Series A1 Notes Interest" shall have the meaning set out in Note Condition 4.3 (Interest Amount);

"Series A1 Notes Principal" shall mean, with respect to any Payment Date, all or a portion of the Series A1 Principal Amount required to be paid in accordance with the applicable Priority of Payments;

"Series A1 Principal Amount" shall mean, as of any date, the sum of the Note Principal Amounts of all Series A1 Notes then Outstanding;

"Series A1 Principal Requirement Advance" shall mean an additional advance which the Subordinated Loan Provider from time to time and acting in its absolute discretion, is entitled to (but not required to) make to the Issuer under and on the terms specified in the Auto Portfolio Purchase Agreement;

"Series A1 Principal Requirement Shortfall" shall mean in respect of any Cut-Off Date, an amount equal to:

(a) the Series A1 Notes Principal due on the immediately following Payment Date;

less

(b) the portion of the Available Distribution Amount (excluding, for the avoidance of doubt, any Series A1 Principal Requirement Advance) to be applied for the purposes of payment of the Series A1 Notes Principal under item (g) of the Pre-Enforcement Priority of Payments on the immediately following Payment Date,

in each case prior to the occurrence of a Class A Principal Payment Trigger Event;

"Series A2 Note Certificate" shall mean the Note Certificate in respect of the Series A2 Notes;

"Series A2 Interest Margin" shall have the meaning set out in Note Condition 4.5 (Interest Rate);

"Series A2 Noteholder" shall mean a holder of Series A2 Notes;

"Series A2 Notes" shall mean the NOK 1,096,100,000 Class A Series A2 Floating Rate Secured Notes of the Issuer due on the Payment Date falling in April 2027;

"Series A2 Notes Interest" shall have the meaning set out in Note Condition 4.3 (Interest Amount);

"Series A2 Notes NOK Amortisation Amount" shall mean, with respect to any Payment Date, an amount equal to the excess, if any, of (a) the excess of the Class A Principal Amount over the Class A Target Principal Amount as of the immediately preceding Cut-Off Date over (b) the Series A1 Notes NOK Amortisation Amount;

"Series A2 Notes Principal" shall mean, with respect to any Payment Date, all or a portion of the Series A2 Principal Amount to be paid in accordance with the applicable Priority of Payments;

"Series A2 Principal Amount" shall mean, as of any date, the sum of the Note Principal Amounts of all Series A2 Notes then Outstanding;

"Servicer" shall mean Santander Consumer Bank AS and any successor thereof or substitute servicer appointed by the Issuer in accordance with the Servicing Agreement or the Auto Portfolio Purchase Agreement;

"Servicer Fee" shall mean, for any Payment Date, an amount equal to 0.50% of the Aggregate Outstanding Loan Principal Amount as of the immediately preceding Cut-Off Date, calculated on an Actual/360 basis;

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

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

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

(b) the Servicer fails to perform any of its obligations (other than those referred to in (a) above) owed to the Issuer under the Servicing Agreement and such failure materially and adversely affects the rights of the Issuer or Noteholders (as determined by the Note Trustee) and continues for (i) five Business Days in the case of any failure to deliver any Monthly Report when due or (ii) 30 calendar days in the case of any other failure to perform, in each case after the date on which the Security Trustee gives written notice thereof to the Issuer or the Issuer otherwise has actual notice knowledge of such failure (whichever is earlier); provided however, that, subject to paragraph (h) of this definition, a delay or failure to perform any obligation will not constitute a

Servicer Termination Event if such delay or failure is caused by an event beyond the reasonable control of the Servicer an act of God or other similar occurrence; or

- (c) any of the representations and warranties made by the Servicer with respect to or in the Servicing Agreement or any Monthly Report or information transmitted is materially false or incorrect, such materiality to be determined by the Note Trustee; or
- (d) (A) proceedings are initiated against the Servicer under any applicable liquidation, insolvency, composition, reorganisation or other similar laws, or an application is made for the appointment of an administrative or other receiver, manager, administrator or other similar official, or an administrative or other receiver, manager, administrator or other similar official is appointed, in relation to the Servicer or, as the case may be, in relation to the whole or a substantial part of the undertaking or assets of the Servicer, or an encumbrancer takes possession of the whole or a substantial part of the undertaking or assets of the Servicer, or a distress, execution, attachment, sequestration or other process is levied, enforced upon, sued out or put in force against the whole or a substantial part of the undertaking or assets of the Servicer and (B) in any such case (other than the appointment of an administrator), the proceedings, application, appointment, possession or process is not discharged or discontinued within 30 days; or
- (e) any licence, authorisation or registration of the Servicer required with respect to the Servicing Agreement and the Services to be performed thereunder is revoked, restricted or made subject to any material conditions that would be reasonably likely to have a material adverse affect on the Servicer's ability to perform the Services; or
- (f) when (i) the Servicer's Owner ceases to own 100% of the then issued and outstanding shares of capital stock of the Servicer or (ii) a Servicer's Owner Downgrade 4 occurs and has not been waived by the Note Trustee upon the written request of holders of at least 50% of the aggregate Note Principal Amount of the Senior Class of Notes Outstanding (provided that for this purpose Class A Notes held by the Seller or any Affiliate of the Seller shall be deemed not to be Outstanding) or if so directed by an Extraordinary Resolution of the Senior Class of Notes Outstanding (provided for this purpose Class A Notes held by the Seller or any Affiliate of the Seller shall be deemed not to be Outstanding), and in all cases, subject to the Note Trustee having been indemnified and/or prefunded and/or provided with security to its satisfaction; or
- (g) it is or becomes unlawful for the Servicer to perform or comply with any of its obligations under the Servicing Agreement;
- (h) the Servicer is prevented or severely hindered for a period of 60 days or more from complying with its obligations under the Servicing Agreement as a result of a force majeure event and such force majeure event continues for 30 Business Days after written notice of such non-compliance has been given by the Issuer or the Note Trustee;

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

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

"Servicer's Owner" shall mean initially, Santander Consumer Finance, S.A., and, following any change of ownership which does not constitute a Servicer Termination Event or as to which any resulting Servicer Termination Event has been waived in the accordance with the Transaction Documents, the person that then owns all of the issued and outstanding capital stock of the Servicer;

"Servicer's Owner Downgrade 1" shall mean that the Servicer's Owner's short-term unsecured, unsubordinated and unguaranteed indebtedness ceases to be rated F1 or higher by Fitch or Prime-1 or higher by Moody's or its long-term unsecured, unsubordinated and unguaranteed indebtedness ceases to be rated A or higher by Fitch (or is rated F1 or A, as applicable, but has been placed on "rating watch negative") or A2 or higher by Moody's (or is rated Prime-1 or A2, as applicable, but has been placed on "review for possible downgrade");

"Servicer's Owner Downgrade 2" shall mean that the Servicer's Owner's short-term unsecured, unsubordinated and unguaranteed indebtedness ceases to be rated F1 or higher by Fitch or its long-term unsecured, unsubordinated and unguaranteed indebtedness ceases to be rated A or higher by Fitch or Baa2 or higher by Moody's (or is rated F1 or A, as applicable, but has been placed on "rating watch negative" by Fitch or is rated Baa2 but has been placed on "review for possible downgrade" by Moody's);

"Servicer's Owner Downgrade 3" shall mean that the Servicer's Owner's long-term unsecured, unsubordinated and unguaranteed indebtedness ceases to be rated BBB- or higher by Fitch (or is rated BBB- but has been placed on "rating watch negative") or Baa3 or higher by Moody's (or is rated Baa3 but has been placed on " review for possible downgrade");

"Servicer's Owner Downgrade 4" shall mean that the Servicer's Owner's long-term unsecured, unsubordinated and unguaranteed indebtedness ceases to be rated B+ or higher by Fitch (or is rated B+ but has been placed on "rating watch negative") or B1 or higher by Moody's (or is rated B1 but has been placed on " review for possible downgrade");

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

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

"Share Capital Account" shall mean a specified bank account in the name of the Issuer at Bank of Ireland;

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

"Signing Date" shall mean 26 November 2012;

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

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

"Subordinated Loan" shall mean an interest-bearing amortising loan comprising of one or more advances made by the Subordinated Loan Provider to the Issuer pursuant to the Auto Portfolio Purchase Agreement;

"Subordinated Loan Provider" shall mean Santander Consumer Bank AS;

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

"Subsequent Required Ratings" shall mean, with respect to the Cross Currency Swap Counterparty (or its guarantor), that:

- (a) (i) the long-term issuer default rating of the Cross Currency Swap Counterparty (or its guarantor) is rated at least as high as "BBB-" (or its equivalent) by Fitch; and
- (ii) the short-term issuer default rating of the Cross Currency Swap Counterparty (or its guarantor) is rated at least as high as "F3" (or its equivalent) by Fitch; and
- (b) (i) if the Cross Currency Swap Counterparty (or its guarantor) is subject to a short-term rating by Moody's, such rating is "Prime-2" or above and its long-term, unsecured and unsubordinated debt or counterparty obligations are rated "A3" or above by Moody's; and
- (ii) if the Cross Currency Swap Counterparty (or is guarantor) is not subject to a short-term rating by Moody's, such rating of its long-term, unsecured and unsubordinated debt or counterparty obligations are rated "A3" or above by Moody's;

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

"Supplementary Liquidity Ledger" shall mean the ledger on the Reserve Account established and maintained by the Cash Administrator in relation to the Supplementary Liquidity Reserve Amount (if any);

"Supplementary Liquidity Ledger Amount" shall mean, as at any Cut-Off Date, an amount (if any) equal to the balance on the Supplementary Liquidity Ledger (which amount forms part of the Available Distribution Amount with respect to such Cut-Off Date);

"Supplementary Liquidity Reserve Amount" shall mean:

- (a) subject to paragraph (b), as at any Cut-Off Date, an amount (if any) equal to:
 - (i) three times the aggregate of the amounts due to be distributed pursuant to items (a) to (e) (inclusive) in the Pre-Enforcement Priority of Payments on the immediately following Payment Date; less
 - (ii) the Required Liquidity Reserve Amount as at such Cut-Off Date; and
- (b) zero, following the earliest of:
 - (i) repayment in full of interest and principal due in respect of the Class A Notes;
 - (ii) the Cut-Off Date on which the Aggregate Outstanding Loan Principal Amount is zero but the Class A Notes have not been redeemed in full; and
 - (iii) the Maturity Date;

"Supplementary Liquidity Reserve Payment" shall mean:

- (a) on the first Cut-Off Date, the Supplementary Liquidity Reserve Amount (if any); and
- (b) on each Cut-Off Date thereafter, an amount (if any) equal to the Supplementary Liquidity Reserve Amount as at that Cut-Off Date less the Supplementary Liquidity Reserve Amount as at the immediately preceding Cut-Off Date;

"Swap Collateral" shall mean collateral posted by the Cross Currency Swap Counterparty under any Credit Support Annex and any interest thereon;

"Swap Subordinated Amounts" shall mean any termination payments due and payable to the Cross Currency Swap Counterparty under the Cross Currency Swap Agreement if an Event of Default due to the default or breach by the Cross Currency Swap Counterparty has occurred under the Cross Currency Swap Agreement;

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

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

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

"Temporary Global Note" shall mean a Temporary Global Note representing the Series A1 Notes to be issued pursuant to Clause 5.1 (*Global Notes*) of the Note Trust Deed in each case in the form or substantially in the form set out in Part A of Schedule 1 (*Form of Series A1 Temporary Global Note Certificate*) of the Note Trust Deed;

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

"Transaction Account" shall mean, as the context requires, (i) the specified sub-account in the name of the Issuer at the Transaction Account Bank denominated in Norwegian kroner, (ii) the specified sub-account in the name of the Issuer at the Transaction Account Bank denominated in Euro, or (iii) both sub-accounts referred to in (i) and (ii), in each case as such accounts may be redesignated or replaced from time to time in accordance with the Transaction Documents;

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

"Transaction Account Bank" shall mean Deutsche Bank AG, London Branch and any successor or replacement calculation agent appointed from time to time in accordance with the Transaction Account Agreement;

"Transaction Cost Fee" shall mean an amount designated as such and payable by the Seller to the Issuer from time to time on each Payment Date in accordance with the Auto Portfolio Purchase Agreement;

"Transaction Documents" shall mean the Auto Portfolio Purchase Agreement, the Servicing Agreement, the Norwegian Security Agreement, the Irish Security Deed, the Security Trust Deed, the Cross Currency Swap Agreement, the Corporate Administration Agreement, the Transaction Account Agreement, the Issuer Collections Account Agreement, the Expenses Loan Agreement, the Note Trust Deed, the Agency Agreement, the Subscription Agreement, the Custody Agreement and any amendments, supplements, terminations or replacements relating to any such agreement;

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

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

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

"Transfer Agent" shall mean Deutsche Bank Luxembourg S.A. at its specified office, and any successor or replacement transfer agent appointed from time to time in accordance with the Agency Agreement;

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

"Used Vehicle" shall mean any Financed Vehicle the date of purchase of which by the relevant Debtor was later than 12 months after the date of first registration of such Financed Vehicle; and

"Weighted Average Loan Return" shall mean, with respect to any Cut-Off Date the weighted average interest rate as at such Cut-Off Date of outstanding Purchased Auto Loans which, as at such Cut-Off Date, are not Defaulted Auto Loans.

SUMMARY OF PROVISIONS RELATING TO THE SERIES A1 NOTE CERTIFICATES

The Series A1 Notes will initially be represented by a Temporary Global Note which will be deposited on or around the Note Issuance Date with the Common Safekeeper. Each Temporary Global Note will be exchangeable in whole or in part for interests in a Permanent Global Note not earlier than 40 days after the Note Issuance Date upon certification as to non-U.S. beneficial ownership. No payments will be made under a Temporary Global Note unless exchange for interests in a Permanent Global Note is improperly withheld or refused. In addition, interest payments in respect of the Notes cannot be collected without such certification of non-U.S. beneficial ownership.

Each Permanent Global Note will become exchangeable in whole, but not in part, for Notes in definitive form ("**Definitive Notes**") in the denomination of EUR 100,000 or a higher integral multiple of EUR 100,000 each at the request of the bearer of the Permanent Global Note against presentation and surrender of the Permanent Global Note to the Principal Paying Agent if either of the following events occurs (each an "**Exchange Event**"):

- (a) either Euroclear or Clearstream, Luxembourg is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so; or
- (b) any of the circumstances described in Note Condition 12 (*Events of Default*).

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

OUTLINE OF THE OTHER PRINCIPAL TRANSACTION DOCUMENTS

Auto Portfolio Purchase Agreement

On the Note Issuance Date, the Issuer will have purchased the Portfolio from the Seller in accordance with the Auto Portfolio Purchase Agreement and pursuant to the provisions of Chapter 2V of the Norwegian Financial Institutions Act ("FIA").

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

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

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

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

In the Auto Portfolio Purchase Agreement, the Seller makes representations and warranties in respect of the Purchased Auto Loans, regarding the Purchased Auto Loans' title and ownership, that there are no pledges or adverse claims over the Purchased Auto Loans, that the Purchased Auto Loans comply with the Eligibility Criteria, that the Purchased Auto Loans are valid and enforceable financing agreements; and, that there has been no untrue information given by the Seller in respect of the Purchased Auto Loans. By representing and warranting that the Purchased Auto Loans comply with the Eligibility Criteria, the Seller is also making representations, amongst other things, in respect of the Purchased Auto Loans constituting valid claims on the Debtors, the origination and servicing of such Purchased Auto Loans and that no Debtor has defaulted. For further details of the representations and warranties made by the Seller in the Auto Portfolio Purchase Agreement, see "DESCRIPTION OF THE PORTFOLIO".

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

Deemed Collections

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

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

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

Optional clean-up call

If the Aggregate Outstanding Note Principal Amount is less than 10% of the Aggregate Outstanding Note Principal Amount as of the Note Issuance Date, the Seller may, subject to certain requirements and prior notification to the FSAN, demand from the Issuer the resale and retransfer of all (but not part) of the outstanding Portfolio held by the Issuer.

The Seller must advise the Issuer of its intention to exercise the repurchase option at least 30 days prior to the contemplated termination date, which shall occur on a Payment Date agreed upon by the Seller, be at the cost of the Seller and coincide with the early redemption of the Notes. See "*NOTE CONDITIONS — Redemption — Early Redemption – clean-up call*".

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

Subordinated Loan

Pursuant to the Auto Portfolio Purchase Agreement, a credit facility was made available to the Issuer by the Seller as Subordinated Loan Provider. Pursuant to the terms of the Auto Portfolio Purchase Agreement, the Issuer will make a drawing thereunder on or before the Purchase Date the proceeds of which will be credited to the Reserve Account, the CPI Reserve Ledger and the Commingling Reserve Account. After the Note Issuance Date, the Subordinated Loan Provider shall make further advances to the Issuer if funds are required to be credited to the Supplementary Liquidity Ledger, the CPI Reserve Ledger or the Commingling Reserve Account pursuant to the Transaction Documents. As of the Note Issuance Date, the outstanding amount of the Subordinated Loan is expected to amount to NOK 611,851,951.

The Seller will pay interest on the Subordinated Loan at a rate equal to the NIBOR plus an agreed margin, to the extent funds are available for such payment in accordance with the applicable Priority of Payments. To the extent any accrued interest is not paid on any Payment Date, that unpaid amount will be added to the principal amount of the Subordinated Loan.

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

In addition, the Subordinated Loan Provider, from time to time and acting in its absolute discretion, is entitled to (but not required to) make an additional advance available to the Issuer under the Auto Portfolio Purchase Agreement (the "**Series A1 Principal Requirement Advance**") in an amount up to (and including) the Series A1 Principal Requirement Shortfall. Prior to the delivery of an Enforcement Notice, the Series A1 Principal Requirement Advance will be utilised for the purpose of making up any shortfall between the Available Distribution Amounts and the Series A1 Notes Principal, solely for the purpose of paying certain amounts of principal on the Series A1 Notes. The obligations of the Issuer to make payments of principal and interest (if any) to the Subordinated Loan Provider under the Series A1 Principal Requirement Advance are separate from, and rank in priority to, the obligations of the Issuer to make payments to the Subordinated Loan Provider of any other amounts under the Auto Portfolio Purchase Agreement.

Servicing and Credit and Collection Policy

The Auto Portfolio Purchase Agreement includes provisions for the Seller to act as Servicer with respect to the Portfolio in accordance with the Servicing Agreement and the Credit and Collection Policy. The Seller may not materially change the Credit and Collection Policy unless either (i) such change relates only to the origination of new Auto Loans and not to the servicing, administration or collection of any of the Purchased Auto Loans or (ii) such change applies equally to Purchased Auto Loans and other Auto Loans and the Seller determines that such change would not be reasonably likely to have a material adverse effect on the validity or collectability of the Purchased Auto Loans or the Issuer's ability to make timely payment on the Class A Notes.

Applicable law and jurisdiction

The Auto Portfolio Purchase Agreement will be governed by, and construed in accordance with, the laws of Ireland.

Servicing Agreement

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

Servicer's duties

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

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

- pay any Collections received from the Debtors to the Issuer;
- endeavour at its own expense to recover amounts due from the Debtors in accordance with the Credit and Collection Policy, see "*CREDIT AND COLLECTION POLICY*". The Issuer will assist the Servicer in exercising all rights and legal remedies from and in relation to the Portfolio in this regard, as is reasonably necessary, yet will be reimbursed by the Servicer for any costs and expenses incurred in this regard;
- in the event of an enforcement of any Related Collateral following a termination of a Purchased Auto Loan, realise such Related Collateral or other existing collateral as soon as possible by taking such measures as it deems necessary in its professional discretion;
- be authorised to grant Payment Holidays to Debtors from time to time in accordance with the Credit and Collection Policy; provided the Servicer will not grant any Payment Holiday or any other extension of maturity of any Purchased Auto Loan which would cause the final maturity date of that Purchased Auto Loan to fall later than 31 March 2025;
- from time to time use its reasonable efforts to give such notices to Debtors and take such other actions as may be required and within its control (subject to and in accordance with the relevant Loan Contracts and applicable laws) to reset or maintain interest rates on Purchased Auto Loans such that, as of each Cut-Off Date, (x) the Weighted Average Loan Return will not be less than (y) Average NIBOR with respect to that Cut-Off Date plus 3.0%;
- keep and maintain the Records on behalf of and for the account of the Issuer, in electronic or paper form and in a manner such that it is easily distinguishable from records relating to loans or collateral unrelated to the Portfolio;
- keep records for taxation purposes, including for the purposes of value-added tax;
- assist the Issuer in discharging any Related Collateral in respect of the relevant Purchased Auto Loan which has been fully repaid;
- assist the Issuer's auditors and provide information to them upon request;
- establish and maintain in the books of the Issuer all cash management ledgers in relation to the Transaction Account, the Reserve Account, the Commingling Reserve Account and the Currency Swap Reserve Account;
- on each Oslo Banking Day on which any payments are received and credited to the Seller Collection Accounts, identify the portion, if any, of those payments that constitute Collections;
- give instructions to the Transaction Account Bank and the Collections Account Bank for the investment in Permitted Investments of amounts on deposit from time to time in the Issuer Secured Accounts and the Issuer Collections Account; and

- for each collection period, prepare and deliver a Monthly Report and a Detailed Investor Report which shall, *inter alia*, contain updated information with respect to the Portfolio.

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

Following the termination of any Defaulted Auto Loan, the Servicer may, in its sole discretion, sell the residual value on that Defaulted Auto Loan in accordance with the Credit and Collection Policy. The net proceeds of any such sale will constitute Collections allocable to the Purchased Auto Loan, and the sole right of the Issuer and the Security Trustee with respect to any such sold Defaulted Auto Loan will be to receive such Collections. Upon such sale, the Servicer will mark its computer records indicating that any such receivable sold is no longer a Purchased Auto Loan. The Servicer is authorised to take any and all actions necessary or appropriate on behalf of the Issuer to evidence any such sale of a Defaulted Auto Loan free from any Security Interest or other interest of the Issuer or the Security Trustee.

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

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

In the Servicing Agreement, the Servicer agrees to indemnify the Issuer, the Note Trustee and the Security Trustee against all expenses, liabilities, losses, damages, actions, proceedings and claims which have been caused by any wrongful or negligent act, default or omission by the Servicer. In addition, if the Servicer fails to comply with its obligation with respect to maintenance of the Weighted Average Loan Return (as detailed above), it has agreed to make certain payments to the Transaction Account to make up any resulting shortfall.

Information and regular reporting

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

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

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

Commingling Reserve

The Servicing Agreement will provide that, if a Servicer's Owner Downgrade 1 occurs and for so long as it is continuing, (i) the Servicer shall (or, if the Seller is not the Servicer, the Seller shall), within 10 Business Days, procure that the Subordinated Loan Provider makes available to the Issuer an advance by way of deposit to the Commingling Reserve Account in an amount equal to the Commingling Reserve Required Amount; and (ii) the Servicer will, within 10 Business Days, instruct the Collections Account Bank to transfer to the Transaction Account within one Oslo Banking Day after receipt (or, in the case of exceptional circumstances causing an operational delay in the transfer, within three Oslo Banking Days after receipt) any and all Collections received from time to time in the Seller Collections Account. As at the date of this Prospectus, the Servicer's Owner's short-term and long-term unsecured, unsubordinated and unguaranteed indebtedness is rated P-2 and Baa2 or lower respectively by Moody's and, therefore, a Servicer's Owner Downgrade 1 has occurred. As a consequence, on or before the Note Issuance Date, the Commingling Reserve Account will be funded through the proceeds of an advance made by the Subordinated Loan Provider to the Issuer in an amount equal to the Commingling Reserve Required Amount. If the Servicer's Owner Downgrade 1 is cured, the amounts standing to the Commingling Reserve Account will be released.

If as of any Cut-Off Date the amount standing to the credit of the Commingling Reserve Account exceeds the Commingling Reserve Required Amount (which shall be zero if the Servicer's Owner Downgrade 1 is subsequently cured), then an amount equal to such excess shall be released and applied towards repayment of the Subordinated Loan on the immediately following Payment Date. For the avoidance of doubt, the amount released shall be paid to the Subordinated Loan Provider directly and shall not form part of the Available Distribution Amount.

If, on and after the occurrence of a Servicer Termination Event of the type described in paragraph (d) of the definition of that term, the Servicer (or the Seller as applicable) holds any Collections, the Calculation Agent, pursuant to the Agency Agreement, and the Note Trustee will treat an equivalent amount of the funds standing to the credit of the Commingling Reserve Account as part of the Available Distribution Amount or the Post-Enforcement Available Distribution Amount, as applicable.

If as of any Cut-Off Date the amount standing to the credit of the Commingling Reserve Account is less than the Commingling Reserve Required Amount, then the Servicer (or, if the Seller is not the Servicer, the Seller) shall procure that the Subordinated Loan Provider, within 10 Business Days, makes available to the Issuer an advance by way of deposit to the Commingling Reserve Account in an amount equal to the shortfall.

On the Discharge Date or, if earlier, on the first Business Day falling not less than two months following the earlier of (i) the date of any notice given to the Debtors to make payments on Purchased Auto Loans to the Issuer Collections Account and (ii) the appointment of a substitute servicer on a Servicer Termination Event, any amount standing to the credit of the Commingling Reserve Account shall be released and applied towards repayment of the Subordinated Loan on the immediately following Payment Date.

Appointment of back-up or replacement servicer

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

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

CPI Reserve

The Servicing Agreement shall provide that, if (a) a Servicer's Owner Downgrade 2 exists and is continuing or (b) there is a change of control of the Servicer or the Subordinated Loan Provider (in each case, so long as it is Santander Consumer Bank AS), then the Servicer (or, if the Seller is not the Servicer, the Seller), shall, at its own cost, either: (i) within 14 calendar days, obtain from a third party with the Required Ratings a guarantee of the Seller's obligations under the Auto Portfolio Purchase Agreement to pay to the Issuer a Deemed Collection in the amount of any unpaid portion of the Principal Amount of any Purchased Auto Loan corresponding to CPI Policy premium where the related CPI Policy has been cancelled (each a "**CPI Deemed Collection**"); or (ii) procure that, within 14 calendar days, the Servicer will establish and maintain a ledger on the Transaction Account (the "**CPI Reserve Ledger**") to hold an amount as determined by the Servicer or Seller which shall be made available by the Subordinated Loan Provider. Such amount shall be equal to the aggregate of all CPI Deemed Collections that would have been payable by the Seller in the event that, as at the immediately preceding Cut-Off Date, the CPI Policies relating to all outstanding Purchased Auto Loans had been cancelled.

For these purposes, "**control**" means the power, direct or indirect (A) to vote more than 50% of the securities having ordinary voting power for the election of directors of the Servicer or the Subordinated Loan Provider, or (B) to direct or cause the direction of the management and policies of the Servicer or the Subordinated Loan Provider whether by contract or otherwise (provided that assumption of control by an Affiliate of Santander Consumer Bank AS shall not constitute a change of control provided that such Affiliate and its immediate parent have long-term ratings of at least A by Fitch).

If, during any Collection Period, the Seller fails to make payment of any CPI Deemed Collection, an amount equal to the aggregate of such unpaid CPI Deemed Collections shall be released on the immediately following Payment Date and treated as part of the Available Distribution Amount or, following delivery of an Enforcement Notice, the Post-Enforcement Available Distribution Amount.

The Servicing Agreement will provide further that if, as at any Cut-Off Date (i) the amount standing to the credit of the CPI Reserve Ledger exceeds the amount equal to the aggregate of all CPI Deemed Collections that would be payable by the Seller in the event that, as at such Cut-Off Date, the CPI Policies relating to all outstanding Purchased Auto Loans

had been cancelled, then an amount equal to such excess shall be released and applied towards repayment of the Subordinated Loan on the immediately following Payment Date; or (ii) the Servicer's Owner Downgrade 2 has been cured, then the amount standing to the credit of the CPI Reserve Ledger shall be released and applied towards repayment of the Subordinated Loan on the immediately following Payment Date.

On the Payment Date on which the Class A Notes are redeemed in full and all interest thereon has been paid or if the Issuer has insufficient funds to redeem the Class A Notes in full following the enforcement of the Secured Assets pursuant to the Security Documents, any amount standing to the credit of the CPI Reserve Ledger shall be released and applied towards repayment of the Subordinated Loan on such Payment Date.

Supplementary Liquidity Ledger

The Servicing Agreement will provide that the Cash Administrator will establish and maintain a ledger on the Reserve Account to hold an amount as determined by the Servicer or Seller (the "**Supplementary Liquidity Ledger**"). If, as at any Cut-Off Date, (a) the amount standing to the credit of the Supplementary Liquidity Ledger exceeds the Supplementary Liquidity Reserve Amount, then an amount equal to such excess shall be released and applied towards repayment of the Subordinated Loan on the immediately following Payment Date (and, for the avoidance of doubt, the amount released shall be paid to the Subordinated Loan Provider directly and shall not form part of the Available Distribution Amount); and (b) the amount paid to the credit of the Supplementary Liquidity Ledger following application of funds pursuant to item (q) of the Pre-Enforcement Priority of Payments on the following Payment Date will be less than the Supplementary Liquidity Reserve Payment on the relevant Cut-Off Date (after giving effect to the amount, if any, to be distributed pursuant to item (q) in the Pre-Enforcement Priority of Payments), then the Servicer (or, if the Seller is not the Servicer, the Seller) shall procure that the Subordinated Loan Provider, within 10 Business Days, makes available to the Issuer an advance by way of deposit to the Supplementary Liquidity Ledger on the Reserve Account in an amount equal to the shortfall.

Applicable law and jurisdiction

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

Security Trust Deed

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

- (a) an assignment with full title guarantee of all of its rights under the Assigned Documents;
- (b) a first fixed charge over its right, title and interest in and to all amounts, benefits and securities standing to the credit, or deposited in, the Transaction Account, the Commingling Reserve Account, the Reserve Account and the Cross Currency Swap Reserve Account and the indebtedness represented by them; and
- (c) a first floating charge with full title guarantee over the whole of the Issuer's undertaking and all of its property, assets and rights whatsoever and wheresoever present and future (other than amounts standing to the credit of, or deposited in, the Share Capital Account and the Expenses Loan Payment Account).

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

The Secured Assets shall be available to satisfy the Issuer's obligations under the Notes. Accordingly, recourse against the Issuer in respect of such obligations shall be limited to the Secured Assets and the claims of the Issuer Secured Parties against the Issuer under the Transaction Documents may only be satisfied to the extent of the Secured Assets. Once the Secured Assets has been realised:

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

- (c) neither the Security Trustee nor any of the Issuer Secured Parties shall be entitled to petition or take any other step for the winding up of the Issuer.

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

In the Security Trust Deed, the Issuer makes representations and warranties, in respect of the Purchased Auto Loans, regarding the Purchased Auto Loans' title and ownership, that there has been a valid asset transfer of the Secured Assets, that there are no pledges or adverse claims over the Purchased Auto Loans, and that by entering into the Security Trust Deed it has complied with laws.

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

The Back-up Servicer Facilitator is a party to the Security Trust Deed solely in respect of its undertaking to the Issuer, the Note Trustee and the Security Trustee that, upon the occurrence of a Servicer's Owner Downgrade 3, it shall select either a bank or a financial institution having the requirements set out in Clause 6.4 (*Servicer's representations and warranties*) of the Servicing Agreement and willing to assume the duties of "Back-up Servicer" in accordance with the Servicing Agreement and otherwise assist the Issuer in complying with its obligations under Clause 9.2(a) (*Notification Events*) of the Servicing Agreement.

Applicable law and jurisdiction

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

Norwegian Security Agreement

On the Note Issuance Date, the Issuer, the Security Trustee and the Note Trustee will enter into the Norwegian Security Agreement. As continuing security for the payment and discharge of the Transaction Secured Obligations the Issuer will pledge certain of its assets and rights, including all monetary rights conferred upon it pursuant to the Auto Portfolio Purchase Agreement, in favour of the Security Trustee (on behalf of itself and the Issuer Secured Parties), in accordance with the Norwegian Security Agreement:

- (a) a first priority security interest over any and all current and future receivables under Purchased Auto Loans;
- (b) a first priority security interest over any and all auto chattel mortgages (*salgs pant*) established in connection with the Purchased Auto Loans;
- (c) a first priority security interest over any and all current and future claims relating to guarantees, insurances or other rights granted by third parties as security for Purchased Auto Loans;
- (d) a first priority security interest over any and all current and future claims relating to any other security right(s) established over, or in connection with, the Purchased Auto Loans;
- (e) a first priority security interest over any and all current or future claims against Santander Consumer Bank AS under the Auto Portfolio Purchase Agreement and the Servicing Agreement; and
- (f) a first priority security interest over the Issuer Collections Account.

Applicable law and jurisdiction

The Norwegian Security Agreement will be governed by the laws of Norway.

Irish Security Deed

Pursuant to the Irish Security Deed, the Issuer has granted a first priority security interest over all its rights, powers and interest under the Corporate Administration Agreement and the Auto Portfolio Purchase Agreement. Such security interest will secure the Transaction Secured Obligations. The Irish Security Deed is governed by the laws of Ireland.

Expenses Loan Agreement

Santander Consumer Finance S.A. will make available to the Issuer under the Expenses Loan Agreement an interest-bearing amortising Expenses Loan which is not credit-linked to the Portfolio and will, subject to certain conditions, be disbursed on or before the Note Issuance Date to provide the Issuer with the funds necessary to pay certain amounts payable on the Note Issuance Date under the Transaction Documents (including, without limitation, the fees, costs and expenses payable on the Note Issuance Date to the Joint Lead Managers and to other parties in connection with the offer and sale of the Notes) and certain other costs. The Seller will pay the Issuer the Transaction Cost Fee on each Payment Date in accordance with the Auto Portfolio Purchase Agreement. The Transaction Cost Fee will not form part of the Available Distribution Amount. The Expenses Loan will be repaid in twenty-four (24) instalments on each Payment Date following the Note Issuance Date. All payment obligations of the Issuer under the Expenses Loan constitute limited obligations to pay out only the amounts received by the Issuer from time to time in respect of the Transaction Cost Fee under the Auto Portfolio Purchase Agreement.

Applicable law and jurisdiction

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

Cross Currency Swap Agreement

On or prior to the Note Issuance Date, the Issuer and the Cross Currency Swap Counterparty shall enter into the Cross Currency Swap Agreement, comprising a 1992 ISDA Master Agreement together with a schedule and credit support annex thereto and a confirmation evidencing the Cross Currency Swap Transaction.

Pursuant to the Cross Currency Swap Agreement, if and so long as the short-term or long-term unsecured, unsubordinated and unguaranteed debt obligations of the Cross Currency Swap Counterparty are assigned a rating lower than the Required Ratings (as defined below) or any such Required Rating is withdrawn by any Rating Agency, then the Cross Currency Swap Counterparty will be obliged, within fourteen (14) calendar days, at its own cost, to post collateral for its obligations in accordance with the provisions of the Credit Support Annex or within thirty (30) calendar days, at its cost, to either (i) obtain a guarantee of its obligations under the Cross Currency Swap Agreement from a third party with the Required Ratings; (ii) transfer all of its rights and obligations under the Cross Currency Swap Agreement to a third party with the Required Ratings; or (iii) take any such further action to maintain the then current rating of the Series A1 Notes (subject to confirmation from the Rating Agencies that such action will not affect the then current ratings of the Series A1 Notes). In addition, if such obligations are assigned a rating lower than the Subsequent Required Ratings or any such rating is withdrawn by any Rating Agency, will be obliged, within thirty (30) calendar days, at its cost, to either (i) obtain a guarantee of its obligations under the Cross Currency Swap Agreement from a third party with the Required Ratings; (ii) transfer all of its rights and obligations under the Cross Currency Swap Agreement to a third party with the Required Ratings; or (iii) take any such further action to maintain the then current rating of the Series A1 Notes (subject to confirmation from the Rating Agencies that such action will not affect the then current ratings of the Series A1 Notes) and pending the taking of such action, within ten (10) calendar days, at its own cost, to post collateral for its obligations in accordance with the provisions of the Credit Support Annex.

Failure by the Cross Currency Swap Counterparty to comply with any of the aforementioned requirements will constitute a reason for termination by the Issuer of the Cross Currency Swap Agreement in accordance with the conditions thereof. Where the Cross Currency Swap Counterparty provides collateral in accordance with the provisions of the Credit Support Annex, such collateral or interest thereon will not form part of the Available Distribution Amount (other than collateral amounts applied in satisfaction of termination payments due to the Issuer following the designation of an early termination date under the Cross Currency Swap Agreement). See "*OUTLINE OF THE OTHER PRINCIPAL TRANSACTION DOCUMENTS — Cross Currency Swap Transaction*" and "*THE CROSS CURRENCY SWAP COUNTERPARTY*".

The Cross Currency Swap Agreement, and all non-contractual obligations arising out of or in connection with it, are governed by English law. Pursuant to the Security Trust Deed, the Issuer has created security in favour of the Security Trustee in all its present and future rights, claims and interests which the Issuer is now or becomes hereafter entitled to pursuant to or in respect of the Cross Currency Swap Agreement (see "*OUTLINE OF THE OTHER PRINCIPAL TRANSACTION DOCUMENTS -Security Trust Deed*").

The Cross Currency Swap Agreement may be terminated in, *inter alia*, the following circumstances (each, a "**Swap Early Termination Event**"):

- (a) at the option of one party to the Cross Currency Swap Agreement, if there is a failure by the other party to pay any amounts due and payable in accordance with the terms of the Cross Currency Swap Agreement and any applicable grace period has expired;
- (b) service by the Note Trustee of an Enforcement Notice on the Issuer pursuant to Note Condition 12 (Events of Default);
- (c) upon the occurrence of an insolvency of the Cross Currency Swap Counterparty or certain insolvency events with respect to the Issuer (as set out in the Cross Currency Swap Agreement) or the merger of the Cross Currency Swap Counterparty without an assumption of its obligations under the Cross Currency Swap Agreement;
- (d) upon the occurrence of a Tax Event, Tax Event Upon Merger or an Illegality (as defined in the Cross Currency Swap Agreement);
- (e) if the Cross Currency Swap Counterparty is downgraded and fails to comply with the requirements of the ratings downgrade provisions contained in the Cross Currency Swap Agreement and described above in the section entitled "*CREDIT STRUCTURE — Cross Currency Swap Counterparty Downgrade*";
- (f) if optional redemption of the Notes in whole (and not in part) occurs pursuant to Note Condition 5.6 (Optional redemption for taxation reasons);
- (g) if there is an amendment or waiver to the Transaction Documents without the prior consent of the Cross Currency Swap Counterparty (such consent not to be unreasonably withheld or delayed) and as a direct result of such amendment or waiver there is a material adverse effect to the Cross Currency Swap Counterparty's interests under the Cross Currency Swap Agreement; and
- (h) if the additional tax representation made by the Cross Currency Swap Counterparty in Part 2(b) of the Schedule of the Cross Currency Swap Agreement proves to be incorrect or misleading in any material respect with respect to one or more transaction when made or repeated or deemed to have been made or repeated.

Upon the occurrence of a Early Termination Event either the Issuer or the Cross Currency Swap Counterparty may be liable to make a termination payment to the other. The amount of any termination payment will be based on the market value of the terminated swap based on market quotations of the cost of entering into a swap with the same terms and conditions that would have the effect of preserving the respective full payment obligations of the parties (or based upon loss in the event that market quotation cannot be determined).

Any such termination payment could be substantial. Except where the Cross Currency Swap Counterparty has caused the Cross Currency Swap Agreement to terminate prior to its scheduled termination date by its own default any termination payment in respect of the Cross Currency Swap Agreement due by the Issuer to the Cross Currency Swap Counterparty will rank in priority to principal payments due on the Notes and *pari passu* with interest payments due on the Class A Notes.

In the event that the Cross Currency Swap Agreement is terminated prior to its scheduled termination date, and prior to the service by the Note Trustee of an Enforcement Notice or the redemption in full of all outstanding Notes, the Issuer will be obliged to enter into a replacement arrangement with another appropriately rated entity in accordance with the transfer criteria set out in the Cross Currency Swap Agreement.

The Issuer will apply any termination payment it receives from a termination of the Cross Currency Swap Agreement (including, for the avoidance of doubt, any net amount due to the Issuer under the Cross Currency Swap Agreement in respect of an early termination date designated thereunder and discharged by way of application of the relevant amount of the Swap Collateral held by the Issuer in accordance with the Cross Currency Swap Agreement) to purchase a replacement swap (as described above). If, following the termination of the Cross Currency Swap Agreement, a replacement swap is not found, such termination payment shall be deposited in the Transaction Account and applied to purchase any replacement swap entered into at a future date. Following the application of a termination payment to purchase a replacement swap, any excess amount of the termination payment remaining will constitute Available Distribution Amounts. To the extent that the Issuer receives a premium under any replacement swap, it shall apply such premium first to make any termination payment due under the related terminated swap(s). If a replacement swap counterparty has not been appointed, any termination payment due under the terminated swap to the Cross Currency Swap Counterparty shall be made in accordance with the Priority of Payments.

Taxation

The Issuer is not obliged under the Cross Currency Swap Agreement to gross up payments made by it if withholding taxes are imposed on payments made under the Cross Currency Swap Agreement. The Cross Currency Swap Counterparty is always obliged to gross up payments made by it to the Issuer if withholding taxes are imposed on payments made by it to the Issuer under the relevant Swap Agreement. The imposition of withholding taxes on payments made by the Cross Currency Swap Counterparty under the Cross Currency Swap Agreement will constitute a Tax Event or a Tax Event Upon Merger (each as defined in the Cross Currency Swap Agreement) and will give the Cross Currency Swap Counterparty the right to terminate the Cross Currency Swap Agreement subject to the terms thereof.

Applicable law and jurisdiction

The Cross Currency Swap Agreement and any non contractual obligation arising in, out of or in relation to the Cross Currency Swap Agreement will be governed by English law. The courts of England will have exclusive jurisdiction to settle any disputes that may rise in connection therewith.

Agency Agreement

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

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

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

Any termination or resignation of any Agent shall become effective only upon the appointment by the Issuer (with the prior written approval of the Note Trustee) of one or more, as the case may be, banks or financial institutions in the required capacity and the giving of prior notice of such appointment to the Security Trustee and the Noteholders in accordance with the Note Conditions. The right to termination or resignation for good cause will remain unaffected. If no replacement agent is appointed within twenty (20) calendar days of any Agent's resignation, then such Agent may itself, appoint such replacement agent in the name of the Issuer by giving (i) prior notice of such appointment to the Security Trustee and the Noteholders in accordance with the Note Conditions; and (ii) at least 30 (thirty) calendar days prior notice of such appointment to the Issuer and the Note Trustee in accordance with the Agency Agreement.

Applicable law and jurisdiction

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

Note Trust Deed

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

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

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

The Note Trustee may from time to time retire at any time upon giving not less than three calendar months' notice in writing to the Issuer without assigning any reason therefor. The retirement of the Note Trustee shall not become effective unless, *inter alia*, a successor to the Note Trustee has been appointed (being a trust corporation) in accordance with the Note Trust Deed and provided the same successor has been appointed to be Security Trustee under the Security Trust Deed. A trust corporation may be appointed sole trustee under the Note Trust Deed, otherwise there shall always be two trustees one of which must be a trust corporation.

Applicable law and jurisdiction

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

Subscription Agreement

The Issuer, the Seller and the Joint Lead Managers have entered into a Subscription Agreement under which the Joint Lead Managers have agreed, subject to certain conditions, to subscribe and pay for or, on a best efforts basis, to procure subscription of, the Series A1 Notes, Banco Santander, S.A. and RBC Europe Limited will subscribe for or, on a best efforts basis, procure subscriptions for the Series A2 Notes.

The Joint Lead Managers have the right to all costs and expenses and certain representations, warranties and indemnities from the Issuer. See "*SUBSCRIPTION AND SALE*". The Subscription Agreement will be governed by English Law.

Corporate Administration Agreement

Pursuant to a Corporate Administration Agreement the Corporate Administrator provides certain corporate and administrative functions to the Issuer. Such services to the Issuer include, *inter alia*, acting as secretary of the Issuer, keeping the corporate records, convening director's meetings, provision of registered office facilities and suitable office accommodation, preparing and filing all statutory and annual returns, preparing the financial statements and performing certain other corporate administrative services against payment of a fee.

The Corporate Administration Agreement is governed by the laws of Ireland. Pursuant to the Irish Security Deed, the Issuer has granted a first priority security interest over all its rights, powers and interest under the Corporate Administration Agreement (see "*OUTLINE OF THE OTHER PRINCIPAL TRANSACTION DOCUMENTS — Irish Security Deed*").

The Corporate Administration Agreement provides that the agreement can be terminated by ten (10) days written notice following the occurrence of an event of default thereunder and by either party giving sixty (60) days notice to the other for termination without cause or following a change of law. Any termination of the appointment of the Corporate Administrator will only become effective upon, *inter alia*, the appointment in accordance with the Corporate Administration Agreement of a successor corporate administrator which is a bank, financial services institution or auditing firm of recognized standing in Ireland.

Transaction Account Agreement

On or about the Signing Date the Issuer and the Transaction Account Bank, among others, will enter into the Transaction Account Agreement. Under the terms of the Transaction Account Agreement the Transaction Account Bank is appointed by the Issuer and to perform certain duties as set out in the agreement in addition to opening and maintaining the

Transaction Account, the Reserve Account, the Commingling Reserve Account, the Expenses Loan Payment Account and the Currency Swap Reserve Account in the name of the Issuer.

If at any time a Ratings Downgrade has occurred in respect of the Transaction Account Bank, then the Issuer shall (with the prior written consent of the Note Trustee) use reasonable endeavours to procure that, within 30 calendar days, the Issuer Secured Accounts, the Expenses Loan Payment Account and all of the funds standing to the credit of such accounts are transferred to another bank or banks who meet the Required Ratings (which bank shall be notified in writing by the Issuer to the Transaction Account Bank and approved in writing by the Note Trustee); the appointment of the Transaction Account Bank shall terminate on the date on which the appointment of the new transaction account bank becomes effective. Upon the transfer of the accounts to another bank or banks, the Issuer will procure that the new transaction account bank enters into an agreement substantially in the form of the Transaction Account Agreement and accedes to the Security Trust Deed.

The Transaction Account Bank shall promptly give written notice to the Issuer, the Cash Administrator, the Corporate Administrator, the Security Trustee and the Note Trustee of any Ratings Downgrade applicable to it.

Applicable law and jurisdiction

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

Issuer Collections Account Agreement

On the Note Issuance Date the Issuer and the Collections Account Bank, among others, will enter into the Issuer Collections Account Agreement. Under the terms of the Issuer Collections Account Agreement the Collections Account Bank is appointed by the Issuer and the Servicer and to perform certain duties as set out in the agreement in addition to opening and maintaining the Issuer Collections Account in the name of the Issuer.

If at any time a Ratings Downgrade has occurred, then the Issuer shall (with the prior written consent of the Note Trustee) use reasonable endeavours to procure that, within 30 calendar days, the Issuer Collections Account and all of the funds standing to the credit of the Issuer Collections Account are transferred to another bank or banks who meet the Required Ratings (which bank shall be notified in writing by the Issuer to the Collections Account Bank and approved in writing by the Note Trustee); the appointment of the Collections Account Bank shall terminate on the date on which the appointment of the new transaction account bank becomes effective. In addition, the appointment of the Issuer Collections Account Bank may be terminated in certain other circumstances including but not limited to the Collections Account Bank ceasing or threatening to cease to carry on its business or a substantial part of its business, a petition is presented to any competent court for the winding-up or dissolution of the Collections Account Bank, or the Collections Account Bank is rendered unable to perform its obligations under the Issuer Collections Account Agreement for a period of 60 days by earthquakes, storms, fire, floods, acts of God, insurrections, riots, epidemics, war, civil disturbances, governmental directions or regulations or any other circumstances beyond its reasonable control. Upon the transfer of the Issuer Collections Account to another bank, the Issuer will procure that the new transaction account bank enters into an agreement substantially in the form of the Issuer Collections Account Agreement and accedes to the Security Trust Deed and the Norwegian Security Agreement.

The Collections Account Bank shall promptly give written notice to the Issuer, the Servicer, the Corporate Administrator and the Note Trustee of any Ratings Downgrade applicable to it.

Applicable law and jurisdiction

The Issuer Collections Account Agreement will be governed by, and construed in accordance with, the laws of Norway.

Custody Agreement

On the Note Issuance Date the Issuer and the Custodian will enter into the Custody Agreement. Under the terms of the Custody Agreement the Custodian shall agree, *inter alia*, to hold Permitted Investments in the form of securities on behalf and for the benefit of the Issuer where the Transaction Account Bank has been instructed by the Servicer or the Note Trustee, as applicable, to invest amounts standing to the credit of the Issuer Secured Accounts and the Issuer Collections Account in such Permitted Investments in accordance with the Transaction Documents.

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

DESCRIPTION OF THE PORTFOLIO

The Portfolio consists of the Purchased Auto Loans under the Loan Contracts and the Related Collateral, originated by the Seller pursuant to the Credit and Collection Policy. See "*CREDIT AND COLLECTION POLICY*".

The Notes are backed by the Purchased Auto Loans made to finance (i) motor vehicles (*motorvogn*) as defined in the Norwegian Road Traffic Act 1965 (including but not limited to cars, light commercial vehicles, motor homes and motor cycles), and (ii) other vehicles (*kjøretøy*) as defined in the Norwegian Road Traffic Act 1965 (including but not limited to caravans) and the Related Collateral.

The Issuer will not acquire any auto loans or collateral from the Seller other than the Portfolio which consists of (i) Loan Contracts and (ii) the Related Collateral.

The number of Purchased Auto Loans in the Portfolio is in excess of 25,000. Each Purchased Auto Loan is denominated and payable in NOK and has a positive outstanding balance. Each Purchased Auto Loan was originated in the ordinary course of the Seller's business and in accordance with the Credit and Collection Policy. In accordance with the Eligibility Criteria, each Debtor is resident or is registered in Norway.

The largest aggregate Outstanding Principal Amount due from:

- (a) any corporate Debtor is equal to or less than the lesser of (i) 0.20% of the Aggregate Outstanding Loan Principal Amount and (ii) the NOK Equivalent of €2,000,000;
- (b) any ten corporate Debtors is equal to or less than the lesser of (i) 0.75% of the Aggregate Outstanding Loan Principal Amount and (ii) the NOK Equivalent of €7,500,000;
- (c) any individual Debtor is equal to or less than the lesser of (i) 0.20% of the Aggregate Outstanding Loan Principal Amount and (ii) the NOK Equivalent of €500,000; and
- (d) any ten individual Debtors is equal to or less than 0.30% of the Aggregate Outstanding Loan Principal Amount.

Each Debtor has made at least one scheduled payment on their respective Auto Loan which take the form of repayment loans and include balloon repayments. For financial information regarding the Purchased Auto Loans, please see "*INFORMATION TABLES REGARDING THE PORTFOLIO*".

For approximately 25.6% of the Purchased Auto Loans (as at 30 September 2012), the Debtors have taken out CPI Policies sold by the Seller and underwritten by the CPI Insurers. The agreements between the Seller and the CPI Insurers provide that the Seller, subject to certain conditions, may be entitled to a payment from the CPI Insurers if an insured Debtor dies. The Seller's claim in the event of a Debtor's death is a contingent monetary claim which can be assigned by way of ownership to the Issuer. Such assignment is perfected against the Seller's creditors by notifying the relevant CPI Insurer. Further, the assignment is perfected against third party creditors of the Debtors by notifying the relevant Debtor. Such notifications have been issued to both the CPI Insurers and the Debtors.

Some CPI Policies provide for a single, up-front premium payment. The Seller has financed such up-front premium payments by granting the Debtors a separate credit which has been included in the principal amount of the relevant Auto Loan. Where such a credit is included in the Principal Amount of a Purchased Auto Loan, the Debtor's corresponding payments in respect of the CPI Policy premium will be Collections. Upon a Debtor's early termination of the CPI Policy, the Debtor may be entitled to a partial or full refund of the CPI Policy premium depending on the circumstances. In such cases, the Seller will reduce the Outstanding Loan Principal Amount accordingly. Accordingly, the Outstanding Principal Amount of Purchased Auto Loans could be reduced as a result of Debtor early terminations of CPI Policies. However, it is expected that the aggregate portions of the Principal Amounts of the Purchased Auto Loans corresponding to such up-front premium payments are (as at 30 September 2012) 2.2% of the aggregate Principal Amount of all Purchased Auto Loans, and this amount has been taken into account in calculating the initial principal amount of the Class B Notes.

The Portfolio will be assigned and transferred to the Issuer on the Note Issuance Date pursuant to the Auto Portfolio Purchase Agreement.

The Aggregate Outstanding Loan Principal Amount as at the close of business (in Oslo, Norway) on 30 September 2012 was NOK 7,936,587,183.

The Seller will make the following representations and warranties with respect to the Portfolio under the Auto Portfolio Purchase Agreement to the Issuer:

- (a) On the Purchase Cut-Off Date each of the Purchased Auto Loans is an Eligible Auto Loan.

- (b) All the Loan Contracts and the contracts relating to the Related Collateral are legally valid, binding, enforceable and assignable and that all Loan Contracts and the contracts relating to the Related Collateral were entered into with respect to a Financed Vehicle registered in Norway.
- (c) There exists in respect of each Purchased Auto Loan the Related Collateral contemplated in the relevant Loan Contract and set out in the Auto Portfolio Purchase Agreement.
- (d) In the event that it is agreed in the relevant Loan Contracts that a credit insurance policies will be entered into, the respective Debtors have entered into credit insurance policies for the relevant Financed Vehicles. The Seller will, upon request of the Issuer, prove the existence of any such credit insurance and the compliance with any relevant notification or consent requirement applying to the assignment thereof to the Issuer under the Auto Portfolio Purchase Agreement.
- (e) Upon the payment of the purchase prices for the Portfolio on the Purchase Date under the Auto Portfolio Purchase Agreement the Issuer will acquire the ownership of each Purchased Auto Loan assigned on the Purchase Date and the Related Collateral free and clear of any Adverse Claim.

ELIGIBILITY CRITERIA

As at the Purchase Cut-Off Date, the following criteria (the "**Eligibility Criteria**") must have been satisfied by the Auto Loans to be eligible for acquisition by the Issuer pursuant to the Auto Portfolio Purchase Agreement.

An Auto Loan is an Eligible Auto Loan if it and any part thereof meets the following conditions as at the Purchase Cut-Off Date:

1. The Auto Loan:
 - (a) was originated in the ordinary course of business of the Seller in accordance with the Credit and Collection Policy;
 - (b) is denominated and payable in Norwegian kroner;
 - (c) arose under a Loan Contract that has not been terminated and which on the Purchase Cut-Off Date has a remaining term to final maturity of not less than three months and a scheduled final maturity date no later than 31 December 2022;
 - (d) bears interest calculated at a floating rate and payable monthly; and
 - (e) is fully amortising by payment of monthly instalments of principal and interest as to which (i) all instalments of principal and interest will have approximately equal amounts (except for the first instalment and in the case of Balloon Loans, the last instalment), or (ii) the principal portion of all instalments will be approximately equal and the interest portions and total amounts of instalments may vary from month to month.
2. The Auto Loan exists and constitutes legally valid, binding and enforceable obligations of the respective Debtor and is not subject to any right of revocation, set-off or counter-claim or warranty claims of the Debtor or any other right of objection, irrespective of whether the Issuer knew or could have known of the existence of objections, defences or counter-claims.
3. The Auto Loan and Related Collateral may be segregated and identified at any time for purposes of ownership in the electronic files of the Seller and such electronic files and the relating software is able to provide the relevant information with respect to such Auto Loans and Related Collateral.
4. The Auto Loan is not, as at the Purchase Cut-Off Date (with respect to any Loan Instalments under the relevant Loan Contract), a Delinquent Auto Loan.
5. The Auto Loan is not, as at the Purchase Cut-Off Date, a Defaulted Auto Loan or Disputed Auto Loan, and in particular the Debtor has not yet terminated or threatened to terminate the relevant Loan Contract, in each of the foregoing cases with respect to any Loan Instalment under the relevant Loan Contract.
6. The Auto Loan is payable by a Debtor which is not the Debtor of any Auto Loan which has been declared due and payable in full in accordance with the Credit and Collection Policy of the Servicer.
7. No breach of any obligation under any agreement (except for the obligation to pay) of any party exists with respect to the Auto Loan, the Seller has fully complied with its obligations under the Loan Contract and the supplier of the Financed Vehicle has fully complied with its obligations under the relevant supply contract and any other relevant agreement with the Debtor and no warranty claims of the Debtor exist against such supplier under the relevant supply contract or other agreement.
8. To the extent necessary, the Debtor has either explicitly or tacitly consented to the transfer of the Auto Loan and the Related Collateral by way of assignment to the Issuer. The Seller has notified each of the Debtors, before the Purchase Date, that it proposed to transfer the relevant Purchased Auto Loan and Related Collateral to the Issuer and that the Issuer would then pledge them to the Security Trustee, and has notified or will have notified each of the Debtors, on or promptly following the Purchase Date, that such transfer and pledge have been done.
9. The transfer and pledging of the Auto Loan by the Seller to the Issuer on the Purchase Date is not subject to any provision under the related Loan Contract requiring, or purporting to require, the express consent of the Debtor and the related Loan Contract does not contain any provision pursuant to which such Auto Loan may only be assigned to a financial institution or a similar entity.

10. The Auto Loan is a claim which can be transferred by way of assignment without the consent of any related Guarantor (if any) or any other third party (or if any such consent is required, it has been obtained).
11. Until the sale of such Auto Loan by the Seller to the Issuer on the Purchase Date, such Auto Loan is legally and beneficially owned by the Seller free of any Adverse Claims, the Seller is entitled to dispose of such Auto Loan and the Related Collateral free of any rights, title, encumbrance, interest, claim or equity of any third party (other than any rights to consent where the required consent has been obtained), and such Auto Loan and the Related Collateral have not been assigned to any third party.
12. Upon payment of the purchase price of such Auto Loan as contemplated in the Auto Portfolio Purchase Agreement, the Auto Loan and any Related Collateral will have been validly transferred to the Issuer and the Issuer will acquire such Auto Loan and Related Collateral title unencumbered by any counterclaim, set-off right, other objection and Adverse Claims (other than any rights and claims of the Debtor pursuant to statutory law or the related Loan Contract).
13. The Auto Loan has been documented in a set of documents which designates the Financed Vehicle, the acquisition costs thereof, the related Debtor, the Loan Instalments, the applicable interest rate (or the initial interest rate and any provision for adjustment), the initial due dates and the term of the Loan Contract. The relevant Loan Contract is substantially in the form of one of the form documents listed in a schedule the Auto Portfolio Purchase Agreement or another form substantially similar in all material respects.
14. Subject to the effect of any failure to comply with the minimum cash down payment requirements (*forskrifter om minste kontantinnsats*) contained in the Norwegian Finance Agreement Act 1999 (as amended) and the Credit Agreement Regulations 2010), the Auto Loan has been created in compliance with all applicable laws, rules and regulations (in particular with respect to consumer protection and data protection) and all required consents, approvals and authorisations have been obtained in respect thereof and neither the Seller nor the Debtor is in violation of any such law, rule or regulation.
15. The Auto Loan is subject to and governed by Norwegian law.
16. At least 1 (one) due Loan Instalment has been fully paid for the Auto Loan prior to the Purchase Cut-Off Date.
17. No Principal Payments due under the Loan Contract relating to the Auto Loan have been deferred except for:
 - (a) any Payment Holiday granted in accordance with the Credit and Collection Policy; and
 - (b) any Auto Loan previously having been a Delinquent Auto Loan if such Auto Loan is not a Delinquent Auto Loan on the Purchase Cut-Off Date.
18. The purchase of the Auto Loan would not have the result, when aggregated with all other Purchased Auto Loans, of causing the Portfolio not to comply (or increasing the degree to which the Portfolio would not comply) with any of the following requirements as at the Purchase Cut-Off Date:
 - (a) the sum of the Principal Amounts of the Purchased Auto Loans owed by any one Debtor does not exceed NOK 5,196,810;
 - (b) the weighted average interest rate of Purchased Auto Loans is at least equal to 6.2%;
 - (c) the weighted average remaining months to maturity of the Loan Contracts relating to all Purchased Auto Loans does not exceed 73 months;
 - (d) the sum of the Principal Amounts of the Purchased Auto Loans which relate to Financed Vehicles that are Used Vehicles does not exceed 71.5% of the sum of the Principal Amounts of all Purchased Auto Loans;
 - (e) the sum of the Principal Amounts of all Purchased Auto Loans which are Balloon Loans does not exceed 4% of the sum of the Principal Amounts of all Purchased Auto Loans; and
 - (f) the sum of the Principal Amounts of all the Purchased Auto Loans owed by Debtors that are corporate entities (*selskap*) does not exceed 11.1% of the sum of the Principal Amounts of all Purchased Auto Loans.

19. The Auto Loan is due from a Debtor who is:
- (a) either a private individual resident in Norway, a self-employed individual (*selvstendig næringsdrivende*) resident in Norway, or a corporate entity (*selskap*) registered in Norway.
 - (b) is not insolvent or bankrupt and against whom no proceedings for the commencement of Insolvency Proceedings are pending in any jurisdiction.
 - (c) not an employee, officer or an Affiliate of the Seller.
20. The Debtor is not entitled to draw down any further amounts on the Auto Loan.
21. The Debtor does not have any deposit account with the Seller.
22. The Auto Loan is secured by a duly registered and legally perfected auto chattel mortgage (*salgspant*) (provided that if such chattel mortgage has been in place for more than five years it cannot be enforced).

INFORMATION TABLES REGARDING THE PORTFOLIO

The following statistical information sets out certain characteristics of the Purchased Auto Loans as of 30 September 2012. The information set out below in respect of the provisional Portfolio may not necessarily correspond to that of the Purchased Auto Loans as of the the initial Cut-Off Date or Note Issuance Date as a result of prepayments, repayments, new originations, Debtors opting to have their Auto Loans excluded from the Portfolio or Auto Loans no longer meeting the Eligibility Criteria on the Purchase Cut-Off Date. After the Note Issuance Date, the Portfolio will change from time to time as a result of repayment, prepayments or repurchase of Purchased Auto Loans.

1. POOL SUMMARY

As of 30 September 2012	TOTAL	NEW	USED
# of loans	42,827	8,971	33,856
total outstanding balance (NOK)	7,936,587,183.0	2,260,369,494.0	5,676,217,689.0
min outstanding balance (NOK)	10,003.0	10,098.0	10,003.0
max outstanding balance (NOK)	4,660,875.0	4,660,875.0	3,908,063.0
avg outstanding balance (NOK)	185,317.4	251,964.1	167,657.7
min interest rate (%)	0.0 %	0.2 %	0.0 %
max interest rate (%)	15.9 %	13.9 %	15.9 %
WA interest rate (%)	6.2 %	5.8 %	6.4 %
min original terms (years)	2.0	6.0	2.0
max original terms (years)	120.0	120.0	120.0
WA original terms (years)	78.1	80.2	77.3
min months to maturity	3.0	3.0	3.0
max months to maturity	121.0	121.0	121.0
WA months to maturity	72.7	74.5	72.0
min downpayment (%)	0.0 %	0.0 %	0.0 %
max downpayment (%)	94.4 %	92.2 %	94.4 %
WA downpayment (%)	14.5 %	17.4 %	13.4 %
max obligor balance (NOK)	5,196,810		
min obligor balance (NOK)	10,003		

2. ORIGINAL BALANCE

			TOTAL					
Min	Max	No	Original balance (NOK)	% of original balance	Outstanding balance (NOK)	% of outstanding balance	WA months to maturity	WA seasoning
1	49,999	2,545	96,632,846	1.1 %	84,055,210	1.1 %	38.8	5.8
50,000	99,999	7,930	597,322,580	7.0 %	536,482,563	6.8 %	50.6	6.0
100,000	149,999	8,551	1,061,659,894	12.4 %	973,381,545	12.3 %	61.2	6.1
150,000	199,999	7,116	1,230,885,384	14.3 %	1,137,187,111	14.3 %	69.2	6.3
200,000	249,999	5,195	1,157,621,879	13.5 %	1,076,637,455	13.6 %	75.1	6.3
250,000	299,999	3,575	976,593,668	11.4 %	911,625,590	11.5 %	79.0	6.2
300,000	349,999	2,732	880,385,831	10.3 %	820,038,420	10.3 %	80.3	6.4
350,000	399,999	1,718	639,599,829	7.5 %	594,611,835	7.5 %	81.4	6.4
400,000	449,999	1,089	459,655,941	5.4 %	427,172,038	5.4 %	81.8	6.2
450,000	499,999	700	330,959,889	3.9 %	304,330,243	3.8 %	79.0	6.5
500,000	549,999	484	252,030,794	2.9 %	231,258,915	2.9 %	80.4	6.6
550,000	599,999	321	183,037,172	2.1 %	168,714,657	2.1 %	82.0	6.1
600,000	>	871	714,400,058	8.3 %	671,091,601	8.5 %	73.9	6.2
Total		42,827	8,580,785,765	100.0 %	7,936,587,183	100.0 %		

NEW

<u>Min</u>	<u>Max</u>	<u>No</u>	<u>Original balance (NOK)</u>	<u>% of original balance</u>	<u>Outstanding balance (NOK)</u>	<u>% of outstanding balance</u>	<u>WA months to maturity</u>	<u>WA seasoning</u>
1	49,999	172	5,939,160	0.2 %	5,185,569	0.2 %	38.0	5.3
50,000	99,999	501	38,418,749	1.6 %	34,547,384	1.5 %	53.4	5.8
100,000	149,999	1,019	127,518,354	5.2 %	116,061,620	5.1 %	63.7	6.1
150,000	199,999	1,420	247,910,805	10.1 %	229,048,369	10.1 %	71.3	6.4
200,000	249,999	1,426	318,575,324	13.0 %	294,476,342	13.0 %	76.0	6.3
250,000	299,999	1,238	339,580,382	13.8 %	316,126,530	14.0 %	78.7	6.2
300,000	349,999	1,060	342,428,337	13.9 %	318,389,283	14.1 %	79.8	6.6
350,000	399,999	727	270,982,679	11.0 %	248,569,861	11.0 %	77.8	6.6
400,000	449,999	472	199,417,735	8.1 %	183,382,988	8.1 %	78.7	6.3
450,000	499,999	327	154,758,658	6.3 %	139,083,786	6.2 %	70.4	6.5
500,000	549,999	190	99,080,643	4.0 %	87,277,220	3.9 %	70.4	6.7
550,000	599,999	123	70,029,072	2.8 %	62,164,382	2.8 %	74.3	6.8
600,000	>	296	244,049,787	9.9 %	226,056,160	10.0 %	69.3	6.3
Total		<u>8,971</u>	<u>2,458,689,685</u>	<u>100.0 %</u>	<u>2,260,369,494</u>	<u>100.0 %</u>		

USED

<u>Min</u>	<u>Max</u>	<u>No</u>	<u>Original balance (NOK)</u>	<u>% of original balance</u>	<u>Outstanding balance (NOK)</u>	<u>% of outstanding balance</u>	<u>WA months to maturity</u>	<u>WA seasoning</u>
1	49,999	2,373	90,693,686	1.5 %	78,869,641	1.4 %	38.8	5.8
50,000	99,999	7,429	558,903,831	9.1 %	501,935,179	8.8 %	50.4	6.0
100,000	149,999	7,532	934,141,540	15.3 %	857,319,925	15.1 %	60.9	6.1
150,000	199,999	5,696	982,974,579	16.1 %	908,138,742	16.0 %	68.7	6.3
200,000	249,999	3,769	839,046,555	13.7 %	782,161,113	13.8 %	74.8	6.3
250,000	299,999	2,337	637,013,286	10.4 %	595,499,060	10.5 %	79.2	6.2
300,000	349,999	1,672	537,957,494	8.8 %	501,649,137	8.8 %	80.6	6.3
350,000	399,999	991	368,617,150	6.0 %	346,041,974	6.1 %	84.0	6.2
400,000	449,999	617	260,238,206	4.3 %	243,789,050	4.3 %	84.1	6.1
450,000	499,999	373	176,201,231	2.9 %	165,246,457	2.9 %	86.2	6.4
500,000	549,999	294	152,950,151	2.5 %	143,981,695	2.5 %	86.5	6.5
550,000	599,999	198	113,008,100	1.8 %	106,550,275	1.9 %	86.5	5.8
600,000	>	575	470,350,271	7.7 %	445,035,441	7.8 %	76.2	6.1
Total		<u>33,856</u>	<u>6,122,096,080</u>	<u>100.0 %</u>	<u>5,676,217,689</u>	<u>100.0 %</u>		

3. OUTSTANDING BALANCE

TOTAL						
<u>Min</u>	<u>Max</u>	<u>No</u>	<u>Outstanding balance (NOK)</u>	<u>% of outstanding balance</u>	<u>WA months to maturity</u>	<u>WA seasoning</u>
1	49,999	3,686	130,301,131	1.6 %	37.3	7.2
50,000	99,999	8,741	658,016,123	8.3 %	51.5	6.6
100,000	149,999	8,815	1,098,425,346	13.8 %	62.3	6.5
150,000	199,999	6,789	1,177,986,281	14.8 %	70.7	6.4
200,000	249,999	4,785	1,070,869,411	13.5 %	76.3	6.2
250,000	299,999	3,453	946,471,589	11.9 %	79.1	6.4
300,000	349,999	2,339	755,896,672	9.5 %	80.8	6.2
350,000	399,999	1,454	542,611,968	6.8 %	82.2	5.9
400,000	449,999	891	376,942,131	4.7 %	82.4	5.8
450,000	499,999	575	272,172,170	3.4 %	84.1	6.2
500,000	549,999	357	187,057,759	2.4 %	83.2	5.7
550,000	599,999	256	146,564,890	1.8 %	83.7	5.7
600,000	>	686	573,271,712	7.2 %	73.7	5.6
Total		42,827	7,936,587,183	100.0 %		

NEW						
<u>Min</u>	<u>Max</u>	<u>No</u>	<u>Outstanding balance (NOK)</u>	<u>% of outstanding balance</u>	<u>WA months to maturity</u>	<u>WA seasoning</u>
1	49,999	268	8,877,686	0.4 %	38.4	7.0
50,000	99,999	673	52,699,627	2.3 %	51.8	7.1
100,000	149,999	1,187	150,428,730	6.7 %	63.7	7.0
150,000	199,999	1,531	268,123,938	11.9 %	71.3	6.8
200,000	249,999	1,424	319,961,461	14.2 %	75.9	6.6
250,000	299,999	1,259	346,071,449	15.3 %	76.7	6.7
300,000	349,999	976	315,729,108	14.0 %	79.8	6.4
350,000	399,999	608	226,847,166	10.0 %	78.4	6.2
400,000	449,999	389	164,281,571	7.3 %	77.5	5.8
450,000	499,999	231	109,230,975	4.8 %	76.7	6.0
500,000	549,999	125	65,616,440	2.9 %	76.3	5.6
550,000	599,999	82	46,852,765	2.1 %	76.5	6.0
600,000	>	218	185,648,578	8.2 %	70.8	5.7
Total		8,971	2,260,369,494	100.0 %		

USED						
<u>Min</u>	<u>Max</u>	<u>No</u>	<u>Outstanding balance (NOK)</u>	<u>% of outstanding balance</u>	<u>WA months to maturity</u>	<u>WA seasoning</u>
1	49,999	3,418	121,423,445	2.1 %	37.2	7.2
50,000	99,999	8,068	605,316,496	10.7 %	51.4	6.6
100,000	149,999	7,628	947,996,616	16.7 %	62.1	6.4
150,000	199,999	5,258	909,862,343	16.0 %	70.6	6.3
200,000	249,999	3,361	750,907,950	13.2 %	76.4	6.1
250,000	299,999	2,194	600,400,140	10.6 %	80.5	6.2
300,000	349,999	1,363	440,167,564	7.8 %	81.6	6.0
350,000	399,999	846	315,764,802	5.6 %	84.9	5.7
400,000	449,999	502	212,660,560	3.7 %	86.3	5.8
450,000	499,999	344	162,941,195	2.9 %	89.1	6.4
500,000	549,999	232	121,441,319	2.1 %	86.9	5.8
550,000	599,999	174	99,712,125	1.8 %	87.1	5.6
600,000	>	468	387,623,134	6.8 %	75.2	5.6

Total	33,856	5,676,217,689	100.0 %
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4. NUMBER OF ORIGINAL TERMS

TOTAL						
Min	Max	No	Outstanding balance (NOK)	% of outstanding balance	WA months to maturity	WA seasoning
0	12	344	105,819,745	1.3 %	10.2	5.1
13	24	1,155	114,817,548	1.4 %	18.5	6.1
25	36	3,984	481,476,625	6.1 %	30.6	6.2
37	48	2,630	277,537,924	3.5 %	42.1	6.6
49	60	13,661	1,883,242,060	23.7 %	54.4	6.3
61	72	2,355	411,834,799	5.2 %	66.4	6.3
73	84	11,303	2,389,912,278	30.1 %	78.3	6.4
85	96	4,215	1,186,422,138	14.9 %	90.7	6.1
97	108	452	149,069,563	1.9 %	102.2	6.4
109	120	2,728	936,454,503	11.8 %	114.7	5.9
121	>			0.0 %		
Total		42,827	7,936,587,183	100.0 %		

NEW						
Min	Max	No	Outstanding balance (NOK)	% of outstanding balance	WA months to maturity	WA seasoning
0	12	68	21,941,834	1.0 %	8.8	5.7
13	24	138	28,920,233	1.3 %	17.7	6.3
25	36	811	194,765,608	8.6 %	30.5	6.2
37	48	300	64,459,623	2.9 %	41.3	7.3
49	60	2,255	458,746,438	20.3 %	54.1	6.5
61	72	342	82,848,625	3.7 %	66.7	6.1
73	84	2,542	634,870,001	28.1 %	78.1	6.7
85	96	1,231	368,226,886	16.3 %	90.6	6.3
97	108	142	45,620,879	2.0 %	102.7	5.8
109	120	1,142	359,969,367	15.9 %	114.4	6.1
121	>			0.0 %		
Total		8,971	2,260,369,494	100.0 %		

USED						
Min	Max	No	Outstanding balance (NOK)	% of outstanding balance	WA months to maturity	WA seasoning
0	12	276	83,877,911	1.5 %	10.6	5.0
13	24	1,017	85,897,315	1.5 %	18.8	6.0
25	36	3,173	286,711,017	5.1 %	30.6	6.2
37	48	2,330	213,078,301	3.8 %	42.4	6.4
49	60	11,406	1,424,495,622	25.1 %	54.5	6.3
61	72	2,013	328,986,174	5.8 %	66.4	6.4
73	84	8,761	1,755,042,277	30.9 %	78.4	6.3
85	96	2,984	818,195,252	14.4 %	90.8	6.0
97	108	310	103,448,684	1.8 %	101.9	6.6
109	120	1,586	576,485,136	10.2 %	114.8	5.8
121	>			0.0 %		
Total		33,856	5,676,217,689	100.0 %		

5. MONTHS TO MATURITY

TOTAL						
Min	Max	No	Outstanding balance (NOK)	% of outstanding balance	WA months to maturity	WA seasoning
0				0.0 %		
1	12	485	117,662,419	1.5 %	8.4	5.9
13	24	1,504	147,168,876	1.9 %	20.3	8.0
25	36	3,936	478,237,151	6.0 %	31.3	6.2
37	48	3,541	399,485,164	5.0 %	44.5	8.8
49	60	12,610	1,763,461,467	22.2 %	55.2	5.9
61	72	3,076	566,098,598	7.1 %	68.5	8.1
73	84	10,568	2,265,363,727	28.5 %	79.2	6.0
85	96	3,963	1,120,166,785	14.1 %	91.3	5.7
97	108	612	203,105,390	2.6 %	104.2	7.9
109	120	2,522	872,565,945	11.0 %	115.4	5.4
121	>	10	3,271,661	0.0 %	121.0	1.0
Total		42,827	7,936,587,183	100.0 %		

NEW						
Min	Max	No	Outstanding balance (NOK)	% of outstanding balance	WA months to maturity	WA seasoning
0				0.0 %		
1	12	90	28,865,205	1.3 %	8.1	7.7
13	24	227	40,925,098	1.8 %	21.0	8.8
25	36	779	190,576,299	8.4 %	31.2	6.0
37	48	483	97,276,549	4.3 %	44.4	9.6
49	60	2,052	421,425,407	18.6 %	55.0	5.9
61	72	546	133,304,382	5.9 %	68.9	8.9
73	84	2,360	598,076,676	26.5 %	79.1	6.2
85	96	1,156	345,021,955	15.3 %	91.1	5.8
97	108	226	71,114,621	3.1 %	104.5	7.9
109	120	1,048	332,716,134	14.7 %	115.3	5.6
121	>	4	1,067,168	0.0 %	121.0	1.0
Total		8,971	2,260,369,494	100.0 %		

USED						
Min	Max	No	Outstanding balance (NOK)	% of outstanding balance	WA months to maturity	WA seasoning
0				0.0 %		
1	12	395	88,797,214	1.6 %	8.5	5.4
13	24	1,277	106,243,778	1.9 %	20.0	7.7
25	36	3,157	287,660,852	5.1 %	31.4	6.3
37	48	3,058	302,208,615	5.3 %	44.5	8.5
49	60	10,558	1,342,036,060	23.6 %	55.2	5.9
61	72	2,530	432,794,216	7.6 %	68.3	7.9
73	84	8,208	1,667,287,051	29.4 %	79.2	5.9
85	96	2,807	775,144,830	13.7 %	91.4	5.6
97	108	386	131,990,769	2.3 %	104.0	7.8
109	120	1,474	539,849,811	9.5 %	115.5	5.4
121	>	6	2,204,493	0.0 %	121.0	1.0
Total		33,856	5,676,217,689	100.0 %		

6. CURRENT ARREARS STATUS

TOTAL

<u>Status</u>	<u>No</u>	<u>Outstanding balance (NOK)</u>	<u>% of outstanding balance</u>	<u>WA months to maturity</u>	<u>WA seasoning</u>
current	39,777	7,350,408,285	92.6 %	72.8	6.2
days past due 1-30	3,050	586,178,898	7.4 %	71.2	6.8
Total	42,827	7,936,587,183	100.0 %		

NEW

<u>Status</u>	<u>No</u>	<u>Outstanding balance (NOK)</u>	<u>% of outstanding balance</u>	<u>WA months to maturity</u>	<u>WA seasoning</u>
current	8,509	2,126,654,454	94.1 %	74.7	6.4
days past due 1-30	462	133,715,040	5.9 %	71.6	7.1
Total	8,971	2,260,369,494	100.0 %		

USED

<u>Status</u>	<u>No</u>	<u>Outstanding balance (NOK)</u>	<u>% of outstanding balance</u>	<u>WA months to maturity</u>	<u>WA seasoning</u>
current	31,268	5,223,753,831	92.0 %	72.0	6.2
days past due 1-30	2,588	452,463,858	8.0 %	71.1	6.7
Total	33,856	5,676,217,689	100.0 %		

7. DOWNPAYMENT %

TOTAL						
<u>Min (>=)</u>	<u>Max (<)</u>	<u>No</u>	<u>Outstanding balance (NOK)</u>	<u>% of outstanding balance</u>	<u>WA months to maturity</u>	<u>WA seasoning</u>
0%		17,007	3,236,230,379	40.8 %	71.3	6.2
> 0 %	5%	968	243,100,841	3.1 %	78.1	6.2
5%	10%	2,090	494,163,934	6.2 %	77.2	6.3
10%	15%	3,151	696,268,954	8.8 %	74.8	6.5
15%	20%	3,591	743,942,374	9.4 %	76.3	6.4
20%	25%	3,277	619,809,012	7.8 %	75.6	6.5
25%	30%	2,083	381,331,994	4.8 %	74.1	6.2
30%	35%	1,548	262,675,169	3.3 %	71.1	6.2
35%	>	9,112	1,259,064,526	15.9 %	68.5	6.1
Total		42,827	7,936,587,183	100.0 %		

NEW						
<u>Min (>=)</u>	<u>Max (<)</u>	<u>No</u>	<u>Outstanding balance (NOK)</u>	<u>% of outstanding balance</u>	<u>WA months to maturity</u>	<u>WA seasoning</u>
0%		2,563	756,675,907	33.5 %	72.3	6.3
> 0 %	5%	230	73,651,847	3.3 %	81.5	6.3
5%	10%	446	143,158,982	6.3 %	83.4	6.5
10%	15%	695	207,396,872	9.2 %	77.8	6.7
15%	20%	797	219,463,015	9.7 %	77.0	6.7
20%	25%	680	179,583,812	7.9 %	80.3	6.8
25%	30%	468	120,247,808	5.3 %	77.0	6.3
30%	35%	359	86,773,369	3.8 %	70.9	6.3
35%	>	2,733	473,417,882	20.9 %	69.5	6.2
Total		8,971	2,260,369,494	100.0 %		

USED						
<u>Min (>=)</u>	<u>Max (<)</u>	<u>No</u>	<u>Outstanding balance (NOK)</u>	<u>% of outstanding balance</u>	<u>WA months to maturity</u>	<u>WA seasoning</u>
0%		14,444	2,479,554,472	43.7 %	71.0	6.2
> 0 %	5%	738	169,448,994	3.0 %	76.7	6.2
5%	10%	1,644	351,004,952	6.2 %	74.6	6.2
10%	15%	2,456	488,872,082	8.6 %	73.6	6.5
15%	20%	2,794	524,479,359	9.2 %	76.0	6.3
20%	25%	2,597	440,225,200	7.8 %	73.7	6.3
25%	30%	1,615	261,084,186	4.6 %	72.8	6.1
30%	35%	1,189	175,901,800	3.1 %	71.2	6.1
35%	>	6,379	785,646,644	13.8 %	67.8	6.0
Total		33,856	5,676,217,689	100.0 %		

8. DOWN PAYMENT % - INDIRECT LOANS

TOTAL						
Min (>=)	Max (<)	No	Outstanding balance (NOK)	% of outstanding balance	WA months to maturity	WA seasoning
0%		3,785	832,178,324	29.0 %	65.4	9.4
> 0 %	5%	195	50,352,726	1.8 %	72.7	11.2
5%	10%	495	126,734,693	4.4 %	70.3	9.9
10%	15%	863	212,160,828	7.4 %	68.3	9.7
15%	20%	937	225,361,109	7.9 %	69.5	9.5
20%	25%	842	176,325,914	6.1 %	69.3	9.7
25%	30%	487	97,359,680	3.4 %	64.7	9.4
30%	35%	421	78,583,124	2.7 %	63.2	9.1
35%	>	7,539	1,069,278,839	37.3 %	67.9	6.2
Total		15,564	2,868,335,237	100.0 %		

NEW						
Min (>=)	Max (<)	No	Outstanding balance (NOK)	% of outstanding balance	WA months to maturity	WA seasoning
0%		979	305,136,079	27.1 %	61.7	8.4
> 0 %	5%	66	20,235,118	1.8 %	70.3	10.7
5%	10%	152	49,114,257	4.4 %	76.3	9.6
10%	15%	280	83,904,677	7.4 %	66.7	9.2
15%	20%	330	95,634,903	8.5 %	67.0	9.0
20%	25%	267	70,307,619	6.2 %	73.3	9.3
25%	30%	153	40,918,194	3.6 %	63.4	8.8
30%	35%	141	32,145,585	2.9 %	63.6	8.5
35%	>	2,511	430,450,935	38.2 %	68.7	6.3
Total		4,879	1,127,847,367	100.0 %		

USED						
Min (>=)	Max (<)	No	Outstanding balance (NOK)	% of outstanding balance	WA months to maturity	WA seasoning
0%		2,806	527,042,245	30.3 %	67.5	10.0
> 0 %	5%	129	30,117,608	1.7 %	74.3	11.5
5%	10%	343	77,620,436	4.5 %	66.5	10.1
10%	15%	583	128,256,151	7.4 %	69.3	10.1
15%	20%	607	129,726,206	7.5 %	71.4	9.8
20%	25%	575	106,018,295	6.1 %	66.7	10.0
25%	30%	334	56,441,486	3.2 %	65.6	9.8
30%	35%	280	46,437,539	2.7 %	62.9	9.5
35%	>	5,028	638,827,904	36.7 %	67.4	6.1
Total		10,685	1,740,487,870	100.0 %		

9. MONTHS ON BOOK

TOTAL						
Min	Max	No	Outstanding balance (NOK)	% of outstanding balance	WA months to maturity	WA seasoning
0	12	39,474	7,382,953,310	93.0 %	73.2	5.7
13	24	3,214	536,043,774	6.8 %	65.8	13.4
25	36	65	9,281,601	0.1 %	39.1	31.3
37	48	65	7,445,410	0.1 %	41.4	42.7
49	60	7	688,716	0.0 %	32.1	49.5
61	>	2	174,372	0.0 %	18.0	62.9
Total		42,827	7,936,587,183	100.0 %		

NEW						
Min	Max	No	Outstanding balance (NOK)	% of outstanding balance	WA months to maturity	WA seasoning
0	12	8,275	2,105,251,532	93.1 %	75.1	5.8
13	24	664	149,157,423	6.6 %	68.0	13.3
25	36	13	2,863,538	0.1 %	23.4	32.3
37	48	14	2,507,546	0.1 %	44.3	42.5
49	60	3	415,083	0.0 %	33.5	49.9
61	>	2	174,372	0.0 %	18.0	62.9
Total		8,971	2,260,369,494	100.0 %		

USED						
Min	Max	No	Outstanding balance (NOK)	% of outstanding balance	WA months to maturity	WA seasoning
0	12	31,199	5,277,701,778	93.0 %	72.5	5.6
13	24	2,550	386,886,351	6.8 %	65.0	13.5
25	36	52	6,418,063	0.1 %	46.0	30.9
37	48	51	4,937,864	0.1 %	39.9	42.8
49	60	4	273,633	0.0 %	30.0	49.0
61	>			0.0 %		
Total		33,856	5,676,217,689	100.0 %		

10. ORINATION CHANNEL

TOTAL

<u>Channel</u>	<u>No</u>	<u>Outstanding balance (NOK)</u>	<u>% of outstanding balance</u>	<u>WA months to maturity</u>	<u>WA seasoning</u>
indirect	15,564	2,868,335,237	36.1 %	67.4	8.3
direct	27,263	5,068,251,946	63.9 %	75.7	5.1
Total	42,827	7,936,587,183	100.0 %		

NEW

<u>Channel</u>	<u>No</u>	<u>Outstanding balance (NOK)</u>	<u>% of outstanding balance</u>	<u>WA months to maturity</u>	<u>WA seasoning</u>
indirect	4,879	1,127,847,367	49.9 %	66.8	7.9
direct	4,092	1,132,522,127	50.1 %	82.2	4.9
Total	8,971	2,260,369,494	100.0 %		

USED

<u>Channel</u>	<u>No</u>	<u>Outstanding balance (NOK)</u>	<u>% of outstanding balance</u>	<u>WA months to maturity</u>	<u>WA seasoning</u>
indirect	10,685	1,740,487,870	30.7 %	67.7	8.6
direct	23,171	3,935,729,819	69.3 %	73.8	5.2
Total	33,856	5,676,217,689	100.0 %		

11. GEOGRAPHIC DISTRIBUTION

TOTAL

District	No	Outstanding balance (NOK)	% of outstanding balance	WA months to maturity	WA seasoning
ØSTFOLD	2,932	515,435,328	6.5 %	74.4	6.3
AKERSHUS	5,959	1,153,865,325	14.5 %	70.5	6.4
OSLO	3,369	747,936,723	9.4 %	67.4	6.1
HEDMARK	1,789	273,605,393	3.4 %	69.9	6.2
OPPLAND	1,770	306,325,541	3.9 %	72.1	6.1
BUSKERUD	3,290	582,798,713	7.3 %	70.0	6.4
VESTFOLD	2,172	379,426,551	4.8 %	73.6	6.4
TELEMARK	1,423	245,090,774	3.1 %	71.3	6.6
AUST-AGDER	1,117	191,993,664	2.4 %	74.9	6.2
VEST-AGDER	1,303	236,087,136	3.0 %	73.2	6.6
ROGALAND	3,350	623,439,916	7.9 %	74.5	6.4
HORDALAND	4,257	833,634,839	10.5 %	73.4	6.3
SOGN OG FJORDANE	405	79,113,670	1.0 %	76.3	6.1
MØRE OG ROMSDAL	1,689	314,397,186	4.0 %	73.6	6.1
SØR TRØNDELAGE NORD	- 1,687	297,382,401	3.7 %	73.5	6.3
TRØNDELAGE NORDLAND	- 971	166,021,934	2.1 %	73.1	5.7
TROMS	2,570	489,193,989	6.2 %	78.7	5.9
FINNMARK	1,972	353,412,577	4.5 %	77.0	6.1
SVALBARD	796	146,704,775	1.8 %	75.1	5.8
	6	720,748	0.0 %	50.3	2.5
Total	42,827	7,936,587,183	100.0 %		

NEW

District	No	Outstanding balance (NOK)	% of outstanding balance	WA months to maturity	WA seasoning
ØSTFOLD	668	162,790,633	7.2 %	78.4	6.7
AKERSHUS	1,386	341,750,372	15.1 %	69.1	6.9
OSLO	863	254,498,285	11.3 %	59.4	6.2
HEDMARK	265	56,240,620	2.5 %	75.1	6.6
OPPLAND	291	72,763,986	3.2 %	72.7	6.4
BUSKERUD	631	153,119,345	6.8 %	74.2	6.4
VESTFOLD	409	94,685,458	4.2 %	78.8	6.3
TELEMARK	278	63,147,169	2.8 %	76.9	6.6
AUST-AGDER	166	42,947,669	1.9 %	81.8	6.3
VEST-AGDER	330	82,447,611	3.6 %	74.4	7.0
ROGALAND	628	165,492,729	7.3 %	77.3	6.3
HORDALAND	982	238,340,519	10.5 %	74.9	6.4
SOGN OG FJORDANE	78	20,294,874	0.9 %	78.7	6.4
MØRE OG ROMSDAL	387	93,989,203	4.2 %	78.9	6.1
SØR TRØNDELAGE NORD	- 328	79,910,024	3.5 %	76.6	6.2
TRØNDELAGE NORDLAND	- 167	43,917,678	1.9 %	76.8	6.0
TROMS	551	152,772,080	6.8 %	86.6	5.9
FINNMARK	419	105,016,583	4.6 %	82.4	5.9
	144	36,244,656	1.6 %	83.6	6.2
Total	8,971	2,260,369,494	100.0 %		

USED

District	No	Outstanding balance (NOK)	% of outstanding balance	WA months to maturity	WA seasoning
ØSTFOLD	2,264	352,644,695	6.2 %	72.5	6.1
AKERSHUS	4,573	812,114,953	14.3 %	71.0	6.2
OSLO	2,506	493,438,438	8.7 %	71.6	6.1
HEDMARK	1,524	217,364,773	3.8 %	68.6	6.1
OPPLAND	1,479	233,561,555	4.1 %	71.9	6.1
BUSKERUD	2,659	429,679,368	7.6 %	68.6	6.3
VESTFOLD	1,763	284,741,093	5.0 %	71.9	6.4
TELEMARK	1,145	181,943,605	3.2 %	69.4	6.5
AUST-AGDER	951	149,045,995	2.6 %	73.0	6.1
VEST-AGDER	973	153,639,525	2.7 %	72.5	6.4
ROGALAND	2,722	457,947,187	8.1 %	73.4	6.5
HORDALAND	3,275	595,294,320	10.5 %	72.8	6.3
SOGN OG FJORDANE	327	58,818,796	1.0 %	75.4	6.1
MØRE OG ROMSDAL	1,302	220,407,983	3.9 %	71.4	6.1
SØR - TRØNDELAGE	1,359	217,472,377	3.8 %	72.3	6.3
NORD - TRØNDELAGE	804	122,104,256	2.2 %	71.8	5.6
NORDLAND	2,019	336,421,909	5.9 %	75.2	5.9
TROMS	1,553	248,395,994	4.4 %	74.7	6.2
FINNMARK	652	110,460,119	1.9 %	72.4	5.7
SVALBARD	6	720,748	0.0 %	50.3	2.5
Total	33,856	5,676,217,689	100.0 %		

12. PAYMENT METHOD TYPE

TOTAL

Payment method type	No	Outstanding balance (NOK)	% of outstanding balance	WA months to maturity	WA seasoning
Invoice	23,753	4,534,215,241	57.1 %	72.1	5.9
Direct debit with invoice	14,327	2,544,015,458	32.1 %	73.4	6.9
Direct debit without invoice	4,747	858,356,484	10.8 %	73.6	6.4
Total	42,827	7,936,587,183	100.0 %		

NEW

Payment method type	No	Outstanding balance (NOK)	% of outstanding balance	WA months to maturity	WA seasoning
Invoice	4,903	1,280,286,200	56.6 %	71.7	6.2
Direct debit with invoice	3,063	731,702,596	32.4 %	78.2	6.8
Direct debit without invoice	1,005	248,380,698	11.0 %	78.0	6.2
Total	8,971	2,260,369,494	100.0 %		

USED

Payment method type	No	Outstanding balance (NOK)	% of outstanding balance	WA months to maturity	WA seasoning
Invoice	18,850	3,253,929,041	57.3 %	72.2	5.7
Direct debit with invoice	11,264	1,812,312,862	31.9 %	71.5	6.9
Direct debit without invoice	3,742	609,975,786	10.7 %	71.8	6.5
Total	33,856	5,676,217,689	100.0 %		

13. VEHICLE TYPE

TOTAL					
Vehicle type	No	Outstanding balance (NOK)	% of outstanding balance	WA months to maturity	WA seasoning
Commercial light vehicles	3,683	663,463,675	8.4 %	63.1	6.6
Motorcycles	1,905	198,289,906	2.5 %	65.9	5.3
Caravan/trailer tents	2,396	397,010,016	5.0 %	82.3	5.1
Car/commercial light vehicles	36	5,888,114	0.1 %	60.3	7.3
Cars	34,789	6,667,976,570	84.0 %	73.3	6.3
Electric cars	18	3,958,902	0.0 %	66.4	6.6
Total	42,827	7,936,587,183	100.0 %		

NEW					
Vehicle type	No	Outstanding balance (NOK)	% of outstanding balance	WA months to maturity	WA seasoning
Commercial light vehicles	811	229,594,118	10.2 %	63.8	6.8
Motorcycles	637	78,617,445	3.5 %	70.8	5.1
Caravan/trailer tents	649	134,687,397	6.0 %	90.7	5.3
Car/commercial light vehicles	2	501,842	0.0 %	86.6	6.7
Cars	6,858	1,813,943,002	80.2 %	74.8	6.5
Electric cars	14	3,025,690	0.1 %	62.9	5.7
Total	8,971	2,260,369,494	100.0 %		

USED					
Vehicle type	No	Outstanding balance (NOK)	% of outstanding balance	WA months to maturity	WA seasoning
Commercial light vehicles	2,872	433,869,557	7.6 %	62.7	6.5
Motorcycles	1,268	119,672,461	2.1 %	62.7	5.4
Caravan/trailer tents	1,747	262,322,619	4.6 %	78.0	5.1
Car/commercial light vehicles	34	5,386,272	0.1 %	57.8	7.4
Cars	27,931	4,854,033,568	85.5 %	72.7	6.3
Electric cars	4	933,212	0.0 %	77.9	9.4
Total	33,856	5,676,217,689	100.0 %		

14. COLLATERAL TYPE

TOTAL					
Collateral type	No	Outstanding balance (NOK)	% of outstanding balance	WA months to maturity	WA seasoning
Auto Chattel Mortgage	42,827	7,936,587,183	100.0 %	72.7	6.3
Total	42,827	7,936,587,183	100.0 %		

15. PAYMENT FREQUENCY

TOTAL					
Payment frequency	No	Outstanding balance (NOK)	% of outstanding balance	WA months to maturity	WA seasoning
Monthly	42,827	7,936,587,183	100.0 %	72.7	6.3
Total	42,827	7,936,587,183	100.0 %		

16. INTEREST TYPE

TOTAL					
Interest Type	No	Outstanding balance (NOK)	% of outstanding balance	WA months to maturity	WA seasoning
Variable Interest	42,827	7,936,587,183	100.0 %	72.7	6.3
Total	42,827	7,936,587,183	100.0 %		

17. REPAYMENT TYPE

TOTAL					
Repayment Type	No	Outstanding balance (NOK)	% of outstanding balance	WA months to maturity	WA seasoning
Annuity	42,239	7,731,386,643	97.4 %	73.2	6.3
Serial	588	205,200,540	2.6 %	51.7	6.4
Total	42,827	7,936,587,183	100.0 %		

NEW					
Repayment Type	No	Outstanding balance (NOK)	% of outstanding balance	WA months to maturity	WA seasoning
Annuity	8,470	2,086,121,729	92.3 %	76.5	6.4
Serial	501	174,247,765	7.7 %	50.0	6.4
Total	8,971	2,260,369,494	100.0 %		

USED					
Repayment Type	No	Outstanding balance (NOK)	% of outstanding balance	WA months to maturity	WA seasoning
Annuity	33,769	5,645,264,914	99.5 %	72.0	6.2
Serial	87	30,952,775	0.5 %	61.3	6.5
Total	33,856	5,676,217,689	100.0 %		

18. BORROWER TYPE

TOTAL					
Borrower type	No	Outstanding balance (NOK)	% of outstanding balance	WA months to maturity	WA seasoning
Commercial	3,425	883,852,987	11.1 %	56.0	6.5
Consumer	39,402	7,052,734,196	88.9 %	74.8	6.2
Total	42,827	7,936,587,183	100.0 %		

NEW					
Borrower type	No	Outstanding balance (NOK)	% of outstanding balance	WA months to maturity	WA seasoning
Commercial	1,560	475,186,041	21.0 %	53.8	6.6
Consumer	7,411	1,785,183,453	79.0 %	80.0	6.3
Total	8,971	2,260,369,494	100.0 %		

USED

Borrower type	No	Outstanding balance (NOK)	% of outstanding balance	WA months to maturity	WA seasoning
Commercial	1,865	408,666,946	7.2 %	58.5	6.3
Consumer	31,991	5,267,550,743	92.8 %	73.0	6.2
Total	33,856	5,676,217,689	100.0 %		

19. **VEHICLE AGE (VEHICLE MODEL YEAR)**

TOTAL

Vehicle model year	No	Outstanding balance (NOK)	% of outstanding balance	WA months to maturity	WA seasoning
2013	116	38,357,938	0.5 %	72.4	2.0
2012	7,118	1,890,608,680	23.8 %	78.1	4.6
2011	4,775	1,265,208,520	15.9 %	74.0	8.3
2010	2,324	580,793,185	7.3 %	77.4	6.4
2009	3,294	706,811,162	8.9 %	77.2	5.9
2008	4,093	805,809,497	10.2 %	74.2	6.9
2007	3,731	661,156,946	8.3 %	73.7	6.6
2006	3,182	504,197,874	6.4 %	70.2	6.4
2005	2,847	394,480,454	5.0 %	68.0	6.6
2004	2,619	326,775,355	4.1 %	63.5	6.5
2003	1,932	217,218,029	2.7 %	59.5	6.4
2002	1,644	156,855,176	2.0 %	53.9	6.3
2001	1,430	123,299,085	1.6 %	50.4	6.5
2000	1,030	82,940,352	1.0 %	51.1	6.3
1999	721	49,266,038	0.6 %	50.4	6.6
1998	584	37,089,525	0.5 %	51.6	6.4
1997	367	24,469,429	0.3 %	57.0	6.2
1996	228	13,682,425	0.2 %	55.1	6.3
1995	150	10,148,593	0.1 %	57.9	6.1
1994	101	6,082,730	0.1 %	51.0	5.3
1993	108	7,148,298	0.1 %	58.6	4.9
1992	74	5,672,078	0.1 %	57.8	5.3
1991	51	3,507,409	0.0 %	63.0	6.2
1990	37	2,971,316	0.0 %	64.6	5.7
1989	23	1,611,051	0.0 %	55.5	5.1
1988	29	3,244,349	0.0 %	63.1	4.3
1987	21	980,513	0.0 %	59.0	5.3
1986	21	1,842,527	0.0 %	55.4	4.9
1985	17	922,733	0.0 %	54.6	6.3
1984	6	405,933	0.0 %	57.2	8.5
Earlier	154	13,029,983	0.2 %	63.4	5.9
Total	42,827	7,936,587,183	100.0 %		

NEW

Vehicle model year	No	Outstanding balance (NOK)	% of outstanding balance	WA months to maturity	WA seasoning
2013	100	33,319,176	1.5 %	70.5	2.0
2012	6,176	1,596,007,626	70.6 %	77.0	4.8
2011	2,415	580,590,790	25.7 %	68.7	10.9
2010	68	15,028,531	0.7 %	66.3	11.5
2009	48	9,815,887	0.4 %	59.3	13.9
2008	44	9,713,918	0.4 %	66.6	11.7
2007	23	4,000,295	0.2 %	76.0	8.2
2006	20	2,659,543	0.1 %	65.0	6.4
2005	19	2,768,920	0.1 %	66.8	7.2
2004	16	1,848,106	0.1 %	53.0	6.8
2003	6	588,688	0.0 %	52.4	9.8
2002	10	1,087,078	0.0 %	67.2	7.9
2001	14	1,615,869	0.1 %	62.7	4.7
2000	4	638,518	0.0 %	93.7	6.4
1999	2	381,279	0.0 %	69.7	5.2
1998	1	62,801	0.0 %	32.0	4.0
1997	1	25,680	0.0 %	16.0	8.0
1996	2	87,999	0.0 %	19.9	5.1
1988	1	101,706	0.0 %	80.0	4.0
1987	1	27,084	0.0 %	36.0	13.0
Total	8,971	2,260,369,494	100.0 %		

USED

Vehicle model year	No	Outstanding balance (NOK)	% of outstanding balance	WA months to maturity	WA seasoning
2013	16	5,038,762	0.1 %	84.8	1.8
2012	942	294,601,054	5.2 %	84.1	3.7
2011	2,360	684,617,730	12.1 %	78.4	6.1
2010	2,256	565,764,654	10.0 %	77.7	6.3
2009	3,246	696,995,275	12.3 %	77.5	5.7
2008	4,049	796,095,579	14.0 %	74.3	6.8
2007	3,708	657,156,651	11.6 %	73.7	6.6
2006	3,162	501,538,331	8.8 %	70.2	6.4
2005	2,828	391,711,534	6.9 %	68.0	6.6
2004	2,603	324,927,249	5.7 %	63.5	6.5
2003	1,926	216,629,341	3.8 %	59.5	6.4
2002	1,634	155,768,098	2.7 %	53.8	6.3
2001	1,416	121,683,216	2.1 %	50.3	6.5
2000	1,026	82,301,834	1.4 %	50.8	6.3
1999	719	48,884,759	0.9 %	50.3	6.6
1998	583	37,026,724	0.7 %	51.6	6.4
1997	366	24,443,749	0.4 %	57.0	6.2
1996	226	13,594,426	0.2 %	55.3	6.4
1995	150	10,148,593	0.2 %	57.9	6.1
1994	101	6,082,730	0.1 %	51.0	5.3
1993	108	7,148,298	0.1 %	58.6	4.9
1992	74	5,672,078	0.1 %	57.8	5.3
1991	51	3,507,409	0.1 %	63.0	6.2
1990	37	2,971,316	0.1 %	64.6	5.7
1989	23	1,611,051	0.0 %	55.5	5.1
1988	28	3,142,643	0.1 %	62.6	4.3
1987	20	953,429	0.0 %	59.6	5.1
1986	21	1,842,527	0.0 %	55.4	4.9
1985	17	922,733	0.0 %	54.6	6.3
1984	6	405,933	0.0 %	57.2	8.5
Earlier	154	13,029,983	0.2 %	63.4	5.9

Total	33,856	5,676,217,689	100.0 %
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20. VEHICLE CONDITION

TOTAL

Vehicle condition	No	Outstanding balance (NOK)	% of outstanding balance	WA months to maturity	WA seasoning
new	8,971	2,260,369,494	28.5 %	74.5	6.4
used	33,856	5,676,217,689	71.5 %	71.9	6.2
Total	42,827	7,936,587,183	100.0 %		

21. ORIGINATION YEAR

TOTAL

Origination year	No	Outstanding balance (NOK)	% of outstanding balance	WA months to maturity	WA seasoning
2007	2	174,372	0.0 %	18.0	62.9
2008	23	2,481,195	0.0 %	33.9	47.9
2009	68	8,269,646	0.1 %	40.9	39.3
2010	96	14,784,211	0.2 %	47.4	25.9
2011	10,585	1,835,675,970	23.1 %	67.5	11.7
2012	32,053	6,075,201,789	76.5 %	74.4	4.5
Total	42,827	7,936,587,183	100.0 %		

NEW

Origination year	No	Outstanding balance (NOK)	% of outstanding balance	WA months to maturity	WA seasoning
2007	2	174,372	0.0 %	18.0	62.9
2008	6	898,573	0.0 %	35.8	48.2
2009	15	2,894,613	0.1 %	36.6	39.5
2010	18	3,682,915	0.2 %	44.0	27.3
2011	2,423	575,211,504	25.4 %	68.9	11.6
2012	6,507	1,677,507,517	74.2 %	76.6	4.5
Total	8,971	2,260,369,494	100.0 %		

USED

Origination year	No	Outstanding balance (NOK)	% of outstanding balance	WA months to maturity	WA seasoning
2008	17	1,582,622	0.0 %	32.8	47.7
2009	53	5,375,033	0.1 %	43.2	39.2
2010	78	11,101,296	0.2 %	48.5	25.4
2011	8,162	1,260,464,466	22.2 %	66.8	11.7
2012	25,546	4,397,694,272	77.5 %	73.5	4.5
Total	33,856	5,676,217,689	100.0 %		

22. MATURITY YEAR

TOTAL

Maturity year	No	Outstanding balance (NOK)	% of outstanding balance	WA months to maturity	WA seasoning
2012	16	5,226,799	0.1 %	3.0	15.3
2013	657	124,262,439	1.6 %	9.1	6.1
2014	1,940	204,041,244	2.6 %	22.5	8.8
2015	3,755	457,350,527	5.8 %	32.8	6.0
2016	5,207	629,945,799	7.9 %	47.4	9.7
2017	10,911	1,552,194,883	19.6 %	56.4	5.2
2018	4,417	865,883,790	10.9 %	71.3	9.1
2019	9,445	2,067,071,417	26.0 %	80.7	5.5
2020	3,421	980,813,583	12.4 %	92.4	4.9
2021	912	298,772,577	3.8 %	107.2	9.0
2022	2,146	751,024,125	9.5 %	116.4	4.5
Total	42,827	7,936,587,183	100.0 %		

NEW

Maturity year	No	Outstanding balance (NOK)	% of outstanding balance	WA months to maturity	WA seasoning
2012	9	2,900,486	0.1 %	3.0	17.6
2013	105	28,979,439	1.3 %	9.2	7.1
2014	349	65,519,159	2.9 %	23.4	9.6
2015	702	177,909,547	7.9 %	32.6	5.7
2016	801	159,510,686	7.1 %	47.7	10.0
2017	1,724	356,537,717	15.8 %	56.4	5.1
2018	937	232,675,775	10.3 %	71.7	9.7
2019	2,130	548,650,399	24.3 %	80.9	5.7
2020	968	293,559,239	13.0 %	92.4	4.9
2021	352	107,782,468	4.8 %	107.6	9.2
2022	894	286,344,579	12.7 %	116.2	4.6
Total	8,971	2,260,369,494	100.0 %		

USED

Maturity year	No	Outstanding balance (NOK)	% of outstanding balance	WA months to maturity	WA seasoning
2012	7	2,326,313	0.0 %	3.0	12.4
2013	552	95,283,000	1.7 %	9.1	5.8
2014	1,591	138,522,085	2.4 %	22.1	8.5
2015	3,053	279,440,980	4.9 %	33.0	6.2
2016	4,406	470,435,113	8.3 %	47.3	9.5
2017	9,187	1,195,657,166	21.1 %	56.4	5.2
2018	3,480	633,208,015	11.2 %	71.1	8.9
2019	7,315	1,518,421,018	26.8 %	80.6	5.4
2020	2,453	687,254,344	12.1 %	92.4	4.9
2021	560	190,990,109	3.4 %	107.0	8.9
2022	1,252	464,679,546	8.2 %	116.5	4.4
Total	33,856	5,676,217,689	100.0 %		

23. HYBRID LOANS IN % OF PORTFOLIO

TOTAL							
Loan type	No	Outstanding balance (NOK)	% of outstanding balance	balloon payment (NOK)	% of outstanding	WA months to maturity	WA seasoning
Standard	42,228	7,621,044,162	96.0 %	0	0.0 %	74.8	6.3
Balloon	599	315,543,021	4.0 %	278,933,387	88.4 %	21.5	6.0
Total	42,827	7,936,587,183	100.0 %	278,933,387			

NEW							
Loan type	No	Outstanding balance (NOK)	% of outstanding balance	balloon payment (NOK)	% of outstanding	WA months to maturity	WA seasoning
Standard	8,708	2,138,858,999	94.6 %	0	0.0 %	77.3	6.4
Balloon	263	121,510,495	5.4 %	99,627,980	82.0 %	25.0	6.4
Total	8,971	2,260,369,494	100.0 %	99,627,980			

USED							
Loan type	No	Outstanding balance (NOK)	% of outstanding balance	balloon payment (NOK)	% of outstanding	WA months to maturity	WA seasoning
Standard	33,520	5,482,185,163	96.6 %	0	0.0 %	73.8	6.2
Balloon	336	194,032,526	3.4 %	179,305,407	92.4 %	19.3	5.8
Total	33,856	5,676,217,689	100.0 %	179,305,407			

Note: Balloon loans – These loans consist of both traditional balloon loans and loans where the initial repayment period has characteristics similar to a balloon loan, but where the customer has the right to convert the remaining balloon payment to a standard amortising loan at the point in time when the balloon payment falls due.

24. BALLOON PAYMENT AS % OF ORIGINAL BALANCE

TOTAL								
Min (>=)	Max (<)	No	Outstanding balance (NOK)	% of outstanding balance	balloon payment (NOK)	% of outstanding	WA months to maturity	WA seasoning
0%	65%	91	35,748,457	11.3 %	20,679,961	57.8 %	33.03	7.1
65%	70%	46	16,744,341	5.3 %	12,233,587	73.1 %	28.40	7.3
70%	75%	33	13,986,719	4.4 %	10,571,675	75.6 %	29.52	6.4
75%	80%	32	16,152,895	5.1 %	12,865,462	79.6 %	30.05	6.1
80%	85%	60	30,976,992	9.8 %	26,633,292	86.0 %	26.12	7.6
85%	90%	42	22,635,447	7.2 %	20,149,225	89.0 %	25.58	6.2
90%	95%	50	34,479,043	10.9 %	32,438,766	94.1 %	20.20	6.5
95%	100%	245	144,819,127	45.9 %	143,361,419	99.0 %	14.80	5.12
Total		599	315,543,021	100.0 %	278,933,387			

NEW

<u>Min (>=)</u>	<u>Max (<)</u>	<u>No</u>	<u>Outstanding balance (NOK)</u>	<u>% of outstanding balance</u>	<u>balloon payment (NOK)</u>	<u>% of outstanding</u>	<u>WA months to maturity</u>	<u>WA seasoning</u>
0%	65%	63	23,707,692	19.5 %	12,958,768	54.7 %	33.79	6.4
65%	70%	39	13,923,136	11.5 %	10,021,087	72.0 %	28.59	7.2
70%	75%	22	9,580,280	7.9 %	7,258,675	75.8 %	27.51	7.3
75%	80%	16	6,547,101	5.4 %	5,189,212	79.3 %	30.45	6.2
80%	85%	27	12,688,778	10.4 %	11,047,368	87.1 %	23.00	8.6
85%	90%	16	7,876,788	6.5 %	7,069,020	89.7 %	19.70	7.1
90%	95%	12	6,600,055	5.4 %	6,116,000	92.7 %	28.43	6.4
95%	100%	68	40,586,665	33.4 %	39,967,850	98.5 %	18.29	5.13
Total		263	121,510,495	100.0 %	99,627,980			

USED

<u>Min (>=)</u>	<u>Max (<)</u>	<u>No</u>	<u>Outstanding balance (NOK)</u>	<u>% of outstanding balance</u>	<u>balloon payment (NOK)</u>	<u>% of outstanding</u>	<u>WA months to maturity</u>	<u>WA seasoning</u>
0%	65%	28	12,040,765	6.2 %	7,721,193	64.1 %	31.55	8.4
65%	70%	7	2,821,205	1.5 %	2,212,500	78.4 %	27.45	7.9
70%	75%	11	4,406,439	2.3 %	3,313,000	75.2 %	33.88	4.5
75%	80%	16	9,605,794	5.0 %	7,676,250	79.9 %	29.78	6.1
80%	85%	33	18,288,214	9.4 %	15,585,924	85.2 %	28.28	6.9
85%	90%	26	14,758,659	7.6 %	13,080,205	88.6 %	28.72	5.7
90%	95%	38	27,878,988	14.4 %	26,322,766	94.4 %	18.25	6.6
95%	100%	177	104,232,462	53.7 %	103,393,569	99.2 %	13.44	5.12
Total		336	194,032,526	100.0 %	179,305,407			

Note: The first row in each of the tables contains the value range up to and including 65 %. The second row contains the value range between 65% and 70%. The rest of the rows show a range from and including the value in the Min column and up to the value in the Max column.

25. TOP EXPOSURES

<u>Total exposure (NOK)</u>	<u>% of total outstanding balance</u>	<u>Total number of loans</u>
5,196,810	0.06548 %	2
3,908,063	0.04924 %	1
3,846,620	0.04847 %	1
3,214,911	0.04051 %	2
3,011,779	0.03795 %	13
2,753,507	0.03469 %	5
2,541,428	0.03202 %	1
2,540,087	0.03200 %	7
2,529,523	0.03187 %	2
2,504,140	0.03155 %	1

26. NUMBER OF LOANS PER BORROWER

TOTAL			
Total number of loans	Number of debtors	Outstanding balance (NOK)	% of outstanding balance
1	39,681	7,283,324,847	91.8 %
2	1,230	498,291,031	6.3 %
3	121	84,435,767	1.1 %
4	27	24,815,608	0.3 %
5	16	17,998,055	0.2 %
6	4	6,069,491	0.1 %
7	3	6,403,672	0.1 %
8	3	5,617,836	0.1 %
11	2	2,862,443	0.0 %
13	2	4,820,779	0.1 %
18	1	1,947,654	0.0 %
Total	41,090	7,936,587,183	100.0 %

27. NUMBER OF PAYMENT HOLIDAY MONTHS

TOTAL					
Total number payment holiday months	No	Outstanding balance (NOK)	% of outstanding balance	WA months to maturity	WA seasoning
0	41,467	7,650,701,759	96.4 %	72.6	6.1
1	689	141,188,780	1.8 %	75.9	10.0
2	356	77,322,825	1.0 %	75.5	11.3
3	285	60,292,551	0.8 %	74.3	11.5
4	9	2,710,611	0.0 %	74.5	15.0
5	9	1,182,979	0.0 %	62.8	23.3
6	5	1,804,803	0.0 %	59.3	19.4
9	2	339,573	0.0 %	40.1	43.4
10	1	14,996	0.0 %	32.0	38.0
11	2	465,675	0.0 %	57.8	42.2
18	1	78,957	0.0 %	12.0	64.0
33	1	483,674	0.0 %	43.0	48.0
Total	42,827	7,936,587,183	100.0 %		

NEW

Total number payment holiday months	No	Outstanding balance (NOK)	% of outstanding balance	WA months to maturity	WA seasoning
0	8,691	2,175,617,427	96.3 %	74.4	6.2
1	146	41,829,660	1.9 %	78.8	9.8
2	63	19,957,187	0.9 %	74.4	12.0
3	60	19,611,665	0.9 %	75.8	11.4
4	4	1,543,429	0.1 %	72.7	11.5
5	1	311,887	0.0 %	86.0	11.0
6	3	846,903	0.0 %	81.3	18.3
9	1	196,860	0.0 %	46.0	48.0
11	1	375,519	0.0 %	62.0	42.0
18	1	78,957	0.0 %	12.0	64.0
Total	8,971	2,260,369,494	100.0 %		

USED

Total number payment holiday months	No	Outstanding balance (NOK)	% of outstanding balance	WA months to maturity	WA seasoning
0	32,776	5,475,084,332	96.5 %	71.9	6.0
1	543	99,359,120	1.8 %	74.6	10.1
2	293	57,365,638	1.0 %	75.8	11.1
3	225	40,680,886	0.7 %	73.6	11.6
4	5	1,167,182	0.0 %	77.0	19.6
5	8	871,092	0.0 %	54.5	27.7
6	2	957,900	0.0 %	39.9	20.4
9	1	142,713	0.0 %	32.0	37.0
10	1	14,996	0.0 %	32.0	38.0
11	1	90,156	0.0 %	40.0	43.0
33	1	483,674	0.0 %	43.0	48.0
Total	33,856	5,676,217,689	100.0 %		

28. **INTEREST DISTRIBUTION**

TOTAL

Min (>)	Max (=<)	No	Outstanding balance (NOK)	% of outstanding balance	WA months to maturity	WA seasoning
<	1%	4	447,221	0.0 %	82.1	4.1
1%	2%	10	2,161,929	0.0 %	63.0	6.8
2%	4%	879	193,283,517	2.4 %	66.1	6.4
4%	6%	17,988	3,685,116,746	46.4 %	72.2	6.2
6%	8%	21,096	3,899,981,427	49.1 %	74.3	6.3
8%	10%	60	7,442,448	0.1 %	54.1	20.7
10%	12%	6	1,130,402	0.0 %	54.6	17.9
12%	14%	2,744	145,187,645	1.8 %	51.3	6.3
14%	16%	40	1,835,848	0.0 %	46.1	20.0
16%	18%			0.0 %		
Total		42,827	7,936,587,183	100.0 %		

NEW

Min (>=)	Max (<)	No	Outstanding balance (NOK)	% of outstanding balance	WA months to maturity	WA seasoning
<	1%	3	328,047	0.0 %	95.5	4.1
1%	2%	2	593,330	0.0 %	32.1	4.9
2%	4%	543	139,085,511	6.2 %	65.2	6.5
4%	6%	5,179	1,315,649,891	58.2 %	71.8	6.3
6%	8%	3,218	801,276,336	35.4 %	80.6	6.5
8%	10%	13	2,618,236	0.1 %	58.1	24.9
10%	12%	1	375,519	0.0 %	62.0	42.0
12%	14%	12	442,624	0.0 %	44.2	7.3
14%	16%			0.0 %		
16%	18%			0.0 %		
Total		8,971	2,260,369,494	100.0 %		

USED						
Min (>=)	Max (<)	No	Outstanding balance (NOK)	% of outstanding balance	WA months to maturity	WA seasoning
<	1%	1	119,174	0.0 %	45.0	4.0
1%	2%	8	1,568,599	0.0 %	74.6	7.5
2%	4%	336	54,198,006	1.0 %	68.3	6.2
4%	6%	12,809	2,369,466,855	41.7 %	72.3	6.1
6%	8%	17,878	3,098,705,091	54.6 %	72.7	6.2
8%	10%	47	4,824,212	0.1 %	51.9	18.5
10%	12%	5	754,883	0.0 %	50.9	5.9
12%	14%	2,732	144,745,021	2.6 %	51.3	6.3
14%	16%	40	1,835,848	0.0 %	46.1	20.0
16%	18%			0.0 %		
Total		33,856	5,676,217,689	100.0 %		

29. CO-DEBTOR/GUARANTOR STATUS

TOTAL					
Number Of Debtors	No	Outstanding balance (NOK)	% of outstanding balance	WA months to maturity	WA seasoning
Co-debtor and guarantor(s)	21	5,163,915	0.1 %	56.7	7.5
Co-debtor	6,065	1,324,358,178	16.7 %	82.1	6.2
Guarantor(s)	846	166,939,826	2.1 %	62.3	6.3
No co-debtor or guarantor	35,895	6,440,125,264	81.1 %	71.0	6.3
Total	42,827	7,936,587,183	100.0 %		

NEW					
Number Of Debtors	No	Outstanding balance (NOK)	% of outstanding balance	WA months to maturity	WA seasoning
Co-debtor and guarantor(s)	4	973,441	0.0 %	70.8	11.6
Co-debtor	1,341	387,529,530	17.1 %	89.2	6.3
Guarantor(s)	157	48,839,603	2.2 %	59.6	6.8
No co-debtor or guarantor	7,469	1,823,026,920	80.7 %	71.8	6.4
Total	8,971	2,260,369,494	100.0 %		

USED					
Number Of Debtors	No	Outstanding balance (NOK)	% of outstanding balance	WA months to maturity	WA seasoning
Co-debtor and guarantor(s)	17	4,190,474	0.1 %	53.4	6.6
Co-debtor	4,724	936,828,648	16.5 %	79.1	6.1
Guarantor(s)	689	118,100,223	2.1 %	63.4	6.1
No co-debtor or guarantor	28,426	4,617,098,344	81.3 %	70.7	6.2
Total	33,856	5,676,217,689	100.0 %		

HISTORICAL DATA

1. STATIC CUMULATIVE GROSS DEFAULTS

For a generation of loans (being all loans originated during the same quarter), the cumulative gross defaults in respect of a month is calculated as the ratio of (i) the cumulative defaulted balance recorded between the month when such loans were originated and the relevant month, to (ii) the original balance of such loans. The definition of default included loans that are written off or 180 days delinquent.

<u>year</u>	<u>qrt</u>	<u>Opening balance</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	<u>11</u>	<u>12</u>
2007	1	1,542,039,227	0.00%	0.00%	0.00%	0.56%	0.85%	1.09%	1.47%	1.96%	2.39%	2.68%	3.01%	3.20%
2007	2	1,796,853,462	0.00%	0.00%	0.23%	0.61%	1.03%	1.42%	1.72%	2.04%	2.35%	2.57%	2.83%	3.02%
2007	3	1,918,893,755	0.00%	0.00%	0.18%	0.62%	0.97%	1.31%	1.73%	2.19%	2.56%	2.79%	3.03%	3.31%
2007	4	1,678,159,312	0.00%	0.00%	0.27%	0.79%	1.30%	1.71%	1.99%	2.31%	2.51%	2.84%	3.02%	3.08%
2008	1	1,534,876,111	0.00%	0.02%	0.29%	0.91%	1.34%	1.85%	2.21%	2.42%	2.69%	3.00%	3.30%	3.46%
2008	2	1,728,211,577	0.00%	0.00%	0.41%	0.96%	1.46%	1.87%	2.19%	2.66%	2.93%	3.15%	3.30%	3.58%
2008	3	1,592,260,590	0.00%	0.00%	0.30%	0.85%	1.31%	1.65%	1.97%	2.29%	2.57%	2.76%	3.01%	3.22%
2008	4	1,289,545,625	0.00%	0.01%	0.23%	0.99%	1.38%	1.65%	2.01%	2.32%	2.51%	2.78%	2.95%	3.12%
2009	1	1,448,572,548	0.00%	0.00%	0.24%	0.85%	1.21%	1.54%	1.85%	2.01%	2.18%	2.42%	2.59%	2.72%
2009	2	1,770,988,923	0.00%	0.00%	0.19%	0.59%	0.82%	1.04%	1.23%	1.51%	1.72%	1.91%	2.03%	2.16%
2009	3	1,968,156,813	0.00%	0.00%	0.15%	0.45%	0.64%	0.83%	0.96%	1.12%	1.23%	1.34%	1.47%	1.56%
2009	4	1,845,351,628	0.00%	0.00%	0.11%	0.30%	0.44%	0.60%	0.70%	0.85%	0.94%	1.06%	1.17%	1.34%
2010	1	1,757,546,192	0.00%	0.00%	0.11%	0.35%	0.45%	0.60%	0.77%	0.88%	1.13%	1.29%	1.42%	
2010	2	2,022,660,603	0.00%	0.00%	0.07%	0.29%	0.44%	0.61%	0.81%	0.96%	1.10%	1.24%		
2010	3	2,210,853,391	0.00%	0.00%	0.12%	0.36%	0.70%	0.86%	0.98%	1.12%	1.25%			
2010	4	1,952,780,458	0.00%	0.00%	0.06%	0.28%	0.44%	0.63%	0.77%	0.92%				
2011	1	1,847,028,321	0.00%	0.00%	0.17%	0.34%	0.45%	0.65%	0.87%					
2011	2	2,213,082,185	0.00%	0.00%	0.06%	0.28%	0.43%	0.72%						
2011	3	2,227,674,544	0.00%	0.00%	0.08%	0.18%	0.30%							
2011	4	1,891,558,620	0.00%	0.00%	0.01%	0.36%								
2012	1	2,016,291,922	0.00%	0.00%	0.21%									
2012	2	2,360,264,827	0.00%	0.00%										
2012	3	2,594,052,341	0.00%											

<u>year</u>	<u>qrt</u>	<u>13</u>	<u>14</u>	<u>15</u>	<u>16</u>	<u>17</u>	<u>18</u>	<u>19</u>	<u>20</u>	<u>21</u>	<u>22</u>	<u>23</u>
2007	1	3.47%	3.66%	3.75%	3.90%	3.92%	4.00%	4.03%	4.08%	4.15%	4.19%	4.22%
2007	2	3.16%	3.30%	3.41%	3.52%	3.61%	3.70%	3.78%	3.84%	3.88%	3.93%	
2007	3	3.51%	3.68%	3.79%	3.96%	4.04%	4.10%	4.15%	4.18%	4.21%		
2007	4	3.20%	3.29%	3.36%	3.49%	3.57%	3.72%	3.79%	3.89%			
2008	1	3.68%	3.78%	3.84%	3.98%	4.11%	4.20%	4.31%				
2008	2	3.73%	3.92%	4.03%	4.22%	4.31%	4.39%					
2008	3	3.35%	3.50%	3.60%	3.77%	3.91%						
2008	4	3.23%	3.35%	3.45%	3.54%							
2009	1	2.82%	2.89%	2.98%								
2009	2	2.25%	2.34%									
2009	3	1.63%										

2. STATIC CUMULATIVE RECOVERIES

For a generation of defaulted loans (being all loans defaulted during the same quarter), the cumulative recoveries in respect of a month is calculated as the ratio of (i) the cumulative gross recoveries recorded between the month such loans defaulted and the relevant month, to (ii) the gross defaulted balance of such loans. Recoveries are primarily based on customer payments and proceeds on vehicle sales (if the vehicle is sold after the loan has defaulted). Loans that are written off before reaching 180 days delinquency are neither included in the gross defaulted balance or the gross recoveries.

<u>year</u>	<u>qrt</u>	<u>Opening balance</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	<u>11</u>
2008	1	36,609,676	10.47%	28.49%	35.08%	39.33%	44.64%	50.31%	52.78%	55.11%	57.32%	59.27%	60.73%
2008	2	41,388,821	10.81%	22.99%	27.56%	36.68%	40.73%	44.17%	46.63%	49.98%	52.07%	55.00%	56.62%
2008	3	49,559,551	12.45%	24.49%	35.39%	41.65%	45.05%	49.33%	51.41%	53.52%	55.39%	57.83%	59.34%
2008	4	56,795,319	10.14%	25.46%	34.18%	41.28%	46.20%	49.24%	52.97%	56.15%	58.32%	59.39%	64.41%
2009	1	61,380,895	13.50%	27.36%	36.36%	42.14%	46.44%	50.26%	52.26%	54.70%	56.60%	60.13%	67.03%
2009	2	60,899,225	11.39%	28.44%	36.54%	42.99%	48.95%	51.42%	53.76%	56.79%	61.22%	67.80%	68.84%
2009	3	66,873,290	12.97%	25.99%	37.78%	44.57%	47.98%	51.80%	53.40%	57.07%	63.63%	65.10%	66.44%
2009	4	53,455,838	10.43%	25.14%	36.10%	40.44%	46.25%	49.05%	53.54%	60.65%	61.93%	64.85%	67.38%
2010	1	60,260,607	10.60%	30.29%	40.29%	46.91%	51.12%	55.56%	62.17%	64.54%	66.08%	68.29%	68.90%
2010	2	51,932,453	11.27%	25.43%	32.97%	37.95%	43.25%	51.14%	55.85%	58.59%	60.85%	61.85%	
2010	3	46,867,099	14.16%	27.57%	36.36%	43.73%	53.01%	56.53%	59.44%	63.35%	64.17%		
2010	4	38,665,909	10.78%	24.35%	35.54%	43.98%	47.87%	50.59%	57.46%	58.21%			
2011	1	44,563,805	12.00%	24.65%	36.21%	42.19%	47.27%	54.01%	56.68%				
2011	2	40,991,916	10.49%	25.74%	34.13%	40.42%	48.67%	50.49%					
2011	3	45,609,305	13.50%	30.06%	37.00%	46.52%	49.01%						
2011	4	36,412,724	9.78%	25.44%	35.05%	40.31%							
2012	1	44,328,558	12.39%	26.57%	33.51%								
2012	2	35,780,144	15.47%	23.57%									
2012	3	49,421,036	4.35%										

year	qrt	12	13	14	15	16	17	18	19
2008	1	61.89%	62.61%	67.07%	74.45%	75.13%	75.53%	76.12%	76.39%
2008	2	58.37%	63.61%	70.84%	71.10%	71.34%	72.14%	72.36%	
2008	3	63.12%	69.54%	70.68%	71.41%	72.75%	73.46%		
2008	4	71.92%	72.91%	73.89%	74.98%	75.19%			
2009	1	68.12%	69.16%	70.94%	71.25%				
2009	2	69.62%	71.64%	71.97%					
2009	3	68.66%	69.33%						
2009	4	67.96%							

3. DYNAMIC DELINQUENCY ANALYSIS

At a given month, the dynamic delinquency shows the total outstanding balance of all loans distributed in its appropriate delinquent bucket.

<u>year</u>	<u>month</u>	<u>Total outstanding (NOK)</u>	<u>Total accounts</u>	<u>accounts 0-30</u>	<u>balance 0-30</u>	<u>accounts 30-60</u>	<u>balance 30-60</u>	<u>accounts 60-90</u>	<u>balance 60-90</u>
2008	1	11,671,257,176	85,854	95.41%	95.89%	2.22%	2.09%	0.75%	0.75%
	2	11,731,664,415	86,429	95.50%	95.88%	2.17%	2.17%	0.63%	0.61%
	3	11,787,539,620	86,960	95.09%	95.49%	2.39%	2.33%	0.71%	0.71%
	4	11,839,359,778	87,545	95.08%	95.49%	2.41%	2.41%	0.68%	0.64%
	5	11,901,236,390	88,253	94.75%	95.11%	2.61%	2.70%	0.78%	0.74%
	6	11,938,129,216	88,777	94.78%	95.14%	2.53%	2.60%	0.75%	0.76%
	7	12,006,377,146	89,265	95.18%	95.55%	2.13%	2.21%	0.70%	0.69%
	8	12,058,048,817	89,890	94.27%	94.54%	2.81%	2.97%	0.80%	0.81%
	9	12,094,890,835	90,401	93.80%	94.08%	2.99%	3.16%	0.98%	0.97%
	10	12,074,054,834	90,649	94.46%	94.88%	2.38%	2.46%	0.81%	0.80%
	11	12,062,027,201	90,884	93.92%	94.22%	2.76%	2.97%	0.84%	0.82%
	12	12,045,384,417	91,059	93.83%	94.29%	2.76%	2.87%	0.80%	0.81%
2009	1	12,059,757,328	91,348	93.61%	93.96%	2.78%	3.00%	0.91%	0.95%
	2	12,094,939,506	91,829	93.19%	93.46%	3.12%	3.48%	0.86%	0.86%
	3	12,152,270,536	92,507	93.47%	93.81%	2.90%	3.17%	0.82%	0.89%
	4	12,257,100,565	93,322	93.22%	93.65%	2.89%	3.02%	1.01%	1.11%
	5	12,357,292,266	94,130	92.63%	93.16%	3.45%	3.55%	1.01%	1.01%
	6	12,499,311,610	94,797	93.52%	94.09%	2.56%	2.69%	0.95%	0.93%
	7	12,720,329,485	96,111	94.06%	94.69%	2.38%	2.51%	0.66%	0.66%
	8	12,833,751,377	97,006	93.69%	94.30%	2.68%	2.85%	0.77%	0.76%
	9	12,937,216,878	97,737	93.75%	94.40%	2.53%	2.66%	0.81%	0.85%
	10	13,064,890,079	98,470	93.80%	94.54%	2.56%	2.60%	0.73%	0.71%
	11	13,170,927,646	99,067	93.84%	94.62%	2.54%	2.53%	0.79%	0.79%
	12	13,239,905,765	99,328	94.15%	94.88%	2.36%	2.41%	0.69%	0.67%
2010	1	13,317,689,846	99,774	93.88%	94.74%	2.46%	2.43%	0.77%	0.76%
	2	13,415,180,785	100,291	93.69%	94.61%	2.69%	2.59%	0.69%	0.64%
	3	13,549,990,823	101,067	94.21%	95.14%	2.25%	2.22%	0.63%	0.59%
	4	13,668,099,585	101,787	94.02%	94.96%	2.36%	2.31%	0.71%	0.70%
	5	13,797,046,680	102,555	93.58%	94.53%	2.83%	2.76%	0.72%	0.68%

<u>year</u>	<u>month</u>	<u>Total outstanding (NOK)</u>	<u>Total accounts</u>	<u>accounts 0-30</u>	<u>balance 0-30</u>	<u>accounts 30-60</u>	<u>balance 30-60</u>	<u>accounts 60-90</u>	<u>balance 60-90</u>
	6	13,978,140,965	103,596	94.61%	95.58%	1.94%	1.94%	0.60%	0.53%
	7	14,213,373,685	104,657	94.78%	95.75%	2.02%	2.02%	0.45%	0.39%
	8	14,384,644,183	105,585	94.53%	95.47%	2.27%	2.25%	0.51%	0.48%
	9	14,533,823,401	106,316	94.58%	95.55%	2.21%	2.14%	0.62%	0.59%
	10	14,628,606,389	106,881	94.57%	95.62%	2.24%	2.13%	0.57%	0.51%
	11	14,712,516,837	107,274	94.74%	95.85%	2.15%	2.00%	0.54%	0.46%
	12	14,740,303,203	107,311	94.91%	96.07%	1.94%	1.81%	0.55%	0.44%
2011	1	14,765,510,959	107,587	94.73%	95.87%	2.02%	1.94%	0.57%	0.51%
	2	14,835,664,730	107,964	94.50%	95.55%	2.31%	2.26%	0.54%	0.48%
	3	14,935,649,549	108,422	94.81%	95.90%	1.99%	1.97%	0.53%	0.46%
	4	15,061,745,062	109,050	94.41%	95.59%	2.31%	2.18%	0.59%	0.55%
	5	15,254,124,149	109,986	94.59%	95.77%	2.11%	2.00%	0.56%	0.52%
	6	15,353,273,491	110,355	95.07%	96.27%	1.71%	1.61%	0.46%	0.38%
	7	15,525,839,792	111,168	95.10%	96.35%	1.76%	1.63%	0.45%	0.39%
	8	15,621,599,985	111,744	94.98%	96.20%	1.83%	1.72%	0.48%	0.42%
	9	15,705,602,831	112,054	95.06%	96.25%	1.74%	1.69%	0.52%	0.44%
	10	15,704,029,869	112,014	95.10%	96.29%	1.66%	1.60%	0.50%	0.45%
	11	15,708,563,605	111,876	95.28%	96.55%	1.50%	1.40%	0.47%	0.41%
	12	15,735,878,520	111,873	95.14%	96.30%	1.70%	1.64%	0.47%	0.42%
2012	1	15,789,162,132	112,256	95.25%	96.49%	1.55%	1.45%	0.46%	0.40%
	2	15,859,077,315	112,645	95.29%	96.47%	1.55%	1.51%	0.46%	0.40%
	3	16,020,294,940	113,493	95.37%	96.63%	1.52%	1.47%	0.46%	0.39%
	4	16,132,644,830	114,139	95.07%	96.36%	1.77%	1.66%	0.54%	0.46%
	5	16,314,556,203	115,115	95.11%	96.33%	1.71%	1.65%	0.55%	0.49%
	6	16,526,744,992	115,977	95.49%	96.65%	1.38%	1.36%	0.50%	0.42%
	7	16,772,922,979	117,207	95.61%	96.70%	1.38%	1.37%	0.41%	0.40%
	8	17,017,461,129	118,506	95.43%	96.66%	1.57%	1.45%	0.43%	0.39%
	9	17,214,542,641	119,525	95.18%	96.32%	1.73%	1.66%	0.55%	0.52%

<u>year</u>	<u>month</u>	<u>accounts 90-120</u>	<u>balance 90-120</u>	<u>accounts 120-150</u>	<u>balance 120-150</u>	<u>accounts 150-180</u>	<u>balance 150-180</u>	<u>accounts 180+</u>	<u>balance 180+</u>	<u>accounts new W/O</u>	<u>balance new W/O</u>
2008	1	0.32%	0.31%	0.21%	0.16%	0.20%	0.17%	0.82%	0.63%	0.06%	0.02%
	2	0.39%	0.37%	0.21%	0.21%	0.16%	0.11%	0.85%	0.65%	0.09%	0.04%
	3	0.39%	0.33%	0.25%	0.25%	0.18%	0.17%	0.92%	0.70%	0.06%	0.02%
	4	0.37%	0.35%	0.25%	0.20%	0.18%	0.18%	0.93%	0.72%	0.10%	0.03%
	5	0.40%	0.33%	0.24%	0.22%	0.20%	0.16%	0.95%	0.74%	0.08%	0.03%
	6	0.39%	0.35%	0.26%	0.21%	0.20%	0.18%	1.00%	0.77%	0.09%	0.03%
	7	0.37%	0.35%	0.27%	0.22%	0.22%	0.17%	1.06%	0.81%	0.07%	0.03%
	8	0.44%	0.39%	0.27%	0.25%	0.22%	0.19%	1.12%	0.85%	0.07%	0.03%
	9	0.42%	0.42%	0.31%	0.27%	0.23%	0.20%	1.20%	0.91%	0.07%	0.03%
	10	0.47%	0.44%	0.29%	0.27%	0.25%	0.20%	1.23%	0.95%	0.11%	0.04%
	11	0.48%	0.45%	0.35%	0.31%	0.24%	0.20%	1.34%	1.02%	0.08%	0.04%
	12	0.44%	0.39%	0.35%	0.30%	0.30%	0.26%	1.41%	1.07%	0.11%	0.05%
2009	1	0.47%	0.43%	0.33%	0.27%	0.29%	0.23%	1.53%	1.16%	0.09%	0.04%
	2	0.52%	0.51%	0.34%	0.29%	0.26%	0.21%	1.60%	1.19%	0.11%	0.05%
	3	0.45%	0.42%	0.39%	0.37%	0.26%	0.21%	1.59%	1.14%	0.13%	0.05%
	4	0.47%	0.48%	0.34%	0.27%	0.32%	0.29%	1.62%	1.18%	0.13%	0.05%
	5	0.53%	0.51%	0.31%	0.30%	0.29%	0.23%	1.68%	1.24%	0.10%	0.04%
	6	0.47%	0.45%	0.38%	0.33%	0.26%	0.24%	1.75%	1.27%	0.12%	0.05%
	7	0.42%	0.34%	0.32%	0.28%	0.31%	0.26%	1.75%	1.26%	0.10%	0.05%
	8	0.40%	0.37%	0.31%	0.24%	0.26%	0.23%	1.80%	1.26%	0.09%	0.05%
	9	0.42%	0.38%	0.29%	0.25%	0.24%	0.18%	1.80%	1.28%	0.16%	0.07%
	10	0.42%	0.43%	0.30%	0.26%	0.24%	0.19%	1.80%	1.27%	0.16%	0.07%
	11	0.37%	0.32%	0.28%	0.29%	0.23%	0.19%	1.78%	1.26%	0.17%	0.08%
	12	0.37%	0.33%	0.28%	0.22%	0.24%	0.23%	1.79%	1.26%	0.13%	0.05%
2010	1	0.39%	0.34%	0.29%	0.25%	0.23%	0.18%	1.82%	1.31%	0.15%	0.06%
	2	0.44%	0.40%	0.29%	0.23%	0.24%	0.20%	1.86%	1.32%	0.10%	0.05%
	3	0.34%	0.27%	0.33%	0.25%	0.24%	0.19%	1.87%	1.33%	0.12%	0.06%
	4	0.38%	0.32%	0.27%	0.20%	0.27%	0.21%	1.87%	1.31%	0.13%	0.05%
	5	0.40%	0.38%	0.29%	0.22%	0.23%	0.16%	1.87%	1.28%	0.09%	0.04%

<u>year</u>	<u>month</u>	<u>accounts 90-120</u>	<u>balance 90-120</u>	<u>accounts 120-150</u>	<u>balance 120-150</u>	<u>accounts 150-180</u>	<u>balance 150-180</u>	<u>accounts 180+</u>	<u>balance 180+</u>	<u>accounts new W/O</u>	<u>balance new W/O</u>
	6	0.37%	0.31%	0.28%	0.26%	0.23%	0.17%	1.82%	1.20%	0.15%	0.07%
	7	0.34%	0.28%	0.26%	0.19%	0.22%	0.18%	1.82%	1.19%	0.12%	0.05%
	8	0.28%	0.24%	0.26%	0.22%	0.21%	0.16%	1.81%	1.18%	0.13%	0.05%
	9	0.27%	0.24%	0.21%	0.16%	0.21%	0.15%	1.78%	1.16%	0.12%	0.05%
	10	0.35%	0.31%	0.20%	0.16%	0.19%	0.13%	1.76%	1.13%	0.14%	0.06%
	11	0.30%	0.25%	0.25%	0.21%	0.16%	0.13%	1.76%	1.10%	0.10%	0.04%
	12	0.31%	0.25%	0.23%	0.18%	0.21%	0.15%	1.76%	1.10%	0.09%	0.04%
2011	1	0.34%	0.24%	0.23%	0.16%	0.20%	0.16%	1.81%	1.13%	0.09%	0.04%
	2	0.31%	0.26%	0.25%	0.16%	0.19%	0.14%	1.87%	1.15%	0.04%	0.01%
	3	0.28%	0.22%	0.24%	0.17%	0.20%	0.12%	1.88%	1.14%	0.08%	0.04%
	4	0.29%	0.22%	0.23%	0.17%	0.20%	0.14%	1.91%	1.14%	0.07%	0.04%
	5	0.32%	0.29%	0.21%	0.15%	0.18%	0.13%	1.92%	1.15%	0.12%	0.05%
	6	0.33%	0.27%	0.24%	0.20%	0.17%	0.11%	1.93%	1.16%	0.10%	0.04%
	7	0.26%	0.19%	0.25%	0.19%	0.19%	0.13%	1.89%	1.12%	0.10%	0.05%
	8	0.29%	0.24%	0.19%	0.11%	0.21%	0.17%	1.92%	1.14%	0.09%	0.04%
	9	0.28%	0.21%	0.21%	0.16%	0.16%	0.09%	1.95%	1.16%	0.09%	0.05%
	10	0.31%	0.25%	0.23%	0.16%	0.16%	0.12%	1.94%	1.14%	0.09%	0.04%
	11	0.28%	0.23%	0.21%	0.16%	0.18%	0.12%	1.92%	1.13%	0.15%	0.06%
	12	0.29%	0.22%	0.21%	0.16%	0.18%	0.13%	1.95%	1.12%	0.05%	0.02%
2012	1	0.28%	0.24%	0.21%	0.15%	0.19%	0.13%	1.96%	1.14%	0.10%	0.05%
	2	0.26%	0.20%	0.22%	0.16%	0.17%	0.12%	1.97%	1.13%	0.08%	0.04%
	3	0.26%	0.19%	0.18%	0.12%	0.18%	0.12%	1.89%	1.08%	0.14%	0.06%
	4	0.28%	0.20%	0.21%	0.15%	0.16%	0.09%	1.88%	1.08%	0.10%	0.04%
	5	0.31%	0.26%	0.21%	0.15%	0.18%	0.11%	1.83%	1.02%	0.11%	0.04%
	6	0.31%	0.26%	0.23%	0.17%	0.17%	0.12%	1.83%	1.01%	0.08%	0.04%
	7	0.26%	0.20%	0.23%	0.19%	0.21%	0.15%	1.81%	0.99%	0.09%	0.04%
	8	0.25%	0.21%	0.21%	0.15%	0.20%	0.14%	1.83%	1.00%	0.08%	0.04%
	9	0.23%	0.20%	0.20%	0.16%	0.18%	0.12%	1.81%	1.01%	0.11%	0.05%

4. ANNUALISED PREPAYMENTS

At a given month, the annualised prepayment rate is calculated by multiplying the monthly prepayment rate by 12. The monthly prepayment rate is calculated as the ratio of (i) the amount of prepaid balance of all loans that have fully matured before original maturity, to (ii) the total outstanding balance of all loans at the end of the month.

year	month	sum full pre-payments	end of month balance	SMN	CPR
2007	2	238,065,380	10,456,771,714	2.28%	24.15%
	3	279,924,803	10,572,396,520	2.65%	27.53%
	4	252,199,597	10,631,408,950	2.37%	25.03%
	5	290,785,096	10,788,545,968	2.70%	27.95%
	6	317,148,379	10,971,192,057	2.89%	29.67%
	7	319,023,358	10,752,648,925	2.97%	30.33%
	8	300,419,461	11,335,959,769	2.65%	27.55%
	9	301,842,235	11,436,590,361	2.64%	27.46%
	10	344,072,796	11,518,810,553	2.99%	30.50%
	11	302,723,875	11,612,917,084	2.61%	27.16%
	12	256,198,665	11,637,477,564	2.20%	23.44%
	2008	1	277,607,283	11,671,257,176	2.38%
2		288,970,698	11,731,664,415	2.46%	25.86%
3		261,972,093	11,787,539,620	2.22%	23.64%
4		331,683,856	11,839,359,778	2.80%	28.89%
5		307,677,894	11,901,236,390	2.59%	26.97%
6		329,666,808	11,938,129,216	2.76%	28.54%
7		321,282,013	12,006,377,146	2.68%	27.78%
8		257,831,140	12,058,048,817	2.14%	22.85%
9		293,400,975	12,094,890,835	2.43%	25.52%
10		297,102,365	12,074,054,834	2.46%	25.84%
11		231,201,143	12,062,027,201	1.92%	20.72%
12		207,021,482	12,045,384,417	1.72%	18.78%
2009	1	208,071,418	12,059,757,328	1.73%	18.85%
	2	225,577,535	12,094,939,506	1.87%	20.22%
	3	283,836,319	12,152,270,536	2.34%	24.69%
	4	230,642,005	12,257,100,565	1.88%	20.38%

year	month	sum full pre-payments	end of month balance	SMN	CPR
	5	246,964,395	12,357,292,266	2.00%	21.51%
	6	290,635,482	12,499,311,610	2.33%	24.60%
	7	291,795,249	12,720,329,485	2.29%	24.31%
	8	243,929,396	12,833,751,377	1.90%	20.57%
	9	302,629,425	12,937,216,878	2.34%	24.73%
	10	291,591,854	13,064,890,079	2.23%	23.73%
	11	256,816,144	13,170,927,646	1.95%	21.05%
	12	261,757,275	13,239,905,765	1.98%	21.31%
	1	214,553,472	13,317,689,846	1.61%	17.71%
	2	248,779,021	13,415,180,785	1.85%	20.12%
	3	287,483,544	13,549,990,823	2.12%	22.69%
	4	234,134,926	13,668,099,585	1.71%	18.73%
2010	5	270,953,229	13,797,046,680	1.96%	21.18%
	6	350,744,832	13,978,140,965	2.51%	26.28%
	7	314,327,312	14,213,373,685	2.21%	23.54%
	8	285,057,861	14,384,644,183	1.98%	21.35%
	9	321,536,021	14,533,823,401	2.21%	23.54%
	10	320,040,855	14,628,606,389	2.19%	23.31%
	11	335,246,271	14,712,516,837	2.28%	24.16%
	12	306,491,831	14,740,303,203	2.08%	22.29%
	1	273,358,374	14,765,510,959	1.85%	20.09%
	2	294,891,009	14,835,664,730	1.99%	21.41%
	3	333,381,199	14,935,649,549	2.23%	23.73%
	4	276,526,303	15,061,745,062	1.84%	19.94%
2011	5	336,138,916	15,254,124,149	2.20%	23.46%
	6	380,144,937	15,353,273,491	2.48%	25.98%
	7	339,392,229	15,525,839,792	2.19%	23.30%
	8	322,634,897	15,621,599,985	2.07%	22.15%
	9	393,902,147	15,705,602,831	2.51%	26.27%
	10	376,752,696	15,704,029,869	2.40%	25.28%

<u>year</u>	<u>month</u>	<u>sum full pre- payments</u>	<u>end of month balance</u>	<u>SMN</u>	<u>CPR</u>
	11	367,899,717	15,708,563,605	2.34%	24.75%
	12	295,794,463	15,735,878,520	1.88%	20.36%
	1	276,115,942	15,789,162,132	1.75%	19.08%
	2	315,467,647	15,859,077,315	1.99%	21.42%
	3	333,087,065	16,020,294,940	2.08%	22.29%
	4	299,314,921	16,132,644,830	1.86%	20.13%
2012	5	344,938,284	16,314,556,203	2.11%	22.62%
	6	384,304,336	16,526,744,992	2.33%	24.60%
	7	368,869,642	16,772,922,979	2.20%	23.42%
	8	353,173,488	17,017,461,129	2.08%	22.25%
	9	333,738,686	17,214,542,641	1.94%	20.94%

EXPECTED MATURITY AND AVERAGE LIFE OF NOTES AND ASSUMPTIONS

The expected average life of the Class A Notes and the Class B Notes cannot be predicted as the actual rate at which the Purchased Auto Loans will be repaid and a number of other relevant factors are unknown.

Calculated estimates as to the expected average life of the Class A Notes and the Class B Notes can be made based on certain assumptions. These estimates have certain inherent limitations. No representations are made that such estimates are accurate, that all assumptions relating to such estimates have been considered or stated or that such estimates will be realised.

The table below shows the expected average life of the Class A Notes and the Class B Notes based on the following assumptions:

- (a) that the Purchased Auto Loans are subject to a constant rate of prepayment as shown in the table below;
- (b) that no Purchased Auto Loans are sold by the Issuer except as contemplated in the Credit and Collection Policy;
- (c) that the Purchased Auto Loans continue to be fully performing;
- (d) that the 10% clean-up call option will be exercised in accordance with the Auto Portfolio Purchase Agreement and Note Condition 5.5 (Early redemption – clean-up call);
- (e) that Balloon Loans are repaid in full on expiry; and
- (f) that there are no Payment Holidays.

Constant Prepayment Rate in %	Expected Average Life of Series A1 Notes (years)	Expected Average Life of Series A2 Notes (years)	Expected Average Life of Class B Notes (years)
5	1.86	4.52	5.94
10	1.58	4.07	5.49
15	1.36	3.67	4.99
20	1.37	2.48	4.51
25	1.37	1.47	4.10
30	1.38	0.61	3.91
35	1.39	0.42	4.28

Assumption (a) above is stated as an average annualised prepayment rate as the prepayment rate for one Interest Period may be substantially different from that for another. The constant prepayment rates shown above are purely illustrative and do not represent the full range of possibilities for constant prepayment rates.

Assumption (c) above relates to circumstances which are not predictable.

The average lives of the Class A Notes and the Class B Notes are subject to factors largely outside of the Issuer's control and consequently no assurance can be given that the assumptions and estimates above will prove in any way to be realistic and they must therefore be viewed with considerable caution.

CREDIT AND COLLECTION POLICY

The following is a description of the Seller's credit and collection policies and practices with respect to auto loans (the "**Credit and Collection Policy**") as currently in effect. The Seller may change the Credit and Collection Policy from time to time provided that either (i) such change does not affect the Purchased Auto Loans or (ii) such change applies equally to Purchased Auto Loans and other Auto Loans and the Seller determines that such change would not be reasonably likely to have a material adverse effect on the validity or collectability of the Purchased Auto Loans or the Issuer's ability to make timely payment on the Class A Notes.

Credit Policies

All credit decisions follow the guidelines of the credit policy manual (the "**Credit Policy Manual**"), a document covering high-level policy, approval levels, organisation of the credit process, credit management routines, etc.

All applications are classified based on existing information, whether they are private individuals, individual enterprises (Norwegian "*enkeltmannsforetak*") or corporate clients. The Credit Policy Manual contains a set of business rules, describing policy rules and requirements for potential customers with regards to income, credit score, loan amount, terms, etc.

The Seller's risk analysis takes into consideration three types of risk:

- Customer risk, assessed based on the customer's character and capacity to repay each loan;
- Dealer risk, evaluated based on the amount of delinquencies and defaults on past applications presented by each origination source/dealer; and
- Product risk, considering the type of product, collateral, upfront payment, term and other business conditions.

Credit Risk Management

The Seller's risk management governance model is underpinned by the following risk forums:

- The Nordic Risk Department: responsible for processing, analysing and making decisions on business proposals, and monitoring and supervising the risk of the bank's portfolio;
- Local Credit Committee, Auto Norway (the "**LCC**"): Comprising of the CEO of Division Norway, CRO of Norway, Director of Credit Norway, Director of Regions Auto Norway, and Director of Stock Finance Norway. Secretary to the LCC is the Nordic Credit Manager. The LCC is responsible for processing and resolving credit applications on all exposures related to stock financing, as well as all operations in excess of NOK 10 million, up to and including NOK 20 million. Applications exceeding NOK 20 million are processed in the LCC and recommended for approval to the Central Credit Committee of the Nordics. The LCC convenes on a weekly basis;
- Central Credit Committee of the Nordics (the "**CCC**"): Comprising of the CEO of SCB Nordic, the Nordic CRO and the CEO of Division Norway. Secretary to the CCC is the Nordic Credit Manager. The CCC is responsible for processing and resolving credit applications on all operations in excess of NOK 20 million up to and including €6 million. Applications exceeding €6 million are processed in the CCC and recommended for approval to the SCF Loans Committee in Madrid. The CCC convenes on an ad-hoc basis;
- Deal Review Meeting, Auto Norway (the "**DRM**"): Occupied by the CEO of Division Norway, CRO of Division Norway, Director of Regions Auto Norway, Collection Manager Auto Norway, Director of Credit Norway, Director of Stock Finance Norway and the Nordic Credit Manager. Secretary to the DRM is the Norwegian senior credit analyst. The DRM is responsible for reviewing the Seller's top exposures and top delinquent customers, assessing the risk, deciding on risk mitigating actions and determining individual loan loss reserves on large corporate exposures. DRM convenes on a monthly basis; and
- Independent Credit Risk Control Unit (the "**ICRCU**"): Occupied by Nordic CEO, Nordic Finance Manager, Nordic CFO, Nordic CRO, Basel II Program Manager, Nordic Head of Treasury and Nordic Risk Controller. Operates under delegated authority from the board of directors. A governing and supervising body on all matters internal credit control, e.g. review internal rating system, criteria and use, to secure adherence to IRB requirements. ICRCU convenes on a quarterly basis.

Material changes to the credit policy are always subject to approval by ICRCU, the Seller's board of directors, and ultimately the SCF Executive Committee in Madrid.

Underwriting process

The underwriting process is divided between standardised and non-standardised exposures, the former meaning operations up to NOK 5 million excluding stock finance.

Non-standardised risk operations are supervised by a separate team of three credit analysts, reporting to the Director of Credit Norway.

The underwriting process for standardised risk operations (i.e. not stock finance, and exposure below NOK 5 million) is de-centralised, according to the credit authority structure shown below.

Standardised, De-centralised Credit Authority:

Decision Level	Limit by application/ client
Regional Directors (North, South, East, West) (level 1B)	< 5.000.000 NOK
Department Heads, Senior Caseworkers (level 2)	< 3.000.000 NOK
Senior Caseworkers (level 3)	< 1.500.000 NOK
Caseworkers (level 4)	< 500.000/ 1.500.000 NOK

Caseworkers

Caseworkers located within the regions are responsible for feeding "**FinansFront**" (front end system for loan applications) with application data and for also maintaining contact with car dealers. The collection of data/applications is performed either by phone, fax, mail, internet or email.

Caseworkers are on duty between 08:00 am and 08:00 pm and applications received by 08:00 pm are normally processed the same day.

From August to December 2011, 44,878 applications for car loans were processed, which amounts to a weekly and daily average of 2,067 and 295 applications respectively. 72.4% of these were approved, 10.6% were declined and 17.0% were pending at period end.

From January to May 2012, 49,493 applications were processed, which amounts to a weekly and daily average of 2,294 and 328 applications respectively. 72.0% of the applications were approved, 10.5% declined and 17.5% were pending at period end.

From June to September 2012, 45,187 applications for car loans were processed, which amounts to a weekly and daily average of 2,614 and 373 applications respectively. 72.3% of these were approved, 10.3% were declined and 17.4% were pending at period end.

The cause of most rejections are due to either (a) registered payment remarks against the applicant and/or the applicant having a bad credit history with the Seller or (b) the application scoring below the minimum credit score threshold level.

Scoring system

The Seller utilises a front end system for loan applications called FinansFront, which relies on a decision engine called Pan Nordic Decision Engine ("**PANDE**"). The system automatically leads the applications through a set of pre defined rules (the "**Credit Matrix**"), and approves if a certain score is achieved. FinansFront was implemented in 2002, and managed the credit matrix up until the end of May 2010 when PANDE was implemented. It is important to point out that the Credit Matrix is used as a guideline for approval/refusal of applications, and that the final decision is made by the officer handling the case. Therefore, if a client's application is refused by FinansFront/PANDE, it is possible to process it manually by reference to credit rating score tables for Dun & Bradstreet and additional information collected from the customer and other sources.

PANDE also automatically controls every application based on a variety of pre-defined rules covering customer's credit history, anti-money laundering, fraud, capital adequacy requirements, among other things.

Collection process

When a borrower enters into arrears, an automated process of reminder letters is initiated requesting payment of outstanding instalments.

Instalment due dates for auto loans fall throughout the month, and reminder letters are dispatched from the Seller every Monday. The first reminder is dispatched when the instalment is above 14 days delinquent. It involves a late payment fee of NOK 61 together with instalment penalty interest.

If instalments are still outstanding 14 days after the despatch of the first reminder letter, a notice of termination of the loan is dispatched. The notice of termination involves an additional late payment fee of NOK 61 and instalment penalty interest.

14 days after the notice of termination, a notice of legal collection is dispatched to the borrower. This letter has a due date after 14 days and a late payment fee of NOK 61. The letter informs the customer of the Seller's legal right and intent to transfer the loan to legal debt collection (external).

In parallel with the automated reminder letter process, the internal and external pre-collection team contacts delinquent customers by phone, e-mail and SMS before termination and transfer to external collection. The internal pre-collection consists of one manager and two permanent employees primarily working during business hours. A pool of temporary employees is used to handle peak hours and evenings/weekends.

The internal and external pre-collection teams receive separate call lists for all delinquent loans which are 7 days past due or more which is updated on a daily basis based on the previous day's calls and payments received. The call list is segmented and prioritised by reminder state and principal balance.

All delinquent customers will receive at least a call attempt, an SMS or an e-mail every second day. Outbound calls and SMS on early delinquent loans (less than 45 days overdue) are outsourced to an external collection agency. The external collection agency is paid based on the number of "promises to pay" achieved and reports daily on the results of the calls, including the promise to pay agreements made. The internal pre-collection team handles outbound calls, SMS and e-mails to all other delinquent customers, in addition to handling all inbound calls, e-mails and letters from delinquent customers.

The pre-collection team compiles a daily, weekly and monthly report with the number of delinquent loans and central collection performance indicators.

The whole loan contract can be terminated with minimum two outstanding instalments, where the most recent instalment is 14 days past due date. At termination of the loan, invoicing and interest calculation is suspended in the Seller's systems.

After loan termination, the loan (total principal balance) is handled by an external debt collection agency for legal debt collection on behalf of the Seller. The external debt collector's primary objective is for the delinquent borrowers to reach payment plans and to fulfil outstanding instalments. If the borrower pays outstanding instalments, such payments are made to the Seller and calculated with the interest from the termination date. The external debt collectors are paid by regulated collection fees from the borrower established in Norwegian law.

If there are any strong concerns about the financial situation of the borrower, the external debt collection agency can opt to repossess the secured vehicle. In a situation where the borrower is unable to maintain the debt, the vehicle can voluntarily be returned. If a voluntarily return cannot be agreed, a legal application is issued to the local governmental enforcement authorities. After completion of the enforcement process, the external debt collection agency repossesses the vehicle and returns it to the warehouses of the Seller's logistics and sales partners for repossessed vehicles.

Currently, the Seller repossesses approximately 35 vehicles a week on average and the average time from repossession to sale is 3 months. After repossession of the vehicle, a neutral third party (The Norwegian Automobile Federation, NAF) performs a technical and market valuation of the vehicle. All repossessed vehicles are sold in e-auctions at a website owned by the Seller where sales partners have access to fill in vehicle information. The e-auction is Seller branded, and exclusively includes vehicles repossessed from the Seller's borrowers. The pool of potential buyers only includes dealers, i.e. not consumers, and the Seller determines and controls which dealers are invited to the auction. If the vehicle is not sold above market valuation through e-auction then the Seller's sales partners have authority to open the e-auction to end use customers through their website.

After auction sale of the vehicle, the cash payment is used to reduce the total principal balance of the loan. In most cases, the sales price does not cover the total outstanding balance. By Norwegian financial regulations, the Seller can continue to collect the residual debt from the borrower or co-borrower/guarantor. In most cases, the external debt collection agencies handle the collection of the residual debt. If the borrower does not fulfil the residual debt or no satisfactory payment plan is established, the external debt collection agency continues with legal actions towards the borrower. Such actions could for instance include enforced deductions from salary issued by the local governmental enforcement authorities.

If the borrower has no available liquid assets, the governmental enforcement authorities will issue an insolvency declaration. At this point the Seller will write-off the account, however the external debt collection agency will keep the borrower under observation to identify if the borrower at some point has access to liquid assets. The claim is thus never dropped, with the exception of cases of approved public debt settlement or death. Since 2011 the residual amount has been sold through a rigid process where the portfolio is sent to 8 potential buyers where the highest bidder wins.

Following the termination of any Defaulted Auto Loan, the Servicer may, in its sole discretion, sell the residual value on that Defaulted Auto Loan.

Payment holidays

The Division Norway operates a policy of offering payment holidays of up to 3 monthly instalments per calendar year to customers with a good payment history, subject to compliance with internal guidelines. In applying for a payment holiday, the customer can either elect to extend the original term of the loan by the amount of the repayment holiday or alternatively to pay increased instalments later the same year, thereby retaining the original loan term.

The granting of repayment holidays is performed in accordance with internally defined procedures, including payment history checks. A fee of NOK 165 is currently charged per monthly instalment subject to a repayment holiday.

THE ISSUER

Establishment and registered office

The Issuer, Bilkreditt 3 Limited, was registered and incorporated on 24 September 2012 in Dublin, Ireland under the Irish Companies Acts 1963–2012 with registered number 517997 as a private company limited by shares. The Issuer has been incorporated for an indefinite length of life. The Issuer's registered office and principal place of business is 5 Harbourmaster Place, IFSC, Dublin 1, the location at which the Issuer's register of shareholders is kept. The Issuer's telephone number is +1 353 680 6000.

The entire issued share capital in the Issuer is wholly-owned by a charitable trust company on trust for charitable purposes (see "*THE ISSUER — Capitalisation*").

The Issuer has no subsidiaries.

Corporate purpose and business of the Issuer

The Issuer has been established as a special purpose vehicle for the purpose of issuing asset-backed-securities. The principal objects of the Issuer are more specifically described in clause 2 of its Memorandum of Association and includes, *inter alia*, the issuance of the Notes and the entry into all financial arrangements in connection therewith. The Memorandum of Association of the Issuer may be inspected at the registered office of the Issuer.

Since its incorporation, the Issuer has not engaged in any activities other than those incidental to its incorporation under the Irish Companies Acts 1963–2012, the authorisation and issuance of the Notes and the authorisation and execution of the Transaction Documents and such other documents referred to or contemplated in this Prospectus to which it is or will be a party and the execution of matters which are incidental or ancillary to the foregoing.

So long as any of the Transaction Secured Obligations of the Issuer remain outstanding, the Issuer will not, *inter alia*, (a) enter into any business whatsoever, other than acquiring the Purchased Auto Loans, issuing Notes or creating other Transaction Secured Obligations or entering into a similar limited recourse transaction, entering into related agreements and transactions and performing any act incidental to or in connection with the foregoing, (b) have any subsidiaries, (c) have any employees or (d) dispose of any Purchased Auto Loans or any interest therein or create any mortgage, charge or security interest or right of recourse in respect thereof in favour of any person (other than contemplated by this Prospectus).

The Issuer has not commenced operations since the date of its incorporation as of the date of this Prospectus.

Directors

Unless otherwise determined by ordinary resolution of the shareholders of the Issuer, the number of directors may not be less than two and not greater than ten.

The first directors shall be determined in writing by the signatories of the Memorandum of Association, or by a majority of them. The shareholders of the Issuer may appoint any person as director or remove any director from office by way of ordinary resolution. The directors have power at any time, and from time to time, without the sanction of the shareholders in a general meeting, to appoint any person to be a director, either to fill a casual vacancy or as an additional director.

Any director (other than an alternate director) may appoint any other director, or any other person, to be an alternate director and may remove from office an alternate director so appointed by him. An alternate director is entitled to perform all the functions of his appointment or as a director in his absence but shall not be entitled to receive any remuneration from the Issuer for his services as an alternate director.

The directors may, by power of attorney or otherwise appoint any person to be the agent of the Issuer for such purposes and on such conditions as they determine, including authority for the agent to delegate all or any of his powers.

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

<u>Name</u>	<u>Nationality</u>	<u>Business Address</u>	<u>Occupation</u>
Adrian Bailie	Irish	5 Harbourmaster Place, IFSC, Dublin 1	Accountant
Rhys Owens	Irish	5 Harbourmaster Place, IFSC, Dublin 1	Bank Official

The directors of the Issuer specified above will receive a fee from the Issuer.

Secretary of the Issuer

The Secretary of the Issuer is Deutsche International Corporate Services (Ireland) Limited.

The activities of the Issuer will principally be the issue of the Notes, entering into all documents relating to such issue to which the Issuer is expressed to be a party, the acquisition of the Purchased Auto Loans, the Related Collateral and the exercise of related rights and powers and other activities reasonably incidental thereto.

Capitalisation

The following shows the capitalisation of the Issuer as of the date of this Prospectus, adjusted for the issue of the Notes:

Share capital

The authorised share capital of the Issuer is EUR 1000 comprising 1000 shares of EUR 1. The issued and paid up share capital of the Issuer is EUR 1000 (consisting of 1000 ordinary share of EUR 1, fully paid) as at the date of this Prospectus. The entire issued share capital of the Issuer is held by Deutsche International Finance (Ireland) Limited under a declaration of trust for the benefit of Irish registered charities.

Loan Capital

EUR 670,000,000 Notes due April 2027

NOK 2,157,445,000 Notes due April 2027

NOK 611,851,951 of outstanding advances under the Subordinated Loan

NOK 13,000,000 of outstanding advances under the Expenses Loan

Employees

The Issuer will have no employees.

Property

The Issuer will not own any real property.

General meetings

All general meetings of the Issuer other than annual general meetings will be called extraordinary general meetings.

Litigation

The Issuer has not been engaged in any governmental, litigation or arbitration proceedings which may have a significant effect on its financial position since its incorporation, nor, as far as the Issuer is aware, are any such governmental, litigation or arbitration proceedings pending or threatened.

Material adverse change

Since its incorporation on 24 September 2012, there has been no material adverse change in the financial or trading position or the prospects of the Issuer.

Fiscal year

The fiscal year of the Issuer is the calendar year and each calendar year ends on 31 December.

Financial statements and auditors' report

The Issuer's auditors are Deloitte LLP, who are chartered accountants and are members of the Institute of Chartered Accountants in Ireland.

Since the incorporation of the Issuer on 24 September 2012, the Issuer has not prepared any financial statements and has not declared or paid any dividends as of the date of this Prospectus. No auditors' report in respect of the Issuer has been prepared or distributed.

Authorisation by the Financial Supervisory Authority of Norway (FSAN)

Pursuant to the decision by the FSAN on 17 August 2012 the Seller was granted an authorisation to establish the Issuer as an Irish limited liability company pursuant to the conditions set out in the decision.

THE SELLER AND THE SERVICER

Incorporation and ownership

The Seller and the Servicer, Santander Consumer Bank AS ("**SCB AS**") is a private limited liability company based in Norway. SCB AS's current structure was established in 2005, after Santander Consumer Finance S.A. acquired Elcon Finans AS ("**Elcon Finans**") and Bankia Bank AS ("**Bankia Bank**"), and merged the two companies. SCB AS is 100% owned by Santander Consumer Finance S.A. (a subsidiary of Banco Santander, S.A).

Following the acquisition of Elcon Finans, Santander Consumer Finance S.A. demerged the company, sold the factoring business, but retained the car finance business. Following this, Bankia Bank was acquired and merged with Elcon Finans to form SCB AS.

SCB AS is a pan-Nordic concern, with branches in Sweden and Denmark, and one 100% owned subsidiary in Finland. Formal incorporation was on 29 June 2001, the incorporation date of Bankia Bank, the formal acquiring company in the merger of Elcon Finans and Bankia Bank.

Elcon Finans' core business was within the Norwegian leasing, car financing and factoring sectors, in which it had specialised since the 1960's. The company established a Swedish branch in 2000.

Bankia Bank was a small Norwegian bank focused entirely on credit cards. The owners developed a lean organisation with low operating costs, and it was the first bank in Norway to offer independent non-fee Visa credit cards.

In 2007, SCB AS established a presence in both Denmark and Finland, strengthening its position in the Nordic region. At end of June 2012, the SCB AS Nordic Group had total assets of NOK 60.5 billion and 564 employees.

Division Norway (the "**Division**") is the Norwegian business unit within SCB AS's Nordic Group. The Division, which is synonymous with SCB AS, consists of two profit areas; "**Car & Leisure Finance**" and "**Consumer Loans**".

Car & Leisure Finance, together with its Swedish counterpart Car Sweden, represents the residual remaining businesses following the de-merger of Elcon Finans in 2005, and is the business upon which SCB AS Nordic Group's expansion plans are primarily based. The profit area Consumer Loans was launched in 2006, and is an integrated part of the Division.

Car & Leisure Finance consists of both the provision of retail and wholesale financing:

Retail financing primarily includes financing of (new and used) cars, caravans, motor homes, boats and motorcycles. Cars represent the most significant proportion of both historic and new sales and account for approximately 90 % of new business volumes; the leisure sector accounting for the remainder. Retail financing is provided to both individuals and corporate customers.

Wholesale finance includes the financing of new and used cars, both demo and stock vehicles for car dealers.

According to the Association of Norwegian Finance Houses (www.finfo.no), the Division is a market leader in the car and leisure financing sector in Norway, with a current market share of approximately 29%. The profit area Consumer Loans commands a market share of approximately 7%. These figures are as of end June 2012.

Downpayment

SCB AS does not operate a rigid minimum downpayment policy, but applies minimum downpayment requirements based upon considered risk criteria. The size of the required downpayment is reflected in the pricing strategy, where interest rate levels are connected to the level of downpayment made. The weighted average downpayment amount for loans within the proposed securitisation portfolio is 14.5%, as at 30 September 2012.

Interest rates

Interest terms are generally floating and can be amended by SCB AS at its discretion, always subject to the terms of the relevant contract.

The decision to amend rates is based on an overall evaluation considering development in a number of variables. Typically the most important variables are:

- Market interest rates development;

- Market conditions and competition;
- Credit spreads;
- Considerations connected to assets growth and prepayments; and
- Development in credit losses. Private individuals are advised 6 weeks ahead of any rate change for adverse changes in interest rates. Typically the bank is able to reprice assets within 2 months of an event leading to overall evaluation that rates should be changed.

Instalments

Loans offered by SCB AS are, in general, offered for a maximum period of 120 months. Loans are repayable in monthly instalments. Only loans with a minimum residual term of 3 months will be included in the Portfolio.

Insurance

SCB AS requires that all financed vehicles are insured with fully comprehensive motor insurance – and in which SCB AS typically registers a third party interest. The exception to this rule is an offered loan type whereby the borrower is only required to have third party motor insurance (equivalent to the minimum Norwegian legal requirement). The interest rate payable on this loan type is higher than for loans where fully comprehensive insurance is required.

As at 30 September 2012, 98.2% by value of loans within the proposed securitisation portfolio have fully comprehensive insurance in place.

SCB AS markets both motor insurance and credit protection insurance ("**CPI**") to customers on a voluntary basis.

Motor insurance is marketed to both leasing customers (corporates only), and loan customers. The current insurance provider is Codan, who is responsible for administration and claims handling.

CPI insurance is also marketed on a voluntary basis to customers. CPI insurance is underwritten by the specialist insurance company Genworth Financial, and includes life, unemployment and long-term illness protection. SCB AS operates a revenue sharing agreement, where it retains a proportion of insurance premium revenues.

Two types of CPI are offered to customers:

- Monthly premium policy (launched in 2005), where the monthly insurance premium is collected as an additional amount added to the customer's monthly loan repayment instalment; and
- Single premium policy (launched in 2008), where the total premium amount is added to the loan balance. Customers can only select this type of insurance within 14 days of loan drawdown.

Premium levels and terms are essentially identical for both policy types.

In the event that the customer wishes to cancel their CPI policy, the following occurs:

- Monthly premium policy; monthly insurance premiums are simply discontinued; and
- Single premium policy; the insurance company refunds to the Division its proportion of the remaining insurance premium, which SCB AS credits to the borrowers loan account, together with its own share of the remaining premium.

In the event of a (non-death) claim under CPI policies, the borrower is obliged to inform the insurance company directly, who will pay any eventual benefit claims directly to the customer. In the event of a death-related claim, the insurance company will forward any claim proceeds to SCB AS for credit to the borrower's loan account, with any surplus funds provided to the estate of the deceased. The Division is not involved in any claims handling.

Origination

SCB AS is the leading provider of financial services to all participants along the car distribution chain in the Norwegian market, from the importer to the end customer.

This position has been achieved by following a strategy of full integration in the car market, and through establishing a comprehensive set of products specifically designed to satisfy the financial needs of all the parties involved in the value chain. A strong position in the market for the last 20 years has allowed the company to develop strong business relationships with all market participants: importers, dealers and end customers.

The Division's origination strategy can be summarised thus:

- Multi channel distribution strategy – where the dealer channel is preferred;
- Strong relations to the car dealer network;
- Agreements with 20 importers/brands;
- Full product portfolio;
- Stock finance used/new;
- Fleet;
- Strong sales force covering all of Norway; and
- Dealer training – Santander School.

The Division employs two main distribution channels for the distribution of its products:

- as at 30 September 2012 - Indirect distribution via co-operating dealers and agents (approximately 36.1% by value of loans within the proposed securitisation portfolio – private individuals); and
- as at 30 September 2012 - Direct distribution (which accounts for approximately 63.9% by value of loans within the proposed securitisation portfolio – private individuals).

THE PRINCIPAL PAYING AGENT, THE CALCULATION AGENT AND THE CASH ADMINISTRATOR

The Principal Paying Agent, the Calculation Agent and the Cash Administrator is Deutsche Bank AG, acting through its London Branch.

Deutsche Bank Aktiengesellschaft ("**Deutsche Bank**" or the "**Bank**") originated from the reunification of Norddeutsche Bank Aktiengesellschaft, Hamburg, Rheinisch-Westfälische Bank Aktiengesellschaft, Duesseldorf and Süddeutsche Bank Aktiengesellschaft, Munich; pursuant to the Law on the Regional Scope of Credit Institutions, these had been disincorporated in 1952 from Deutsche Bank which was founded in 1870. The merger and the name were entered in the Commercial Register of the District Court Frankfurt am Main on 2 May 1957. Deutsche Bank is a banking institution and a stock corporation incorporated under the laws of Germany under registration number HRB 30 000. The Bank has its registered office in Frankfurt am Main, Germany. It maintains its head office at Taunusanlage 12, 60325 Frankfurt am Main and branch offices in Germany and abroad, including in London, New York, Sydney, Tokyo and an Asia-Pacific Head Office in Singapore, which serve as hubs for its operations in the respective regions.

The Bank is the parent company of a group consisting of banks, capital market companies, fund management companies, a real estate finance company, instalment financing companies, research and consultancy companies and other domestic and foreign companies (the "**Deutsche Bank Group**").

Deutsche Bank AG, London Branch is the London branch of Deutsche Bank AG. On 12 January 1973, Deutsche Bank AG filed in the United Kingdom the documents required pursuant to section 407 of the Companies Act 1948 to establish a place of business within Great Britain. On 14 January 1993, Deutsche Bank registered under Schedule 21A to the Companies Act 1985 as having established a branch (Registration No. BR000005) in England and Wales. Deutsche Bank AG, London Branch is an authorized person for the purposes of section 19 of the Financial Services and Markets Act 2000. In the United Kingdom, it conducts wholesale banking business and through its Private Wealth Management division, it provides holistic wealth management advice and integrated financial solutions for wealthy individuals, their families and selected institutions.

As of 30 June 2012, Deutsche Bank's issued share capital amounted to €2,379,519,078.40 consisting of 929,499,640 ordinary shares without par value. The shares are fully paid up and in registered form. The shares are listed for trading and official quotation on all the German Stock Exchanges. They are also listed on the New York Stock Exchange.

The consolidated financial statements for the fiscal years starting 1 January 2007 are prepared in compliance with International Financial Reporting Standards (IFRS). As of 30 June 2012, Deutsche Bank Group had total assets of €2,241,174 million, total liabilities of € 2,184,816 million and total equity of € 56,358 million on the basis of IFRS (unaudited).

Deutsche Bank's long-term senior debt has been assigned a rating of A+ (outlook negative) by S&P, A2 (outlook stable) by Moody's and A+ (outlook stable) by Fitch Italia.

The foregoing information regarding Deutsche Bank AG, acting through its London Branch under the heading "*THE PRINCIPAL PAYING AGENT, THE CALCULATION AGENT AND THE CASH ADMINISTRATOR*" has been provided by Deutsche Bank AG, acting through its London Branch.

THE CORPORATE ADMINISTRATOR

Pursuant to the Corporate Administration Agreement, Deutsche International Corporate Services (Ireland) Limited will act as corporate administrator in respect of the Issuer.

The foregoing information regarding the Corporate Administrator under the heading "*THE CORPORATE ADMINISTRATOR*" has been provided by Deutsche International Corporate Services (Ireland) Limited.

THE TRANSACTION ACCOUNT BANK AND THE CUSTODIAN

Deutsche Bank originated from the reunification of Norddeutsche Bank Aktiengesellschaft, Hamburg, Rheinisch-Westfälische Bank Aktiengesellschaft, Duesseldorf and Süddeutsche Bank Aktiengesellschaft, Munich; pursuant to the Law on the Regional Scope of Credit Institutions, these had been disincorporated in 1952 from Deutsche Bank which was founded in 1870. The merger and the name were entered in the Commercial Register of the District Court Frankfurt am Main on 2 May 1957. Deutsche Bank is a banking institution and a stock corporation incorporated under the laws of Germany under registration number HRB 30 000. The Bank has its registered office in Frankfurt am Main, Germany. It maintains its head office at Taunusanlage 12, 60325 Frankfurt am Main and branch offices in Germany and abroad, including in London, New York, Sydney, Tokyo and an Asia-Pacific Head Office in Singapore, which serve as hubs for its operations in the respective regions.

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Deutsche Bank's long-term senior debt has been assigned a rating of A+ (outlook negative) by S&P, A2 (outlookstable) by Moody's and A+ (outlook stable) by Fitch Italia.

The foregoing information regarding Deutsche Bank AG, acting through its London Branch under the heading "*THE TRANSACTION ACCOUNT BANK AND THE CUSTODIAN*" has been provided by Deutsche Bank AG, acting through its London Branch.

THE CROSS CURRENCY SWAP COUNTERPARTY

The Cross Currency Swap Counterparty is Deutsche Bank AG, acting through its London Branch.

Deutsche Bank Aktiengesellschaft ("**Deutsche Bank**" or the "**Bank**") originated from the reunification of Norddeutsche Bank Aktiengesellschaft, Hamburg, Rheinisch-Westfälische Bank Aktiengesellschaft, Duesseldorf and Süddeutsche Bank Aktiengesellschaft, Munich; pursuant to the Law on the Regional Scope of Credit Institutions, these had been disincorporated in 1952 from Deutsche Bank which was founded in 1870. The merger and the name were entered in the Commercial Register of the District Court Frankfurt am Main on 2 May 1957. Deutsche Bank is a banking institution and a stock corporation incorporated under the laws of Germany under registration number HRB 30 000. The Bank has its registered office in Frankfurt am Main, Germany. It maintains its head office at Taunusanlage 12, 60325 Frankfurt am Main and branch offices in Germany and abroad, including in London, New York, Sydney, Tokyo and an Asia-Pacific Head Office in Singapore, which serve as hubs for its operations in the respective regions.

The Bank is the parent company of a group consisting of banks, capital market companies, fund management companies, a real estate finance company, instalment financing companies, research and consultancy companies and other domestic and foreign companies (the "**Deutsche Bank Group**").

Deutsche Bank AG, London Branch is the London branch of Deutsche Bank AG. On 12 January 1973, Deutsche Bank AG filed in the United Kingdom the documents required pursuant to section 407 of the Companies Act 1948 to establish a place of business within Great Britain. On 14 January 1993, Deutsche Bank registered under Schedule 21A to the Companies Act 1985 as having established a branch (Registration No. BR000005) in England and Wales. Deutsche Bank AG, London Branch is an authorized person for the purposes of section 19 of the Financial Services and Markets Act 2000. In the United Kingdom, it conducts wholesale banking business and through its Private Wealth Management division, it provides holistic wealth management advice and integrated financial solutions for wealthy individuals, their families and selected institutions.

As of 30 June 2012, Deutsche Bank's issued share capital amounted to €2,379,519,078.40 consisting of 929,499,640 ordinary shares without par value. The shares are fully paid up and in registered form. The shares are listed for trading and official quotation on all the German Stock Exchanges. They are also listed on the New York Stock Exchange.

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Deutsche Bank's long-term senior debt has been assigned a rating of A+ (outlook negative) by S&P, A2 (outlook stable) by Moody's and A+ (outlook stable) by Fitch Italia.

The foregoing information regarding the Cross Currency Swap Counterparty under the heading "*THE CROSS CURRENCY SWAP COUNTERPARTY*" has been provided by Deutsche Bank AG, London Branch for use in this Prospectus.

THE NOTE TRUSTEE AND THE SECURITY TRUSTEE

Pursuant to the Note Trust Deed, the Note Trustee will be appointed as note trustee. Pursuant to the Security Trust Deed, the Security Trustee has been appointed as security trustee and has agreed to hold on trust for the Issuer Secured Parties the Transaction Secured Obligations and the benefit of the Security Documents. See "*OUTLINE OF THE OTHER PRINCIPAL TRANSACTION DOCUMENTS -Security Trust Deed*" and "*—Note Trust Deed*".

The Note Trustee and Security Trustee is Deutsche Trustee Company Limited, United Kingdom.

Deutsche Trustee Company Limited is a company incorporated under the laws of England and Wales with registered office at Winchester House, 1 Great Winchester Street, London EC2N 2DB United Kingdom, fiscal coder and enrolment in the companies' register of the United Kingdom No. 338230.

Deutsche Trustee Company Limited, London, England, is wholly owned by its ultimate parent Deutsche Bank AG.

The foregoing information regarding Deutsche Trustee Company Limited under the heading "*THE NOTE TRUSTEE AND THE SECURITY TRUSTEE*" has been provided by Deutsche Trustee Company Limited.

THE REGISTRAR AND THE TRANSFER AGENT

The Registrar and the Transfer Agent is Deutsche Bank Luxembourg S.A.

Deutsche Bank Luxembourg S.A. is a public limited liability company incorporated under the laws of Luxembourg, registered with the Register of Commerce and Companies in Luxembourg under number B 9164, whose registered office is at 2, Boulevard Konrad Adenauer, L-1115 Luxembourg.

The foregoing information regarding Deutsche Bank Luxembourg S.A. under the heading "*THE REGISTRAR AND THE TRANSFER AGENT*" has been provided by Deutsche Bank Luxembourg S.A..

THE ISSUER SECURED ACCOUNTS

The Issuer will maintain the Transaction Account in connection with the Transaction Account Bank for the receipt of amounts relating to the Purchased Auto Loans and the Related Collateral and for the completion of its related payment obligations and for the Class A Cash Accumulation Ledger. The Issuer will maintain the Reserve Account with the Transaction Account Bank to hold the Reserve Fund and the Liquidity Reserve. The Issuer will maintain the Commingling Reserve Account with the Transaction Account Bank to hold certain funds to be deposited by the Servicer (or, if different, the Seller) in certain circumstances pursuant to the Servicing Agreement. The Issuer will maintain the Currency Swap Reserve Account with the Transaction Account Bank to hold Currency Swap Excess Amounts. Amounts in the Transaction Account, with certain exceptions, the Reserve Account, in certain circumstances, the Commingling Reserve Account and, in certain circumstances, the Currency Swap Reserve Account, will be included in Available Distribution Amounts on each Payment Date.

The Issuer Secured Accounts will be maintained at the Transaction Account Bank, Deutsche Bank AG, London Branch or any other person appointed as Transaction Account Bank in accordance with the Transaction Account Agreement and the Security Trust Deed.

The Cash Administrator shall make payments from the Issuer Secured Accounts without having to execute an affidavit or fulfil any formalities other than comply with tax, currency exchange or other regulations of the country where the payment takes place.

All payments to be made by or to the Issuer in connection with the Notes and the other Transaction Documents, as well as the processing of proceeds from the Purchased Auto Loans and the Related Collateral, are undertaken through the Transaction Account.

Pursuant to the Security Trust Deed, all claims of the Issuer in respect of the Issuer Secured Accounts are transferred for security purposes to the Security Trustee.

Under the Security Trust Deed, the Issuer is permitted to administer the Issuer Secured Accounts to the extent that all obligations of the Issuer are fulfilled in accordance with the Pre-Enforcement Priority of Payments, Note Condition 2.3 (Pre-Enforcement Priority of Payments) and the requirements of the Security Trust Deed. The Security Trustee may rescind this authority of account administration granted to the Issuer and take any necessary action with respect to the Issuer Secured Accounts upon instructions of the Note Trustee in accordance with the terms of the Security Trust Deed.

Transaction Account Agreement

Pursuant to the Transaction Account Agreement entered into between the Issuer, the Note Trustee, the Security Trustee, the Transaction Account Bank and the Cash Administrator in relation to the Issuer Secured Accounts have been opened with the Transaction Account Bank on or prior to the Purchase Date. The Transaction Account Bank will comply with any written direction of the Cash Administrator to effect a payment by debit from any of the Issuer Secured Accounts if such direction is in writing and complies with the relevant account arrangements between the Issuer and the Transaction Account Bank and is permitted under the Transaction Account Agreement.

Any amount standing to the credit of any of the Issuer Secured Accounts will bear interest as agreed between the Issuer and the Transaction Account Bank from time to time, always in accordance with the applicable provisions (if any) of the relevant account arrangements, such interest to be calculated and credited to the relevant Issuer Secured Account in accordance with the Transaction Account Bank's usual procedure for crediting interest to such accounts.

Under the Transaction Account Agreement, the Transaction Account Bank waives any first priority pledge or other lien, including its standard contract terms pledge, it may have with respect to any of the Issuer Secured Accounts and further waives any right it has or may acquire to combine, consolidate or merge any of the Issuer Secured Accounts with each other or with any other account of the Issuer or any other person or to set-off any liabilities of the Issuer or any other person to the Transaction Account Bank, and further agrees that it shall not set-off or transfer any sum standing to the credit of or to be credited to any of the Issuer Secured Accounts in or towards satisfaction of any liabilities to the Transaction Account Bank or the Issuer, as the case may be, or any other person.

If a Ratings Downgrade occurs with respect to the Transaction Account Bank, the Issuer shall (with the prior written consent of the Note Trustee) procure that within 30 calendar days after the occurrence of such Ratings Downgrade, the Issuer Secured Accounts and the Expenses Loan Payment Account and all funds standing to the credit of the Issuer Secured Accounts and the Expenses Loan Payment Account are transferred to another bank or banks that meet the Required Rating. As at the date of this Prospectus, the short-term unsecured, unsubordinated and unguaranteed debt obligations of the Transaction Account Bank are currently rated F1+ by Fitch and Prime-1 by Moody's.

LEGAL MATTERS - NORWAY

The following is a general discussion of certain Norwegian legal matters. This discussion does not purport to be a comprehensive description of all Norwegian legal matters which may be relevant to a decision to purchase Notes. This summary is based on the laws of Norway currently in force and as applied on the date of this Prospectus, which are subject to change, possibly also with retroactive or retrospective effect.

Prospective investors are requested to consider all the information in this Prospectus (including "Risk Factors"), make such other enquiries and investigations as they consider appropriate and reach their own views prior to making any investment decisions.

Insolvency law

Under Norwegian bankruptcy law, a creditor who holds a perfected security right in any Purchased Auto Loans or Related Collateral will have a preferential right to proceeds derived from the realisation of such Purchased Auto Loans and Related Collateral. Enforcement and realisation of perfected security rights are subject in Norway to the provisions of the Enforcement Act.

In the event that a Debtor defaults on a Purchased Auto Loan, and the value of the relevant Related Collateral is insufficient to recover all or any of the remaining Outstanding Principal Amount of that Purchased Auto Loan, then the Issuer or the Security Trustee (as the case may be) will have an unsecured claim against the Debtor for any residual debt exceeding the value of the Related Collateral. If the Debtor enters into bankruptcy or similar proceedings, the Issuer's (or Security Trustee's) unsecured claim against the Debtor may be reduced by law.

If a Debtor goes into bankruptcy, the bankruptcy estate will have a first priority lien on all the Debtor's pledged assets, limited however to 5% of the value of such asset. This may affect auto chattel mortgages granted by the Debtor in connection with the Auto Loan. For instance, if the Debtor has granted an auto chattel mortgage over an auto worth NOK 100,000, then the bankruptcy estate will have a first priority lien limited to NOK 5,000 in the auto, and the auto chattel mortgagee will have a secured claim over the rest. The funds obtained through the exercise of the statutory lien, may only be used to pay for necessary expenses in connection with the bankruptcy proceedings of the Debtor.

Assignment of Purchased Auto Loans to Issuer

If the Seller's assignment of Auto Loans to the Issuer does not comply with the provisions of the relevant Loan Contracts and applicable law, then the Debtors may, pursuant to Norwegian law, refuse to acknowledge the Issuer's creditor rights with respect to such Auto Loans and will be entitled to continue to make payments on those Auto Loans directly to the Seller, notwithstanding a Servicer Termination Event such as the Seller's insolvency. This could limit the Issuer's rights with respect to such Auto Loans in the event of the Seller's insolvency or other circumstances.

As a general rule under Norwegian law, non-negotiable debt claims (*enkle pengekrav*), such as the Purchased Auto Loans, can be freely assigned by way of ownership or security, unless prohibited by law or contract. When a Norwegian financial institution such as the Seller sells a loan portfolio to a non-financial institution such as the Issuer, Section 45 of the Norwegian Financial Agreements Act 1999 (*finansavtaleloven*) (the "**FAA**") requires the Seller to obtain the debtors' active consent to the transfer of the portfolio. However, following the enactment of the Norwegian securitisation rules in 2004, Section 2-39 of the Norwegian Financial Institutions Act 1988 (*finansieringsvirksomhetsloven*) (the "**FIA**") now contains a special rule which enables a seller to rely on a debtor's passive consent with respect to a securitisation involving a sale of the debtor's loan, provided that the debtor has been notified about the securitisation and has been given a reasonable time period (in no event shorter than three weeks) to object to the sale and transfer of the loan. If no objection has been raised by the debtor by the expiry of the reasonable time period, the debtor is regarded as having consented to the sale and transfer of the loan.

Pursuant to the Auto Portfolio Purchase Agreement, the Seller has warranted to the Issuer that the Loan Contracts documenting the Purchased Auto Loans are non-negotiable promissory notes which are assignable and based on certain standard forms. Such standard forms do not specifically prohibit the Seller from transferring its rights under the relevant Loan Contract to a third party.

The assignment of an Auto Loan by way of ownership to the Issuer obtains legal perfection when the relevant Debtor has been notified about the assignment, subject to the discussion above. The Seller has issued notifications about the securitisation to each individual Debtor as discussed above. Each notice has been written in Norwegian, and specifies the assignment of the relevant Auto Loan and Related Collateral to the Issuer, as well as the Issuer's security assignment of the same in favour of the Security Trustee. Each notice also specifies the respective rights and obligations of the Seller and the Issuer towards the Debtor after the Transaction has been completed. Debtors who have not protested against the assignments described in the notice within the deadline set forth therein are regarded as having consented to the assignment in accordance with FIA Section 2-39. Auto Loans of Debtors who have protested against the assignments will

not be included in the securitisation and thus will not constitute Purchased Auto Loans. In addition to the notifications mentioned above, the Seller has undertaken to procure that, when completed in accordance with the Auto Portfolio Purchase Agreement, the sale and transfer of the Portfolio obtains legal perfection by virtue of a second notification to be issued to each of the Debtors on or about the Purchase Date.

Assignment of Related Collateral to Issuer

As at 31 October 2012, the Purchased Auto Loans are secured by various types of security rights granted in favour of the Seller. Under Norwegian law, security rights are generally assignable together with the underlying debt claim they relate to, unless prohibited by law or contract. When a debt claim and pertinent security right(s) are collectively assigned by way of ownership, the perfection rules applicable to the debt claim will as a general rule apply also to the assignment of the security rights. Since the transfer of the Purchased Auto Loans to the Issuer obtains legal perfection through notification to the relevant Debtors, the transfer of the Related Collateral will be perfected the same way. However, some additional requirements apply with respect to third party guarantees and insurance claims, as described below.

For approximately 98% of Purchased Auto Loans, (as at 30 September 2012), the Debtors are contractually obligated towards the Seller to maintain "full coverage" vehicle insurance (comprehensive, collision damages etc.) over the Financed Vehicle, and to ensure that the Seller is named as co-insured in the insurance policy. Under Norwegian law, absent any contractual provisions to the contrary, the Seller may freely assign to the Issuer its monetary rights as co-insured under any applicable vehicle insurance. Such assignment is perfected against the Seller's creditors by notifying the relevant insurance company. The Seller does not maintain updated databases over vehicle insurances taken out by Debtors and is therefore not able to confirm whether the Seller is named as co-insured under those insurances, and whether the monetary benefit thereunder can be freely assigned. Accordingly, the Seller's ability to assign its contingent claims as co-insured under vehicle insurances may be limited, and neither the Seller nor the Issuer will take any measures to identify and/or notify relevant vehicle insurance companies about the assignment of contingent vehicle insurance claims from the Seller to the Issuer. Further, depending on the terms and conditions of the relevant vehicle insurance policy, the Seller's rights as co-insured may in any event be void in certain scenarios, e.g. in cases where the Debtor's insurance claim is void or reduced because of a violation of the terms and conditions of the policy (e.g. drunk driving, reckless speeding, etc.) or where the Purchased Auto Loan has been granted in violation of statutory rules regarding minimum requirements for cash down payments by consumers when purchasing a credit financed chattel (for information about these requirements, see "*RISK FACTORS — Enforcement of Purchased Auto Loans and Related Collateral*").

For approximately 25.6% of Purchased Auto Loans, (as at 30 September 2012), the Debtors have taken out CPI Policies sold by the Seller and underwritten by the CPI Insurers. The agreements between the Seller and the CPI Insurers provide that the Seller, subject to certain conditions, may be entitled to a payment from the CPI Insurers if an insured Debtor dies; however, the Seller does not enjoy any direct economic benefit if the Debtor's loan servicing ability is reduced or lost by reason of injury, disease, or other non-fatal occurrences. The Seller's claim in the event of a Debtor's death is a contingent monetary claim which can be assigned by way of ownership to the Issuer. Such assignment is perfected against the Seller's creditors by notifying the relevant CPI Insurer. Failure to notify a CPI Insurer about the assignment will entitle the guarantor to treat the Seller as guarantee creditor and pay any amount due under the guarantee to the Seller. However, the Seller has undertaken to issue notification about the assignments to the CPI Insurers.

Some CPI Policies are subject to a single, up-front premium payment. The Seller has financed such up-front premium payments by granting Debtors a separate credit which has been added to the aggregate principal amount of the relevant auto loan. Upon a Debtor's early termination of the CPI Policy, the Debtor may be entitled to a partial or full refund of the insurance premium depending on the circumstances. In such cases, the Seller will credit the Debtor's Auto Loan correspondingly. Accordingly, there is a risk that the outstanding principal amount of Purchased Auto Loans which have been transferred to the Issuer could be reduced upon the Debtor's early termination of CPI Policy. However, it is expected that the aggregate portions of the principal amounts of the Purchased Auto Loans corresponding to such up-front premium payments will not, as at 30 September 2012 exceed 2.2% of the aggregate principal amount of all Purchased Auto Loans, and this amount has been taken into account in fixing the initial principal amount of the Class B Notes.

A small portion of Auto Loan are secured by third party guarantees. Under Norwegian law, unless otherwise agreed with an individual guarantor, the Seller will be entitled to assign to the Issuer by way of ownership its monetary rights under such guarantee. A failure to notify the guarantor about the assignment pursuant to FAA Section 58, may entitle the guarantor to treat the Seller as guarantee creditor, and pay any amount due under the guarantee to the Seller. The guarantor will also be entitled to set off any payment obligation under the guarantee against any counterclaim the guarantor may have against the Seller, if such counterclaim (i) existed at the time the guarantor was informed about the assignment of the Auto Loan to the Issuer, and (ii) has become due and payable before or at the same time as the guarantee claim against the guarantor becomes due and payable. However, here the Seller notified each guarantor about the assignment pursuant to FAA Section 58 at the same time as the Debtors were given their first notice of the securitisation.

Grant of security over Portfolio by the Issuer to the Security Trustee

Pursuant to the Security Documents, the Issuer will grant security over its assets, including the Portfolio, in favour of the Security Trustee. It is not entirely clear from Norwegian private international law whether the Issuer's grant of security over the Portfolio in favour of the Security Trustee will have to comply with Norwegian law, for instance Norwegian security rights legislation.

Under Norwegian law, the Issuer may grant security over its assets to the extent allowed by law and contract. No contractual restrictions in the Loan Contracts, the documents relating to the Related Collateral, or any other related documents have been identified which could restrict the Issuer's ability to grant a security over the Portfolio in favour of the Security Trustee.

With respect to the Issuer's Purchased Auto Loans, these may be pledged in favour of the Security Trustee and such pledge will obtain legal perfection by virtue of notification to the relevant Debtor. The same is the case for security assignments of contingent third party guarantee claims and insurance claims; however, in these cases it is also advisable to notify the relevant guarantor and/or insurance company. Such notification has been issued to certain, but not all, of these third parties.

The Issuer's assignment of auto chattel mortgages to the Security Trustee by way of security means that the Security Trustee is granted a sub-mortgage over such auto chattel mortgages. The ability to create sub-mortgages over auto chattel mortgages pursuant to Norwegian law is not entirely clear, but a preponderance of relevant sources of Norwegian law suggest that such sub-mortgages can be created. The same legal sources suggest that an auto chattel sub-mortgage obtains legal perfection by virtue of notification to the relevant Debtor.

If auto chattel mortgages are validly assigned by the Issuer to the Security Trustee by way of security, the Security Trustee will obtain sub-mortgages over such security rights. Pursuant to Section 1-10 (1) in Act No. 2 of 8 February 1980 on Mortgages, Pledges, Liens etc. (the "**Pledge Act**"), security rights can be sub-mortgaged to third parties unless prohibited by contract or other circumstances. However, it is not entirely clear under Norwegian law whether Section 1-10 (1) in the Pledge Act constitutes a statutory basis for the creation of sub-mortgages in general. This is of particular importance with respect to sub-mortgages over auto chattel mortgages as the Pledge Act does not specifically mention the possibility of such sub-mortgages being created.

There is Norwegian case law available which suggests that a sub-mortgage over an auto chattel mortgage, although not specifically mentioned in the Pledge Act, could be created under Section 1-10 of the Pledge Act, and that such sub-mortgages will obtain legal perfection the same way as the pledge over the underlying Purchased Auto Loan, i.e. notification to the Debtor. However, the precedent value of available case law is uncertain, and it is therefore a risk that sub-mortgages over auto chattel mortgages would not be recognized by the Norwegian courts.

The Issuer's assignment of security over the Portfolio to the Security Trustee will be covered by the Debtor's tacit consent given in connection with the securitisation, as described in more detail above.

Existing rights of Debtors

Following the Purchase Date, a Debtor will be entitled to invoke the same objections and defences (including set-off and counterclaim) relating to a Purchased Auto Loan, against the Issuer or the Security Trustee (as the case may be, depending on whether there is an enforcement situation) as the Debtor was entitled to invoke against the Seller prior to the Purchase Date. This is because when a Norwegian financial institution such as the Seller assigns a loan by way of ownership, the assignee (here, the Issuer) becomes the new creditor for the loan on the same terms as the Seller.

The Servicer (acting on behalf of the Issuer) will have the same right to adjust interest rates and fees on the Purchased Auto Loans as the Seller had pursuant to the Loan Contracts and applicable law. In general, neither the Loan Contracts nor any consumer law or other regulation will prevent the Servicer from increasing the interest rates on the Portfolio at different times or in different magnitudes than what is the case for the unsecuritised loan portfolio remaining with the Seller. The fact that the increase comes at different times or in different magnitudes than with respect to the Seller's retained auto loans will only be a justifiable reason for a Debtor's objection if it is held that the increase was not justified under the Loan Contract and/or applicable consumer law or other regulation.

If a Purchased Auto Loan was granted pursuant to an agreement between the Seller and the seller of the relevant Financed Vehicle, the Debtor is, pursuant to Section 54b of the FAA, able to direct against the Seller any claim the Debtor may have against the seller of the Financed Vehicle as a result of the purchase. Such claim must be a commercial claim which exists against the seller of the relevant Financed Vehicle pursuant to the sales contract and any applicable law of sales, e.g. claims relating to a Financed Vehicle defect. This means that, for example, claims relating to a personal injury cannot be brought against the Seller, even if the personal injury is caused by, or in connection with, the use of the Financed Vehicle. The Debtor can only bring monetary claims against the Seller, and not claims for specific

performance. Finally, the Seller's liability pursuant to Section 54b is limited to the amount the Seller has received from the relevant Debtor in connection with the sale of the relevant Financed Vehicle. This means that the Seller's liability pursuant to Section 54b can never exceed the total amount repayable to the Seller pursuant to the relevant Purchased Auto Loan. The Seller has warranted that it is not aware that any Debtor has asserted any legal action, lien, right of rescission, counterclaim, set-off, right to contest or defence against the Seller in relation to any claim or potential claim the Debtor has or may have against an auto seller. Following the Purchase Date, the Issuer and/or the Security Trustee, as applicable, will be exposed to the same such liability as the Seller, but their liability will be limited to the same extent as the Seller's liability.

If a Debtor holds a savings account with the Seller, the Debtor is entitled to set-off any amount standing to the credit of that account at the time the Debtor is notified about the completed sale of the relevant Purchased Auto Loan against remaining instalments on such Purchased Auto Loan (cf. Section 26 in Act No.1 of 17 February 1939 relating to promissory notes and other types of claims (*Gjeldsbrevlova*)) (therefore potentially resulting in a shortfall of funds available to make payments on the Notes). Such set-off would most likely only be exercised by the Debtor if the Seller is placed under public administration (i.e. becomes insolvent) and the deposit standing to the credit of the relevant Debtor's bank account was greater than the amount covered by the Norwegian Banks' Guarantee Fund (*Bankenes sikringsfond*) (currently up to NOK 2 million) at the time the Debtor was notified about the completed sale of the loan. If a Debtor deposits money with the Seller after gaining knowledge of the completed sale of the Purchased Auto Loan, claims relating to that deposit cannot be set off against the relevant Purchased Auto Loan.

Norwegian rules on minimum down payments in connection with the purchase of credit-financed chattels

The Seller's non-compliance with Norwegian regulatory requirements regarding minimum down payments (*forskrifter om minste kontantinsats*) could in some circumstances result in (i) the inability of the Servicer, the Issuer and/or the Security Trustee to rely on simplified enforcement procedures following a default by a Debtor under its Loan Contract; and/or (ii) loss of rights under certain types of Related Collateral.

Section 56b of the FAA (as amended in 2010), and Sections 14 and 15 of the Credit Agreement Regulations 2010 promulgated thereunder, contain rules on minimum requirements for cash down payments by a consumer which is a purchaser of a credit financed chattel (the "**Rules**").

The Rules apply in situations where the Seller has granted the Auto Loan pursuant to an agreement with the seller of the auto (as discussed under RISK FACTORS – Existing rights of Debtors). When applicable, the Rules provide that the consumer purchaser must make a Down Payment which may not be financed through a credit from the auto seller, or from a third party lender on the basis of an agreement between the auto seller and the third party lender.

Approximately 84.1% of the Purchased Auto Loans were provided by the Seller without the Debtor having made a cash down payment of at least 35% of the total price of the relevant Financed Vehicle.

According to statements in the Norwegian preparatory works, a violation of the Rules will not in itself give the Debtor a basis for alleging that the Purchased Auto Loan is invalid, or that the Debtor is not (fully or partially) obligated to repay the loan. Further, a violation of the Rules will not invalidate a legally perfected chattel mortgage over the Financed Vehicle, or any other Related Collateral. This applies with respect to the entire Purchased Auto Loan, including the part of the loan which covers the Down Payment the Debtor should have paid itself. The Issuer is not aware of any court decision where a loan has been annulled or reduced as a direct result of a violation of the Rules. See, however, "*RISK FACTORS – Possibility of "unfair contract terms" scrutiny by Norwegian courts*".

While neither the FSAN nor any other regulatory body may annul or revise credits granted in violation of the Rules, a violation of the Rules means that the simplified enforcement procedure (see "*RISK FACTORS – Enforcement of Purchased Auto Loans and Related Collateral*") will not be available. It may also result in the annulment of certain Issuer Secured Party rights pursuant to certain vehicle insurance policies taken out by Debtors over the Financed Vehicles. See "*RISK FACTORS – Assignment of Related Collateral to Issuer*".

Enforcement of Purchased Auto Loans and Related Collateral

In the event of a Debtor's default on a Purchased Auto Loan, the Issuer or Security Trustee (as the case may be) may have to enforce such Purchased Auto Loan and any Related Collateral against the Debtor. Pursuant to the Servicing Agreement, the Servicer will assist the Issuer or the Security Trustee with all practical matters in enforcing such claim on their behalf and in their name.

In Norway, a creditor's right to enforce a claim is regulated by, *inter alia*, the Enforcement Act, which sets out the procedures for enforcing various types of claims, such as the non-negotiable monetary claims under the Purchased Auto Loans. Ultimately, enforcement of a claim in Norway requires the assistance of the Norwegian enforcement authorities.

In order for a debt claim to be enforceable, a default must have occurred pursuant to the terms of the relevant loan. If a default has occurred, a non-secured creditor will in many cases have to file suit and obtain a court judgment in order to petition the Norwegian enforcement authorities to enforce the claim against the debtor. However, if the debtor has undertaken in writing that the claim can be enforced without prior judgment, then the creditor may petition the enforcement authorities directly upon a default. The Seller's standard form Loan Contracts contain such undertakings, meaning that a defaulted Purchased Auto Loan can be enforced with the aid of the enforcement authorities without obtaining a prior court judgment. Following a petition from a creditor to enforce a claim, the enforcement authorities will, if they consider the claim warranted after having given the debtor a chance to defend itself against the claim, register attachments (utlegg) over the debtor's assets to the extent necessary to secure the claim. Thereafter, the attached assets can be realised through a forced public auction process (tvangssalg). If, however, the debtor disputes the decision of the enforcement authorities, the debtor may demand that the enforcement matter be deferred to the courts for decision. For these reasons, enforcement of a disputed claim in Norway pursuant to the Enforcement Act can take considerable time, depending on jurisdiction.

Chapter 9 of the Enforcement Act does provide auto chattel mortgagees with a simplified enforcement process which allows them to take possession of the Financed Vehicle with the assistance of Norwegian enforcement authorities, without first obtaining a court judgment and with no requirement for a forced public auction. In order to take advantage of this simplified enforcement procedure, the auto chattel mortgage must (i) be validly perfected and (ii) relate to a loan granted in compliance with Norwegian rules on minimum down payments (see "*RISK FACTORS — Norwegian rules on minimum down payments in connection with the purchase of credit-financed chattel*"). In so far as any of the Purchased Auto Loans were provided in breach of such minimum down payment rules, the Issuer cannot rely on the simplified enforcement procedure. The simplified process can, therefore, not be used for the majority of the Purchased Auto Loans. However, such loans can still be enforced in the courts (although that could make the enforcement procedure more cumbersome, expensive and time consuming) and the chattel mortgagee may also be able to repossess the Financed Vehicle through an agreement with the Debtor, as long as such agreement is entered into after the default has occurred.

Possibility of "unfair contract terms" scrutiny by Norwegian courts

Section 36 of the Norwegian Contracts Act ("**Section 36**") gives Norwegian courts a general discretion to annul or revise "unfair contract terms" based on specific circumstances. The courts may take into consideration circumstances which were present at the time of the agreement as well as subsequent circumstances. A violation of the Rules is one factor which can be taken into account.

According to Norwegian preparatory works and case law, the threshold for the application of Section 36 is high. No cases where a court of law has annulled or reduced a consumer's debt pursuant to Section 36 due to a violation of the Rules have been identified. However, there is one known case which went before the Complaints Board for Consumers in Banking, Finance and Mutual Fund Matters in Norway (*Finansklagenemnda*, previously *Bankklagenemnda*) (the "**Board**"), in which the Board held that a consumer borrower who had borrowed money to purchase a car was entitled to a reduction of 50% of his remaining debt to the lender concerned pursuant to Section 36.

The Board is not a court organ but rather a complaints board established by an agreement between the Consumer Council of Norway (*Forbrukerrådet*) and FNO Finance Norway (*Finansnæringens Fellesorganisasjon*), the main professional organisation for Norwegian banks and finance institutions. The Board issues reasoned opinions which are not binding on the parties. If, however, a finance institution does not intend to comply with the Board's reasoned opinion, it must inform the Board of this intention within three weeks of the Board's opinion.

In the above-mentioned case before the Board, the debtor had been granted an auto loan from a finance company through intermediation by the auto dealer who sold the auto. The auto dealer had artificially inflated the price of the auto to circumvent the Rules. The debtor, who was 20 years old, did not have any other means to finance the purchase. Approximately one month after the purchase, the debtor was conscripted to the army, and as a result he defaulted on the loan and returned the auto to the dealer. The lender then enforced its chattel mortgage and sold the car for a substantially lower price than the debtor had paid for it, leaving the debtor with a substantial residual debt to the lender. The Board found that the lender co-operated with the auto dealer and was aware of the violation of the Rules. Based on the specific facts, the Board held that the lender, as the professional party, could be criticized for arranging the loan and that it would be unfair to maintain the full claim against the borrower. The Board recommended, with reference of Section 36, that the borrower's residual debt to the lender should be reduced by 50%. No published court case with respect to this matter has been identified. It was not the breach of the Rules itself which led the Board to reach its conclusion, but the fact that the Rules had been violated formed part of the Board's reasoning.

Based on the foregoing, Section 36 should only be applied in cases where its application is warranted by other factors in addition to a breach of the Rules. However, as Section 36 provides Norwegian courts with a discretionary power to annul or revise "unreasonable" contracts, there will be some risk inherent in relation to the application of Section 36 to Purchased Auto Loans which have been granted in violation of the Rules.

Duration of effectiveness of a chattel mortgage (salgs pant)

Pursuant to section 3-21 of the Pledge Act, the duration of a chattel mortgage is limited to a maximum of five years, estimated from the day the chattel was delivered to the borrower. After this time period the chattel mortgage will be void, unless the mortgagee has taken certain steps to enforce the chattel mortgage before the expiry date.

The expiry of the chattel mortgage does not affect the underlying loan. If the loan's duration is more than five years, it will no longer be secured when the chattel mortgage has expired.

As at 30 September 2012, none of the Purchased Auto Loans have been "on book" for five years or longer. The effect of Section 3-21 of the Pledge Act is limited by the fact that, at the time when the chattel mortgage relating to a particular Purchased Auto Loan becomes ineffective, the ratio of the remaining debt owed on such Purchased Auto Loan to the initial principal amount of that Auto Loan would be relatively small.

Distribution of Collections from the Seller to the Issuer – risks in event of the Seller's insolvency

Currently, the Debtors make payments on Auto Loans into one or more Seller Collections Accounts. Following the purchase of the Portfolio by the Issuer, the Debtors will continue to make payments on the Purchased Auto Loans into the Seller Collections Accounts. The Seller (acting as Servicer) will, on each Oslo Banking Day when any payments are received and credited to any Seller Collections Account, identify the portion, if any, of those payments that constitute Collections. With respect to each Collection Period, on the relevant Transfer Date, the Seller (acting as Servicer) will pay to the Transaction Account an amount equal to the Collections received during that Collection Period. The Seller (acting as Servicer) shall pay the Issuer interest on the amount of those Collections, for each day from and including the Oslo Banking Day when it receives those Collections to but excluding the Transfer Date or other date on which it transfers those Collections to the Transaction Account, at the same rate as the effective rate of interest received by the Seller on amounts held in the Seller Collections Account during the relevant period. Such interest shall be payable on each Transfer Date.

If the Seller becomes insolvent and is placed under public administration, the public administration board will gain control over all assets in the Seller's possession, including funds credited to the Seller Collections Accounts and other bank accounts of the Seller. Since both Collections and other monies of the Seller will be credited to the Seller Collections Accounts and utilised by the Seller in its ordinary course of business, the Collections will be legally deemed as commingled with the Seller's other funds and the Issuer will not be able to claim a preferential right to funds held by the Seller if and when the Seller is placed under public administration. See "*RISK FACTORS — Risk of late forwarding of payments received by the Servicer*").

The public administration board will have a unilateral and discretionary right to accede to the Seller's contracts or refrain from doing so. If it accedes to a contract, it will be bound by all the terms and conditions of the contract. However, if it chooses not to accede to a contract, the other parties to the contract may usually terminate the contract and file any claim thereunder with the public administration board as a dividend claim.

Pursuant to the Servicing Agreement, if a Servicer Termination Event occurs (and whether or not the Note Trustee terminates the Servicer's appointment) or if the Seller's 100% owner's long term debt is no longer rated at least investment grade by Fitch or at least Baa2 by Moody's, the Issuer or the Note Trustee may give notice or require the Servicer to give notice to the Debtors, instructing them to make payments to an account in the name of the Issuer subject to security in favour of the Security Trustee.

Limitations with respect to Debtor personal data

According to the Norwegian Personal Data Act, a transfer of a customer's personal data is permitted if (a) the relevant customer has consented to such transfer, or (b) such transfer is permitted by law, or (c) such transfer is necessary in order to enable the data controller to protect legitimate interests, unless the customers need for protection of personal data is stronger than the interests of the data controller. The provision for transfer of Debtors' personal data are designed to comply with (c) above, on the basis that such transfer is necessary to maintain the legitimate interests of the Seller, the Issuer, the Note Trustee and the Security Trustee, and that the protection mechanisms provided for in the Auto Portfolio Purchase Agreement, Servicing Agreement and other relevant Transaction Documents take into account the legitimate interests of the Debtors. Furthermore, the Auto Loan contracts do not contain any confidentiality provisions.

Personal data can only be transferred cross border where the receiving country ensures an adequate level of protection of the data. Pursuant to the Norwegian Personal Data Act, countries within the EU/EEA area that have implemented Directive 95/46/EC are automatically regarded as meeting this requirement. As part of the assignment of the Portfolio to the Issuer, personal data might be transferred cross border from Norway to Ireland. As Ireland has implemented Directive 95/45/EC, such transfer will be in compliance with the Norwegian Personal Data Act.

Notwithstanding the preceding, the Seller being a Norwegian financial institution is bound by Norwegian statutory regulations regarding banking secrecy (such as Section 18 of the Commercial Bank Act), prohibiting the transfer of confidential customer data to any third party. Based on *inter alia* statements in the FIA's preparatory works (see for instance NOU 2001:23 section 6.9.4), customer information which is being transferred to the Issuer and which is displayed in the Loan Contracts relating to the Purchased Auto Loans can be transferred to the Issuer without the explicit consent of the Debtors. This customer information includes the name of the Debtors, the personal identification number of the Debtors, the Debtors' address' and information concerning certain security rights for the loan. However, other information about the Debtors' and or their loans (being information not required by the Issuer as part of the securitisation) can only be transferred to the Issuer upon consent from the Debtors.

If the Servicing Agreement with the Issuer is terminated, it will be necessary to appoint a new servicer for the Portfolio. Pursuant to Section 2-38 of the FIA, only banks properly licensed or passported to conduct banking activities in Norway may act as substitute servicers for the Portfolio. The Issuer will not be able to itself act as servicer. If a bank is validly appointed as substitute servicer, then logically the Seller will most likely be entitled to transfer confidential information about the Debtors and the Portfolio to the substitute servicer without explicit consent from the Debtors on the basis that the substitute servicer would be a financial institution which would be subject to the same Norwegian bank confidentiality rules as the Seller. However, there is no Norwegian legislation, regulatory guidelines or other legal sources available to expressly confirm this view, so the position is somewhat uncertain.

TAXATION

The following is a general discussion of certain Norwegian and Irish tax consequences of the acquisition, ownership and disposition of Notes. This discussion does not purport to be a comprehensive description of all tax considerations which may be relevant to a decision to purchase Notes. In particular, this discussion does not consider any specific facts or circumstances that may apply to a particular purchaser. This summary is based on the laws of Norway, England and Ireland currently in force and as applied on the date of this Prospectus, which are subject to change, possibly also with retroactive or retrospective effect.

PROSPECTIVE PURCHASERS OF NOTES ARE ADVISED TO CONSULT THEIR OWN TAX ADVISORS AS TO THE TAX CONSEQUENCES OF THE PURCHASE, OWNERSHIP AND DISPOSITION OF NOTES AND THE RECEIPT OF INTEREST THEREON, INCLUDING THE EFFECT OF ANY STATE OR LOCAL TAXES, UNDER THE TAX LAWS OF NORWAY, ENGLAND AND IRELAND AND EACH COUNTRY OF WHICH THEY ARE RESIDENTS OR CITIZENS.

Taxation in Norway

This section should be read in conjunction with "*RISK FACTORS — Taxation of the Issuer in Norway*".

Norwegian residents

The tax consequences described below apply to noteholders tax resident in Norway ("**Norwegian Noteholders**"). In the following, it is assumed that the Notes are bearer bonds or debentures (in Norwegian "*mengdegjeldsbrev*"). In general, debt instruments issued in several with identical text are regarded as bearer bonds/debentures, even if the Notes are in registered form.

Taxation of interest

For Norwegian Noteholders, interest on the Notes is taxable as ordinary income subject to a flat rate of 28%. This applies irrespective of whether the Norwegian Noteholders are individuals or corporations. Interest is taxed according to a realisation principle: as a main rule in the income year in which interest is acquired (i.e. regardless of when the interest is actually paid). For taxpayers without a statutory obligation to keep accounting records, special provisions apply in case of breach of contract resulting in interest not being paid at the end of the income year.

Taxation upon disposal or redemption of the Notes

Redemption at the end of the term as well as prior disposal is treated as a realisation of the Notes and will trigger a capital gain or loss for Norwegian Noteholders. Capital gains will be taxable as ordinary income, subject to the flat rate of 28%. Losses will be deductible in the Norwegian Noteholder's ordinary income, taxed at the same tax rate.

Any capital gain or loss is computed as the difference between the amount received by the Norwegian Noteholder on realisation and the cost price of the bond. The cost price is equal to the price for which the Norwegian Noteholder acquired the Notes. Costs incurred in connection with the acquisition and realisation of the Notes may be deducted from the Norwegian Noteholder's taxable income in the year of the realisation.

Net wealth taxation

The value of the Notes at the end of each income year will be included in the computation of the Norwegian Noteholder's taxable net wealth for municipal and state net wealth tax purposes. The marginal rate of net wealth tax is 1.1%.

Limited liability companies and certain similar entities are exempt from net wealth taxation.

Withholding tax

No withholding tax is currently imposed in Norway on payments made pursuant to the Auto Loans.

Transfer taxes etc. VAT

No transfer taxes, stamp duty or similar taxes are currently imposed in Norway on purchase, disposal or redemption of the Notes. Further, there is no VAT on transfer of the Notes.

Inheritance and gift tax

When Notes are transferred either through inheritance or as a gift, such transfer may give rise to inheritance or gift tax in Norway if the decedent, at the time of death, or the donor, at the time of the gift, is a resident or citizen of Norway. However, in the case of inheritance tax, if the decedent was a citizen but not a resident of Norway, Norwegian inheritance tax will not be levied if inheritance tax or a similar tax is levied by the decedent's country of residence. Irrespective of residence or citizenship, Norwegian inheritance tax may be levied if the Notes are held in connection with the conduct of a trade or business in Norway. The basis for the inheritance or gift tax computation is the market value of the Notes at the time the transfer takes place.

Non-Norwegian residents

Noteholders that are not tax resident in Norway ("**Non-resident Noteholders**") are as a main rule not subject to Norwegian income taxation or Norwegian net wealth taxation in connection with acquisition, holding and disposal of the Notes, unless their investment is linked to a Norwegian permanent establishment or any other business conducted in Norway. Non-resident Noteholders should consult with and rely upon local tax advisors as regards the tax position in their country of residence.

There is no withholding tax for Non-resident Noteholders for Notes issued by a non-Norwegian issuer with respect to payments to noteholders.

Other taxes

No stamp, issue, registration or similar taxes or duties will be payable in Norway in connection with the issuance, delivery or execution of the Notes. Currently, net assets tax is not levied in Norway.

EU Savings Tax Directive

Under the EU Council Directive 2003/48/EC dated 3 June 2003 on the taxation of savings income in the form of interest payments (the "**EU Savings Tax Directive**"), which is applicable as from 1 July 2005, each EU Member State must require paying agents (within the meaning of such directive) established within its territory to provide to the competent authority of such state details of the payment of interest made to any individual resident in another EU Member State as the beneficial owner of the interest. The competent authority of the EU Member State of the paying agent (within the meaning of the EU Savings Tax Directive) is then required to communicate this information to the competent authority of the EU Member State of which the beneficial owner of the interest is a resident. For a transitional period, Austria, Belgium and Luxembourg may opt instead to withhold tax from interest payments within the meaning of the EU Savings Tax Directive.

In conformity with the prerequisites for the application of the EU Savings Tax Directive, a number of non-EU countries and territories, including Norway, have agreed to apply measures equivalent to those contained in the directive. As of the date of the prospectus, such measures have not been adopted in Norway.

Taxation in Ireland

The following is a summary based on the laws and practices currently in force in Ireland regarding the tax position of investors beneficially owning their Notes and should be treated with appropriate caution. Particular rules may apply to certain classes of taxpayers holding Notes. The summary does not constitute tax or legal advice and the comments below are of a general nature only. Prospective investors in the Notes should consult their professional advisers on the tax implications of the purchase, holding, redemption or sale of the Notes and the receipt of interest thereon under the laws of their country of residence, citizenship or domicile.

Withholding tax

In general, tax at the standard rate of income tax (currently 20%), is required to be withheld from payments of Irish source interest. However, an exemption from withholding on interest payments exists under Section 64 of the Taxes Consolidation Act, 1997 (the "**1997 Act**") for certain interest bearing securities ("**quoted Eurobonds**") issued by a body corporate (such as the Issuer) which are quoted on a recognised stock exchange (which would include the Irish Stock Exchange).

Any interest paid on such quoted Eurobonds can be paid free of withholding tax provided:

- 1 the person by or through whom the payment is made is not in Ireland; or
- 2 the payment is made by or through a person in Ireland, and either:

- 2.1 the quoted Eurobond is held in a clearing system recognised by the Irish Revenue Commissioners (Euroclear and Clearstream Luxembourg are so recognised), or
- 2.2 the person who is the beneficial owner of the quoted Eurobond and who is beneficially entitled to the interest is not resident in Ireland and has made a declaration to a relevant person in the prescribed form.

So long as the Series A1 Notes and Series A2 Notes are quoted on a recognised stock exchange and either are held in Euroclear and/or Clearstream Luxembourg, or the paying agent making payments of interest is outside Ireland, interest on the Series A1 Notes and Series A2 Notes can be paid without any withholding or deduction for or on account of Irish income tax.

In the case of the Class B Notes (and if for any reason the quoted Eurobond exemption referred to above does not, or ceases to, apply in respect of the Series A1 Notes and Series A2 Notes) the Issuer can pay interest on the Notes free of withholding tax provided it is a "**qualifying company**" (within the meaning of Section 110 of the 1997 Act) and provided the interest is paid to a person resident in a "**relevant territory**" (i.e. a member state of the European Union (other than Ireland) or in a country with which Ireland has entered into a double taxation agreement that has force of law or, on completion of the necessary procedures, will have force of law, and such double taxation agreement contains an article dealing with interest or income from debt claims). For this purpose, residence is determined by reference to the law of the country in which the recipient claims to be resident. This exemption from withholding tax will not apply, however, if the interest is paid to a company in connection with a trade or business carried on by it through a branch or agency located in Ireland.

In certain circumstances, Irish tax will be required to be withheld at the standard rate from interest on any quoted Eurobond, where such interest is collected by a bank in Ireland on behalf of any Noteholder who is Irish resident.

Taxation of Noteholders

Notwithstanding that a Noteholder may receive interest on the Notes free of withholding tax, the Noteholder may still be liable to pay Irish income tax. Interest paid on the Notes may have an Irish source and therefore be within the charge to Irish income tax and levies. Ireland operates a self assessment system in respect of income tax and any person, including a person who is neither resident nor ordinarily resident in Ireland, with Irish source income comes within its scope.

However, interest on the Notes will be exempt from Irish income tax if the recipient of the interest is resident in a relevant territory provided either (i) the Notes are quoted Eurobonds and are exempt from withholding tax as set out above, or (ii) in the case of the Class B Notes (and if for any reason the quoted Eurobond exemption referred to above does not, or ceases to, apply in respect of the Series A1 Notes and the Series A2 Notes), if the Issuer is a qualifying company within the meaning of Section 110 of the 1997 Act, or (iii) if the Issuer has ceased to be a qualifying company, the recipient of the interest is a company and the jurisdiction concerned imposes a tax that generally applies to interest receivable in that jurisdiction by companies from sources outside that jurisdiction.

Notwithstanding these exemptions from income tax, a corporate recipient that carries on a trade in Ireland through a branch or agency in respect of which the Notes are held or attributed, may have a liability to Irish corporation tax on the interest.

Interest on the Notes which does not fall within the above exemptions may be within the charge to Irish income tax.

Capital gains tax

A holder of Notes will be subject to Irish tax on capital gains on a disposal of Notes unless such holder is neither resident nor ordinarily resident in Ireland and does not carry on a trade in Ireland through a branch or agency in respect of which the Notes are used or held.

Capital acquisitions tax

A gift or inheritance comprising of Notes will be within the charge to capital acquisitions tax if either (i) the disponent or the donee/successor in relation to the gift or inheritance is resident or ordinarily resident in Ireland (or, in certain circumstances, if the disponent is domiciled in Ireland irrespective of his residence or that of the donee/successor) or (ii) if the Notes are regarded as property situate in Ireland. Bearer notes are generally regarded as situated where they are physically located at any particular time, but the Notes may be regarded as situated in Ireland regardless of their physical location as they secure a debt due by an Irish resident debtor and they may be secured over Irish property. Accordingly, if such Notes are comprised in a gift or inheritance, the gift or inheritance may be within the charge to tax regardless of the residence status of the disponent or the donee/successor.

Stamp duty

Provided the Issuer remains a qualifying company, no stamp duty or similar tax is imposed in Ireland on the issue (on the basis of an exemption provided for in Section 85(2)(c) to the Stamp Duties Consolidation Act, 1999 provided the money raised on the issue of the Notes is used in the course of the Issuer's business), transfer or redemption of the Notes whether they are represented by Notes or definitive notes.

SUBSCRIPTION AND SALE

Subscription of the Notes

Pursuant to the Subscription Agreement, the Joint Lead Managers have agreed, subject to certain conditions, to subscribe or, on a best efforts basis, to procure subscriptions for, the Series A1 Notes, Banco Santander, S.A. and RBC Europe Limited will subscribe for or, on a best efforts basis, procure subscription for the Series A2 Notes. The Issuer has agreed to reimburse the Joint Lead Managers for certain of its expenses in connection with the issue of the Class A Notes. The Issuer will draw an advance under the Expenses Loan to pay, *inter alia*, certain transaction structuring fees and expenses of the Joint Lead Managers.

In the Subscription Agreement, the Issuer has made certain representations and warranties in respect of its legal and financial matters.

The Subscription Agreement entitles the Joint Lead Managers to terminate their obligations thereunder in certain circumstances prior to payment of the purchase price of the Class A Notes. The Issuer has agreed to indemnify the Joint Lead Managers against certain liabilities in connection with the offer and sale of the Class A Notes.

An affiliate of a Joint Lead Manager will purchase all of the Series A2 Notes on the Closing Date.

Selling Restrictions

United States of America and its territories

The Class A Notes have not been and will not be registered under the Securities Act and may not be offered, or sold within the United States or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to the registration requirements of the Securities Act. Each Joint Lead Manager has represented and agreed that it has not offered or sold the Class A Notes, and will not offer or sell the Class A Notes within the United States or to, or for the account or benefit of, U.S. persons (i) as part of its distribution at any time and (ii) otherwise until 40 calendar days after the completion of the distribution of all Class A Notes except in accordance with Rule 903 of the Regulation S promulgated under the Securities Act. None of the Joint Lead Managers, their Affiliates nor any persons acting on the Joint Lead Managers' or their respective Affiliates' behalf have engaged or will engage in any directed selling efforts with respect to the Class A Notes, and it and they have complied and will comply with the offering restrictions requirements of Regulation S under the Securities Act. At or prior to confirmation of sale of Class A Notes, it will have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration that purchases Class A Notes from it during the distribution compliance period a confirmation or notice to substantially the following effect:

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

In addition, until 40 days after the commencement of the offering, an offer or sale of the Class A Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

Terms used in this clause have the meaning given to them by Regulation S under the Securities Act.

United Kingdom

Each Joint Lead Manager has represented, warranted and agreed that:

- (a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 "FSMA" the (FSMA) received by it in connection with the issue or sale of any Class A Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and
- (b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Class A Notes in, from or otherwise involving the United Kingdom.

As used herein, "**United Kingdom**" means the United Kingdom of Great Britain and Northern Ireland.

Ireland

Each Joint Lead Manager has represented, warranted and agreed that:

- (a) it will not underwrite the issue of, or place the Class A Notes, otherwise than in conformity with the provisions of S.I. No. 60 of 2007, European Communities (Markets in Financial Instruments) Regulations 2007 (MiFID Regulations), including, without limitation, Parts 6, 7, and 12 thereof and the provisions of the Investor Compensation Act 1998;
- (b) it will not underwrite the issue of, or place, the Class A Notes, otherwise than in conformity with the provisions of the Central Bank Acts 1942 – 2010 (as amended) and any codes of conduct rules made under Section 117(1) thereof;
- (c) it will not underwrite the issue of, or place, or do anything in Ireland in respect of the Class A Notes otherwise than in conformity with the provisions of the Prospectus (Directive 2003/71/EC) Regulations 2005 (as amended) and any rules issued under Section 51 of the Irish Investment Funds, Companies and Miscellaneous Provisions Act 2005 by the Central Bank of Ireland (the "**Central Bank**");
- (d) it will not underwrite the issue of, place or otherwise act in Ireland in respect of the Class A Notes, otherwise than in conformity with the provisions of the Irish Market Abuse (Directive 2003/6/EC) Regulations 2005 (as amended) and any rules issued under Section 34 of the Irish Investment Funds, Companies and Miscellaneous Provisions Act 2005 (as amended) by the Central Bank; and
- (e) to the extent applicable it has complied with and will comply with all applicable provision of the Irish Companies Acts 1963 – 2012.

Norway

Neither the Prospectus, the Class A Notes nor any other offering or marketing material relating to the Issuer or the Class A Notes have been approved by, or registered with, any Norwegian securities regulator pursuant to the Norwegian Securities Act of 29 June 2007 no. 75. Accordingly, neither the Prospectus or the Class A Notes nor any other offering or marketing material relating to the Issuer or the Class A Notes constitutes, or shall be deemed to constitute, an offer to the public in Norway within the meaning of the Norwegian Securities Trading Act of 29 June 2007 no 75. The Class A Notes may not be offered or sold, directly or indirectly, in Norway except:

- (a) in respect of an offer of Class A Notes addressed to investors subject to a minimum purchase of Class A Notes for a total consideration of not less than EUR 100,000 per investor
- (b) to "professional investors" as defined in the Norwegian Securities Regulation of 29 June 2007 no. 876, being:
 - (i) eligible counterparties as mentioned in the Norwegian Securities Act of 29 June 2007 no. 75 section 10-14 subsection (2) being investment firms
 - (A) credit institutions,
 - (B) insurance companies,
 - (C) securities funds and their management companies,
 - (D) pension funds and their management companies,
 - (E) other financial institutions,
 - (F) undertakings as mentioned in Norwegian Securities Act of 29 June 2007 section 9–2 subsection (2) nos. 7 to 9, being anyone who:
 - I. has trading on own account in commodities or commodity derivatives as its main business, provided that the undertaking is not part of a group the main business of which is the provision of other investment services or banking services,
 - II. provides investment services consisting exclusively in trading on own account on the derivatives market and the spot market, provided that its sole purpose is to hedge its own positions on the derivatives market and provided that clearing members or clearing houses

on the same markets enter as parties to or otherwise guarantee the performance of contracts.

III. trades for the accounts of other members on the derivatives markets, or quotes prices for such members, provided that clearing members or clearing houses on the same markets enter as parties to or otherwise guarantee the performance of contracts entered into or prices quoted, and

- (G) public bodies, including central banks and supranational organizations,
- (ii) legal persons who meet at least two of the following three requirements as to the size of the undertaking:
 - (A) balance sheet total amounting to at least EUR 20,000,000 in Norwegian currency,
 - (B) annual net turnover amounting to at least EUR 40,000,000 in Norwegian currency,
 - (C) own funds amounting to at least EUR 2,000,000 in Norwegian currency,
- (iii) other institutional investors whose main business is to invest in financial instruments, including special purpose vehicles for securitisation, and
- (iv) non-professional clients that have asked to be treated as a professional client and for which an investment firm has waived the protection as non-professional in accordance with the procedures in the Norwegian Securities Regulation of 29 June 2007 no. 876 and who meet at least two of the following three requirements:
 - (A) the client has carried out transactions of significant size in the relevant market at an average frequency of 10 times per quarter over the previous four quarters
 - (B) the size of the client's financial portfolio (cash deposits and financial instruments) exceeds EUR 500,000 in Norwegian currency,
 - (C) the client is working or has worked in the financial sector for at least one year in a position that requires a knowledge of the relevant transactions or investment services;
- (c) to fewer than 150 natural or legal persons (other than "professional investors" as defined in the Norwegian Securities Regulation of 29 June 2007 no. 876) subject to obtaining the prior consent of the Joint Lead Managers for any such offer; or
- (d) in any other circumstances provided that no such offer of Class A Notes shall result in a requirement for the registration, or the publication by the Issuer or the Joint Lead Manager, of a prospectus pursuant to the Norwegian Securities Trading Act of 29 June 2007 no. 75.

In no circumstances may an offer of any of the Class A Notes be made in the Norwegian market without the Class A Notes being registered in the Norwegian Central Securities Depository (Verdipapirsentralen ASA) in dematerialized form, according to the NSRA and any ancillary regulations.

General

All applicable laws and regulations must be observed in any jurisdiction in which Class A Notes may be offered, sold or delivered. Each Joint Lead Manager has agreed that it will not offer, sell or deliver any of the Class A Notes, directly or indirectly, or distribute this Prospectus or any other offering material relating to the Class A Notes, in or from any jurisdiction except under circumstances that will to the best knowledge and belief of the Joint Lead Manager result in compliance with the applicable laws and regulations thereof and that will not impose any obligations on the Issuer except as set out in the Subscription Agreement.

ARTICLE 122A OF THE CAPITAL REQUIREMENTS DIRECTIVE

Please refer to paragraph entitled "Regulatory initiatives may result in increased regulatory capital requirements and/or decreased liquidity in respect of the Notes" of the section entitled "*RISK FACTORS*" for further information on the implications of Article 122a for certain investors in the Class A Notes.

Retention statement

The Seller will, on an ongoing basis, retain a material net economic interest of at least 5% in this securitisation transaction in accordance with Article 122(a) of the CRD. As at the Note Issuance Date, such interest will take the form of a first loss retention within the meaning of Article 122a(1)(d). The Seller shall satisfy such retention requirement by way of the Subordinated Loan and by holding the Class B Notes. The Seller will confirm its ongoing retention of the net economic interest described above in the Monthly Reports and any change to the manner in which such interest is held will be notified to the Class A Noteholders.

Disclosure to investors

With a view to compliance with Article 122a paragraph (7) of the CRD, the Seller in its capacity as Servicer will, on a monthly basis after the Note Issuance Date, provide relevant information to investors in the form of the Monthly Report, including data with regard to the Purchased Auto Loans and an overview of the retention of the material net economic interest. The Seller will make each Monthly Report available to the Noteholders on its website www.santanderconsumer.com.

Investors to assess compliance

Each prospective investor that is required to comply with Article 122a (as implemented in each Member State of the EEA) is required to independently assess and determine the sufficiency of the information described above, in this Prospectus generally and in any servicer and/or investor reports made available and/or provided to investors for the purposes of complying with Article 122a, and none of the Issuer, the Joint Lead Managers, the Seller or any other party to the Transaction Documents makes any representation that any such information is sufficient in all circumstances for such purposes. Prospective investors who are uncertain as to the requirements under Article 122a which apply to them in respect of their relevant jurisdiction, should seek guidance from their regulator.

USE OF PROCEEDS

The aggregate net proceeds from the issue of the Notes will amount to the equivalent of NOK 7,075,245,000 of which EUR 670,000,000 will be exchanged for NOK 4,917,800,000. The net proceeds are equal to the gross proceeds and will be used by the Issuer to finance the purchase price for the acquisition of the Auto Loans and Related Collateral from the Seller on the Note Issuance Date. Concurrently with the issue of the Notes, the Issuer will be granted the Expenses Loan and will use the proceeds from the Expenses Loan to pay certain amounts payable on the Note Issuance Date under the Transaction Documents (including, without limitation, any fees, costs and expenses payable on the Note Issuance Date to the Joint Lead Managers and to other parties in connection with the offer and sale of the Notes) and certain other costs. To the extent that the net proceeds from the issue of the Notes exceed the purchase price for the acquisition of the Auto Loans, such difference will be credited to the Reserve Account and will be part of the Available Distribution Amount as of the following Payment Date.

GENERAL INFORMATION

Subject of this Prospectus

This Prospectus relates to EUR 670,000,000 aggregate principal amount of the Series A1 Notes and NOK 1,096,100,000 aggregate principal amount of the Series A2 Notes issued by Bilkreditt 3 Limited, Dublin, Ireland.

This Prospectus discloses all material Seller and Issuer undertakings, representations and warranties (including, but not limited to, corporate and asset matters) relating to the Transaction.

Authorisation

The issue of the Notes was authorised by a resolution of the board of directors of the Issuer passed on 16 November 2012.

Litigation

Neither the Issuer is, or has been since its incorporation, nor the Seller is, or has during its last two fiscal years been, engaged in any governmental, litigation or arbitration proceedings which may have or have had during such period a significant effect on their respective financial position, and, as far as the Issuer and the Seller are aware, no such governmental, litigation or arbitration proceedings are pending or threatened, respectively.

Payment information

In connection with the Class A Notes, the Issuer will procure the notification to the Irish Stock Exchange of the Interest Amounts, the Interest Periods and the Interest Rates and, the payments of principal on the Class A Notes, in each case in the manner described in the Note Conditions.

Payments and transfers of the Series A1 Notes will be settled through Clearstream Luxembourg and Euroclear, as described herein. The Series A1 Notes have been accepted for clearing by Clearstream Luxembourg and Euroclear.

All notices to the Series A1 Noteholders hereunder shall be published by delivery to the Clearing Systems and in relation to the Series A1 Noteholders and the Series A2 Noteholders, the Companies Announcement Office section of the Irish Stock Exchange website of the relevant notice for communication to the Class A Noteholders.

Material change

Save as disclosed in this Prospectus, there has been no material adverse change in the financial position or prospects of the Issuer since its incorporation.

Miscellaneous

No statutory or non-statutory accounts in respect of any fiscal year of the Issuer have been prepared other than as contained in this Prospectus. The Issuer will not publish interim accounts. The fiscal year in respect of the Issuer is the calendar year.

Irish listing

The Prospectus has been approved by the Central Bank of Ireland, as competent authority under the Prospectus Directive. The Central Bank of Ireland only approves this Prospectus as meeting the requirements imposed under Irish and EU law pursuant to the Prospectus Directive. Application has been made to the Irish Stock Exchange for the Class A Notes to be admitted to the Official List and trading on its regulated market as defined Article 2(j) of the Prospectus Directive in conjunction with Article 4.1(14) of Directive 2004/39/EC of the European Parliament and of the Council. The Issuer has appointed The Bank of New York Mellon (Ireland) Limited as listing agent for the Irish Stock Exchange. Prior to such listing of the Notes, the constitutional documents of the Issuer and legal notices relating to the issue of the Notes will be registered with the Registrar of Companies where such documents are available for inspection and copies of these documents may be obtained, free of charge, upon request. Upon approval of the Prospectus by the Central Bank, the Prospectus will be filed with the Companies Registration Office within 14 days in accordance with Regulations 38(1)(b) of the Prospectus (Directive 2003/71/EC) Regulations 2005.

Copies of such documents may also be obtained free of charge during customary business hours at the specified offices of the Principal Paying Agent and at the registered office of the Issuer.

Availability of documents

From the date hereof as long as the Prospectus is valid and as long as the Notes remain outstanding and, as long as the Notes are listed on the Official List and traded on the regulated market of the Irish Stock Exchange, the following documents will be available for inspection in physical form during customary business hours on any Business Day at the registered office of the Issuer and the specified office of the Principal Paying Agent:

- (a) the memorandum and articles of association of the Issuer;
- (b) the resolution of the board of directors of the Issuer approving the issue of the Notes;
- (c) the future annual financial statements of the Issuer (interim financial statements will not be prepared);
- (d) all notices given to the Noteholders pursuant to the Note Conditions;
- (e) this Prospectus, the forms of the Notes and the Auto Portfolio Purchase Agreement, the Servicing Agreement, the Norwegian Security Agreement, the Irish Security Deed, the Security Trust Deed, the Corporate Administration Agreement, the Transaction Account Agreement, the Issuer Collections Account Agreement, the Expenses Loan Agreement, the Note Trust Deed, the Agency Agreement, and the Custody Agreement;
- (f) annual financial statements of the Seller for the years ended 2010 and 2011;
- (g) a cash flow model setting out the Transaction cash flows assuming zero losses; and
- (h) loan-level data and detailed summary statistics in respect of the Purchased Auto Loans.

Furthermore, prior to the Note Issuance Date, the Issuer shall make available such information as is required to enable actual or prospective Noteholders or third party contractors to build a cash flow model setting out the transaction cash flows assuming zero losses. From the Note Issuance Date to the Maturity Date, the Issuer shall make available updates to such information on a periodic basis.

Post-issuance Reporting

Following the Note Issuance Date, the Principal Paying Agent will provide the Issuer, the Note Trustee, the Cross Currency Swap Counterparty, the Corporate Administrator and, on behalf of the Issuer, by means of notification in accordance with Note Condition 16 (Notices to Noteholders), the Noteholders, and so long as any of the Notes are listed on the Official List and traded on the regulated market of the Irish Stock Exchange, the Irish Stock Exchange, with the following information, all in accordance with the Agency Agreement and the Note Conditions:

- (a) with respect to each Payment Date, the Interest Amount pursuant to Note Condition 4.1 (Interest Calculation);
- (b) with respect to each Payment Date, of the Interest Period pursuant to Note Condition 4.4 (Interest Period);
- (c) with respect to each Payment Date, of the Interest Rate pursuant to Note Condition 4.5 (Interest Rate);
- (d) with respect to each Payment Date, the amount of any Interest Shortfall pursuant to Note Condition 4.7 (Interest Shortfall);
- (e) with respect to each Payment Date, of the amount of principal on each Class A Note and each Class B Note pursuant to Note Condition 5 (Redemption) to be paid on such Payment Date;
- (f) with respect to each Payment Date, the Note Principal Amount of each Class A Note and each Class B Note and the Class A Principal Amount and the Class B Principal Amount as from such Payment Date; and
- (g) in the event the payments to be made on a Payment Date constitute the final payment with respect to the Notes pursuant to Note Condition 5.4 (Maturity Date), Note Condition 5.5 (Early redemption – clean-up call) or Note Condition 5.6 (Optional Redemption for taxation reasons), of the fact that such is the final payment.

In addition the Issuer shall disclose in the first investor report the amount of Notes:

- (a) privately-placed with investors which are not the Seller or part of the Seller's group;
- (b) retained by the Seller or by a member of the Seller's group; and

(c) publicly-placed with investors which are not in the Seller's group.

The Issuer shall also disclose (to the extent possible), in relation to any amount initially retained by a member of the Seller's group, but subsequently placed with investors which are not in the Seller's group, such placement in the next investor report.

Each investor report shall contain a glossary of the defined terms used in such report.

Copies of each investor report shall be available for inspection in physical form during customary business hours on any Business Day at the registered office of the Issuer and the specified office of the Principal Paying Agent.

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

Clearing Codes

Series A1 Notes ISIN: XS0808637218

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