Red & Black Auto Lease Germany S.A.,
acting on behalf and for the account of its Compartment 3

(*a public limited liability company (société anonyme) incorporated under the laws of the Grand Duchy of Luxembourg, having the status of an unregulated securitisation company (société de titrisation) subject to the Securitisation Law, registered with the Luxembourg Trade and Companies Register (Registre de Commerce et des Sociétés) under registration number B245709 and having its registered office at 6, rue Eugène Ruppert, L-2453 Luxembourg, Grand Duchy of Luxembourg, acting on behalf and for the account of its Compartment 3*)

EUR 350,000,000 Class A Floating Rate Asset Backed Notes
EUR 41,200,000 Class B Fixed Rate Asset Backed Notes
EUR 20,600,000 Class C Fixed Rate Asset Backed Notes

Class of Notes	Interest Rate	Issue Price	Expected Ratings by		Legal Maturity Date
			Moody's	S&P	
Class A Notes	EURIBOR + 0.70% p.a.	101.011%	"Aaa(sf)"	"AAA (sf)"	15 September 2031
Class B Notes	0.70% p.a.	100.00%	"Baa2(sf)"	"BBB (sf)"	15 September 2031
Class C Notes	1.40% p.a.	100.00%	not rated	not rated	15 September 2031

This Prospectus constitutes a prospectus within the meaning of article 6.3 of Regulation (EU) 2017/1129 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market (the "**Prospectus Regulation**") and has been approved by the Luxembourg *Commission de Surveillance du Secteur Financier* (the "**CSSF**") which is the Luxembourg competent authority for the purpose of Prospectus Regulation and the Luxembourg act relating to prospectuses for securities dated 16 July 2019 (*Loi du 16 juillet 2019 relative aux prospectus pour valeurs mobilières et portant mise en œuvre du règlement (UE) 2017/1129*, the "**Luxembourg Prospectus Law**"), as a prospectus issued in compliance with the Prospectus Regulation for the purpose of giving information with regard to the issue of the Class A Notes and the Class B Notes at the issue price indicated above on 21 October 2020 (the "**Closing Date**") by Red & Black Auto Lease Germany S.A., acting on behalf and for the account of its Compartment 3 (the "**Issuer**") described in this Prospectus. The Issuer will also issue the Class C Notes (the Class A Notes, the Class B Notes and the Class C Notes each a "**Class of Notes**" and together, the "**Notes**") at the issue price indicated above on the Closing Date. The CSSF only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of (i) the Issuer that is and (ii) the Class A Notes and the Class B Notes that are the subject of this Prospectus. By approving this Prospectus, in accordance with article 20 of the Prospectus Regulation, the CSSF does not engage in respect of the economic or financial opportunity of the operation or the quality and solvency of the Issuer. Investors should make their own assessment as to the suitability of investing in the Class A Notes and/or the Class B Notes. This Prospectus has not been prepared for the issue of the Class C Notes and the CSSF has not reviewed and approved any information in relation to the Class C Notes. The Class C Notes are not object of this Prospectus and are only mentioned in this Prospectus for the purposes of completeness and the description of the risk retention by the Originator pursuant to article 6

of Regulation (EU) 2017/2402 of the European Parliament and of the Council of 12 December 2017 laying down a general framework for securitisation and creating a specific framework for simple, transparent and standardised securitisation (as amended, restated or supplemented, the "**Securitisation Regulation**"). This Prospectus, once approved by the CSSF, will be published in electronic form on the website of the Luxembourg Stock Exchange (www.bourse.lu).

Application has been made for the Class A Notes and the Class B Notes to be admitted to listing on the official list and to trading on the professional segment of the regulated market of the Luxembourg Stock Exchange. The regulated market of the Luxembourg Stock Exchange is a regulated market for the purposes of the Directive 2014/65/EU on markets in financial instruments (as amended, restated or supplemented, "**MiFID II**"). The Class C Notes will not be listed on the official list of the competent stock exchange and admitted to trading on the Luxembourg Stock Exchange's regulated market.

Amounts payable under the Class A Notes are calculated by reference to the European Interbank Offered Rate ("**EURIBOR**") which is provided by the European Money Markets Institute (the "**Administrator**"). As at the date of this Prospectus, the Administrator appears on the register of administrators and benchmarks established and maintained by ESMA pursuant to article 36 of Regulation (EU) 2016/1011 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds (as amended, restated or supplemented, the "**Benchmark Regulation**").

Interest on the Notes will accrue on the outstanding principal amount of each Note at the relevant *per annum rate* indicated above and will be payable monthly in arrear on each Payment Date. Payments of interest and principal on the Notes are subject to available funds resulting, in particular, from the collections on portfolios of fixed rate auto lease receivables (the "**Portfolio**"), such auto lease receivables for the payment of principal and interest arising from the Lease Agreements (a "**Purchased Receivable**"). Each such Purchased Receivable was underwritten by ALD AutoLeasing D GmbH (the "**Originator**" and the "**Servicer**") with (i) Consumers resident in the Federal Republic of Germany, (ii) merchants (*Kaufmann/Unternehmer*) having its registered office within the Federal Republic of Germany or (iii) Public Debtors registered within the Federal Republic of Germany, and is governed by German law and denominated in EUR.

The Issuer will purchase the Purchased Receivables (including the Related Claims and Rights) from the Originator on the Closing Date and, subject to the satisfaction of certain requirements, on any Purchase Date following the Closing Date during the Revolving Period. The Purchased Receivables will be serviced by the Servicer.

The Notes will be subject to and have the benefit of a trust agreement to be entered into between the Issuer, Intertrust Trustees GmbH as Trustee and others for the benefit of, *inter alia*, the Noteholders (the "**Trust Agreement**"), including the security to be created by the Issuer thereunder over, *inter alia*, the Purchased Receivables and the Vehicles.

Société Générale S.A. (the "**Lead Manager**") will purchase, subject to certain conditions, all Notes on the Closing Date and may offer subsequently from time to time Notes at terms (including varying prices) and pursuant to documentation to be agreed and determined at the time of sale.

Ratings will be assigned to the Class A Notes and the Class B Notes by Moody's Deutschland GmbH ("**Moody's**") and S&P Global Ratings Limited (Niederlassung Deutschland) ("**S&P**"). 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 and registered under Regulation (EC) No 1060/2009 of the European Parliament, as amended by Regulation (EU) No 513/2011 and by Regulation (EU) No 462/2013 ("**CRA3**"). Each of Moody's and S&P has been registered under CRA3. Reference is made to the list of registered or certified credit rating agencies published by ESMA on the webpage http://www.esma.europa.eu/supervision/credit-rating-agencies/risk as last updated on 14 November 2019. The assignment of ratings to the Class A Notes and the Class B Notes or an outlook on these ratings is not a recommendation to invest in the Class A Notes and the Class B Notes and may be revised, suspended or withdrawn at any time. Given the complexity of the Terms and Conditions, an investment in the Class A Notes and the Class B Notes is suitable only for experienced investors who understand and are in a position to evaluate the risks inherent therein.

The Class A Notes are intended to be held in a manner which will generally allow Eurosystem eligibility by way of depositing the Class A Notes with one of Euroclear or Clearstream, Luxembourg as Common Safekeeper for the Class A Notes under the new global note structure (NGN) and does not necessarily mean that the Class A Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem (the "**Eurosystem eligible collateral**") either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of (i) the Eurosystem eligibility criteria and (ii) the reporting requirements related to the loan-level data for asset-backed securities, as published by the European Central Bank from time to time. Any potential investor in the Class A Notes should make their own conclusions and seek their own advice with respect to whether or not the Class A Notes constitute Eurosystem eligible collateral at any point of time during the life of the Class A Notes. Neither the Issuer, the Lead Manager nor the Arranger gives any representation, warranty, confirmation or guarantee to any investor in the Class A Notes that the Class A Notes will, either upon issue, or at any or all times during their life, satisfy all or any requirements for Eurosystem eligibility and be recognised as Eurosystem eligible collateral.

The Notes have not been and will not be registered under the US Securities Act of 1933, as amended from time to time (the "**Securities Act**"). Subject to certain exceptions, the Notes may not be offered, sold or delivered within the United States or to US persons (within the meaning of Regulation S under the Securities Act).

MIFID II product governance / Professional investors and Eligible Counterparties ("ECPs") only target market – Solely for the purposes of the manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU on markets in financial instruments (as amended, restated or supplemented, "**MiFID II**; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturer's target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer's target market assessment) and determining appropriate distribution channels.

PRIIPs Regulation / Prohibition of sales to EEA and UK retail investors – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**") or the United Kingdom ("**UK**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of article 4(1) of MiFID II); (ii) a customer within the meaning of Directive 2016/97/EU (as amended, restated or supplemented, the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Regulation. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, restated or supplemented, the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA or the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA or the UK may be unlawful under the PRIIPS Regulation.

Brexit – Although the United Kingdom ceased to be a member state of the European Union on 31 January 2020, the withdrawal agreement between the United Kingdom and the European Union under article 50(2) of the Treaty establishing the European Union provides that until at least 31 December 2020, subject to certain qualifications which are not relevant for the purposes of this Prospectus (unless otherwise expressly provided), (i) EU law shall produce in respect of and in the United Kingdom the same legal effects as those which it produces within the European Union and its member states, and shall be interpreted and applied in accordance with the same methods and general principles as those applicable within the European Union, and (ii) any reference to member states in EU law, including as implemented and applied by member states, shall be understood as including the United Kingdom. This agreement has been given effect in the law of the United Kingdom by the European Union (Withdrawal) Act 2018 as amended by the European Union (Withdrawal Agreement) Act 2020.

Unless stated otherwise, the content of any websites referenced in this Prospectus does not form part of this Prospectus.

This Prospectus will be valid as from the date of approval of this Prospectus until the end of the date falling 12 months after the approval of this Prospectus being 19 October 2021. In case of a significant new factor, material mistake or material inaccuracy relating to the information included in this Prospectus which may affect the assessment of the Notes, the Issuer will prepare and publish a supplement to the Prospectus without undue delay in accordance with article 23 of the Prospectus Regulation. The obligation of the Issuer to supplement this Prospectus will cease to apply once the Class A Notes and the Class B Notes have been admitted to trading on the regulated market (segment for professional investors) of the Luxembourg Stock Exchange and at the latest upon expiry of the validity period of this Prospectus.

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

For a discussion of certain significant factors affecting investments in the Notes, see "Risk Factors". Investors should make their own assessment as to the suitability of investing in the Notes.

Société Générale S.A.

Arranger and Lead Manager

The date of this Prospectus is 19 October 2020.

RESPONSIBILITY ATTACHING TO THE PROSPECTUS

This Prospectus serves, *inter alia*, to describe the Class A Notes and the Class B Notes, the Issuer, the Originator, the Portfolio and the general factors which prospective investors should consider before deciding to purchase the Notes.

The Issuer accepts responsibility for the information contained in this Prospectus and declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Prospectus to the best of its knowledge is in accordance with the facts and contains no omission likely to affect its accuracy. Additionally:

(a) the Originator and the Servicer are responsible only for the information in this Prospectus relating to the Purchased Receivables, the Related Collateral, the disclosure of servicing related risk factors, risk factors relating to the Purchased Receivables, and under "*Historical Performance Data*", "*The Originator / Servicer / Lender*", "*Credit and Collection Policy*" and "*Overview of the German Vehicle Lease Market*";

(b) the Lender is responsible only for the information in this Prospectus under "*The Originator / Servicer / Lender*";

(c) the Trustee is responsible only for the information in this Prospectus under "*The Trustee*";

(d) the Data Trustee, the Back-Up Servicer Facilitator and the Back-Up Maintenance Facilitator is responsible only for the information in this Prospectus under "*The Data Trustee / Back-Up Servicer Facilitator and Back-Up Maintenance Facilitator*";

(e) the Paying Agent and the Account Bank are responsible only for the information under "*The Paying Agent / Account Bank*";

(f) the Cash Administrator and the Interest Determination Agent are responsible only for the information in this Prospectus under "*The Cash Administrator / Interest Determination Agent*";

(g) the Funding Entity is responsible only for the information in this Prospectus under "*The Funding Entity*";

(h) the Swap Counterparty is responsible only for the information in this Prospectus under "*The Swap Counterparty*"; and

(i) the Corporate Administrator is responsible only for the information in this Prospectus under "*The Corporate Administrator*".

Having taken all reasonable care to ensure that such is the case, the information contained in the Prospectus, for which the Issuer is responsible, is, to the best of its knowledge, in accordance with the facts and does not omit anything likely to affect its import.

Having taken all reasonable care to ensure that such is the case, the information contained in the part of the Prospectus for which the Originator/Servicer/Lender is responsible is, to the best of its knowledge, in accordance with the facts and does not omit anything likely to affect its import.

Having taken all reasonable care to ensure that such is the case, the information contained in the part of the Prospectus for which the Trustee is responsible is, to the best of its knowledge, in accordance with the facts and does not omit anything likely to affect its import.

Having taken all reasonable care to ensure that such is the case, the information contained in the part of the Prospectus for which the Data Trustee/Back-Up Servicer Facilitator/Back-Up Maintenance Facilitator is responsible is, to the best of its knowledge, in accordance with the facts and does not omit anything likely to affect its import.

Having taken all reasonable care to ensure that such is the case, the information contained in the part of the Prospectus for which the Cash Administrator/Interest Determination Agent is responsible is, to the best of its knowledge, in accordance with the facts and does not omit anything likely to affect its import.

Having taken all reasonable care to ensure that such is the case, the information contained in the part of the Prospectus for which the Paying Agent/Account Bank is responsible is, to the best of its knowledge, in accordance with the facts and does not omit anything likely to affect its import.

Having taken all reasonable care to ensure that such is the case, the information contained in the part of the Prospectus for which the Funding Entity is responsible is, to the best of its knowledge, in accordance with the facts and does not omit anything likely to affect its import.

Having taken all reasonable care to ensure that such is the case, the information contained in the part of the Prospectus for which the Swap Counterparty is responsible is, to the best of its knowledge, in accordance with the facts and does not omit anything likely to affect its import.

Having taken all reasonable care to ensure that such is the case, the information contained in the part of the Prospectus for which the Corporate Administrator is responsible is, to the best of its knowledge, in accordance with the facts and does not omit anything likely to affect its import.

Subject to the preceding paragraphs, each of the Issuer, the Originator, the Servicer, the Trustee, the Cash Administrator, the Paying Agent, the Interest Determination Agent, the Account Bank, the Data Trustee, the Swap Counterparty and the Corporate Administrator accepts responsibility accordingly.

No person has been authorised to give any information or to make any representation other than as contained in this Prospectus and, in connection with the issue and sale of the Class A Notes and the Class B Notes, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, the Originator, the Servicer, the Arranger, the Lead Manager or the Trustee.

Neither the delivery of this Prospectus nor any offering, sale or delivery of any Class A Notes and any Class B 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, the Originator or the Servicer which is material in the context of the issue and offering of the Class A Notes and the Class B Notes or with respect to the Portfolio 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 (iii) that any other information supplied in connection with the issue of the Class A Notes and the Class B 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.

No action has been taken by the Issuer or the Lead Manager other than as set out in this Prospectus that would permit a public offering of the Class A Notes and the Class B 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, no Class A Notes and no Class B Notes may be offered or sold, directly or indirectly, and neither this Prospectus (nor any part hereof) nor any offering circular, prospectus, form of application, advertisement or other offering materials may be issued, distributed or published in any country or jurisdiction except in compliance with applicable laws, orders, rules and regulations, and the Lead Manager has represented that all offers and sales by it (if and when performed) shall be made on such terms.

This Prospectus may only be used for the purposes for which it has been published. 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. The distribution of this Prospectus (or of any part thereof) and the offering and sale of the Class A Notes and the Class B Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Prospectus (or any part thereof) comes are required by the Issuer and the Lead Manager to inform themselves about and to observe any such restrictions. This Prospectus does not constitute, and may not be used for, or in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation.

In connection with the issue of the Notes, the Lead Manager as Stabilisation Manager (or persons acting on behalf of the Stabilisation Manager) may over-allot or effect transactions with a view to supporting the market price of such Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilisation Manager (or persons acting on behalf of the Stabilisation Manager)

will undertake stabilisation action. Any stabilisation action may begin at any time on or after the date on which adequate public disclosure of the terms of the offer of the Notes is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the Closing Date of the relevant Notes and 60 days after the date of the allotment of the Notes. Any stabilisation action or over-allotment must be conducted by the Stabilisation Manager (or any person acting on its behalf) in accordance with all applicable laws and rules.

For a further description of certain restrictions on offerings and sales of the Notes and distribution of this Prospectus (or of any part thereof) see "*Subscription and Sale*".

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RISK FACTORS

THE PURCHASE OF NOTES MAY INVOLVE SUBSTANTIAL RISKS AND BE SUITABLE ONLY FOR INVESTORS WHO HAVE THE KNOWLEDGE AND EXPERIENCE IN FINANCIAL AND BUSINESS MATTERS NECESSARY TO ENABLE THEM TO EVALUATE THE RISKS AND THE MERITS OF AN INVESTMENT IN THE NOTES. PRIOR TO MAKING AN INVESTMENT DECISION, PROSPECTIVE INVESTORS SHOULD CAREFULLY CONSIDER IN LIGHT OF THEIR OWN FINANCIAL CIRCUMSTANCES AND INVESTMENT OBJECTIVES ALL THE INFORMATION SET FORTH IN THIS PROSPECTUS AND, IN PARTICULAR, THE CONSIDERATIONS SET FORTH BELOW. PROSPECTIVE INVESTORS SHOULD (A) MAKE SUCH INQUIRIES AND INVESTIGATIONS AS THEY DEEM APPROPRIATE AND NECESSARY AND (B) REACH THEIR OWN VIEWS PRIOR TO MAKING ANY INVESTMENT DECISIONS WITHOUT RELYING ON THE ISSUER OR THE ARRANGER OR THE LEAD MANAGER OR ANY OTHER PARTY REFERRED TO HEREIN.

The following is a description of risk factors which prospective investors should consider before deciding to purchase the Notes. These risk factors are material to an investment in the Notes. The Issuer does not represent that the statements below regarding the risk of holding any Notes are exhaustive. Additional risks and uncertainties not presently known to the Issuer or that the Issuer currently believes to be immaterial could also have a material impact on the Issuer's financial strength in relation to Notes. Prospective investors should consider all of the information provided in this Prospectus and make such other enquiries and investigations as they deem appropriate to evaluate the merits and risks of an investment in the Notes and consult with their own professional advisors and reach their own investment decision.

Various factors that may affect the Issuer's ability to fulfil its obligations under the Notes are categorised below as either (i) risks relating to the Issuer, (ii) risks relating to the Notes, (iii) risks relating to the Purchased Receivables, (iv) risks relating to the Transaction Parties and (v) tax risks which are material for the purpose of taking an informed investment decision with respect to the Notes. Several risks may fall into more than one of these five categories and investors should therefore not conclude from the fact that a risk factor is discussed under a specific category that such risk factor could not also fall and be discussed under one or more other categories.

Category 1: Risks relating to the Issuer

1. Limited Resources of the Issuer; Limited Recourse and Liability under the Notes

The Notes represent obligations of the Issuer only, and do not, in particular, represent an interest in, or constitute a liability or other obligation of any kind of the Originator, the Servicer, the Lender, the Trustee, the Data Trustee, the Account Bank, the Cash Administrator, the Corporate Administrator, the Lead Manager, the Paying Agent, the Swap Counterparty the Funding Entity, the Interest Determination Agent, any of the other Transaction Parties or any of their respective Affiliates or any other third Person (see "*Terms and Conditions of the Notes – Clause 3 (Status; Subordination; Non-Petition and Limited Recourse against the Issuer; Security)*").

The Notes are not, and will not be, insured or guaranteed by any of the Transaction Parties or any of their respective Affiliates or any third person or entity and none of the foregoing assumes, or will assume, any liability or obligation to the Noteholders if the Issuer fails to make a payment due under the Notes.

The Issuer is a special purpose vehicle with limited resources and with no business operations other than the purchase of the Purchased Receivables, the issue and repayment of the Notes and the connected transactions.

All payment obligations of the Issuer under the Notes constitute limited recourse obligations to made from the relevant Available Distribution Amount which includes, *inter alia*, payments (i) of principal and interest and other amounts payable under the Purchased Receivables as Collections from the Servicer, and/or (ii) of proceeds resulting from enforcement of the security granted by the Issuer to the Trustee over the Security Assets. Other than from the payments to the Issuer mentioned above, the Issuer will have no funds available to meet its obligations under the Notes and the Notes will not give rise to any payment obligation in excess of the foregoing. The relevant Available Distribution Amount may not

be sufficient to pay amounts accrued under the Notes, which may result in an interest shortfall, however, only an interest shortfall on the Most Senior Class of Notes when the same becomes due and payable, and if such default continues for a period of two Business Days will constitute an Issuer Event of Default. The non-payment of principal due and payable under any Note of the Most Senior Class of Notes in accordance with the applicable Priority of Payments will also constitute an Issuer Event of Default. Only the Trustee is entitled to enforce the payment obligations under the Notes. Such enforcement shall be done in accordance with the Trust Agreement. If the Trustee enforces the claims under the Notes, such enforcement will be limited to the assets which were transferred to the Trustee under the Trust Agreement, the English Security Deed and the Irish Security Deed for security purposes. To the extent that such assets, or the proceeds of the realisation thereof, prove ultimately insufficient to satisfy the claims of all Noteholders in full, then any shortfall arising shall be extinguished and none of the Noteholders, the Trustee shall have any further claims against the Issuer. If any events occur that require the Trustee to take action, the Trustee will have access to the Security only.

Other than as provided in the Transaction Documents, none of the Issuer or the Trustee will have recourse to the Originator.

If no sufficient funds are available to the Issuer, there is a risk that the Noteholders will ultimately not receive the full principal amount of the Notes and/or interest thereon.

See "*Terms and Conditions of the Notes – Clause 3 (Status; Subordination; Non-Petition and Limited Recourse against the Issuer; Security)*".

2. **Violation of Issuer's Articles of Association**

The Issuer's articles of association and undertakings provided in the Trust Agreement limit the scope of the Issuer's business. In particular, the Issuer undertakes not to engage in any business activity other than entering into and performing its obligations under the Transaction Documents and any agreements relating thereto. See "*The Trust Agreement*". However, under German law, any activity by the Issuer that violates its articles of association and/or undertaking in the Trust Agreement and any other Transaction Documents would still be a valid obligation of the Issuer with respect to a third party. Further, according to article 441-13 of the Luxembourg Company Law, a public limited liability company (*société anonyme*) shall be bound by any act of the board of directors, even if such act exceeds the corporate object, unless it proves that the third party knew that the act exceeded the corporate object or could not in view of the circumstances have been unaware of it without the mere publication of the articles of association constituting such evidence. Any such activity which is to the detriment of the Noteholders may adversely affect payments to the Noteholders under the Notes.

3. **Insolvency Law - Luxembourg Insolvency**

Red & Black Auto Lease Germany S.A. has its registered office in Luxembourg. Under article 3(1) of Council Regulation (EU) 2015/848 of the European Parliament and of the Council of 29 May 2015 on Insolvency Proceedings (recast) (as amended, restated or supplemented, the "**Insolvency Regulation**"), there is a rebuttable presumption that a company has its centre of main interest ("**COMI**") in the jurisdiction in which it has the place of its registered office. As a result, there is a rebuttable presumption that the Red & Black Auto Lease Germany S.A.'s COMI is in Luxembourg and consequently that any main insolvency proceedings applicable to Red & Black Auto Lease Germany S.A. would be governed by Luxembourg law. Furthermore and as initially stated in the decision by the European Court of Justice ("**ECJ**") in relation to Eurofood IFSC Limited, the ECJ restated the presumption in the Insolvency Regulation that the place of a company's registered office is presumed to be the company's COMI and stated that the presumption can only be rebutted if "factors which are both objective and ascertainable by third parties enable it to be established that an actual situation exists which is different from that which locating it at the registered office is deemed to reflect". As Red & Black Auto Lease Germany S.A. has its registered office in Luxembourg, has Luxembourg directors, is registered for tax in Luxembourg and has a Luxembourg corporate services provider, Red & Black Auto Lease Germany S.A. does not believe that factors exist that would rebut this presumption, although this would ultimately be a matter of fact for the relevant court to decide, based on the factual circumstances existing at the time when it was asked to make that decision. The determination of where Red & Black Auto Lease Germany S.A. has its COMI is a question of fact, which is not a static concept and may change from time to time.

Red & Black Auto Lease Germany S.A. is a public limited liability company incorporated under the laws of the Grand Duchy of Luxembourg. Accordingly, insolvency proceedings with respect to Red & Black Auto Lease Germany S.A. would likely proceed under, and be governed by, the insolvency laws of the Grand Duchy of Luxembourg.

Under Luxembourg law, a commercial company such as Red & Black Auto Lease Germany S.A. is bankrupt (*en faillite*) when it is unable to meet its liabilities as they fall due and when its creditworthiness is impaired (meaning that the company is unable to obtain financing at normal commercial terms).

In particular, under Luxembourg bankruptcy law, certain acts deemed to be abnormal and carried out by the bankrupt party during the hardening period may be unenforceable against the bankruptcy estate of such party or declared null and void. Whilst the unenforceability or voidness is compulsory in certain cases, it is optional in other cases. The hardening period is the period that lapses between the date of cessation of payments (*cessation de paiements*), as determined by the bankruptcy court, and the date of the court order declaring the bankruptcy. The hardening period cannot exceed six months.

Under article 445 of the Luxembourg Code of Commerce: (a) a contract for the transfer of movable or immovable property entered into or carried out without consideration, or a contract or transaction entered into or carried out with considerably insufficient consideration for the bankrupt party, (b) a payment, whether in cash or by transfer, assignment sale, set-off or otherwise for debts not yet due, or a payment other than in cash or bills of exchange for debts due, or (c) a contractual or judiciary mortgage, pledge, or charge on the debtor's assets for previously contracted debts, would each be unenforceable against the bankruptcy estate if carried out during the hardening period or ten days preceding the hardening period.

According to article 61(4) second paragraph of the Securitisation Law, the validity and perfection of each of the security interests mentioned under item (c) in the above paragraph cannot be challenged by a bankruptcy receiver with respect to article 445 of the Luxembourg Code of Commerce and such security interests are hence enforceable even if they were granted by the company during the period of ten days preceding the hardening period if (i) the articles of association of the company granting the security interests are governed by the Securitisation Law and (ii) the bankrupt party granted the respective security interest no later than the Closing Date of the securities or at the conclusion of the agreements secured by such security interest.

Under article 446 of the Luxembourg Code of Commerce, any payments made by the bankrupt party in the hardening period may be rescinded if the creditor was aware of the cessation of payment of the bankrupt party.

Under article 448 of the Luxembourg Code of Commerce, transactions entered into by the bankrupt party with the intent to deprive its creditors are null and void (article 448 of the Luxembourg Code of Commerce), regardless of the date on which they were made.

According to article 61 of the Luxembourg law of 5 August 2005 on financial collateral arrangements as amended (the "**Collateral Law**"), the provisions of article 445, 446 and 448 of the Luxembourg Code of Commercial are not applicable to the enforcement of non-Luxembourg law financial collateral arrangements that (i) are similar to Luxembourg law financial collateral arrangements (ii) and have been duly perfected before the opening of the bankruptcy proceeding of the bankrupt party. Luxembourg financial collateral arrangements include pledge over securities, other financial instruments and claims, as well as transfer of title for security purposes of the same types of assets. However, the question whether or not a foreign security arrangement (including the security interests granted by the Issuer to secure the obligations owed to the Secured Parties) is "similar" in the meaning of article 24 of the Collateral Law is a matter of fact, and as such is ultimately decided on a case-by-case basis by Luxembourg courts.

Red & Black Auto Lease Germany S.A. can be declared bankrupt upon petition by (i) a creditor of Red & Black Auto Lease Germany S.A. other than the Secured Parties who are bound by a non-petition undertaking or (ii) at the initiative of the court or at the request of Red & Black Auto Lease Germany S.A. in accordance with the relevant provisions of Luxembourg insolvency laws when it is unable to meet its liabilities as they fall due and when its creditworthiness is impaired, as mentioned above. If the above mentioned conditions are satisfied, the Luxembourg court will appoint a bankruptcy trustee (*curateur*) who will be the sole legal representative of Red & Black Auto Lease Germany S.A. and obliged to take such action as he deems to be in the best interests of Red & Black Auto Lease Germany S.A. and all creditors of Red & Black Auto Lease Germany S.A. Certain preferred creditors of Red &

Black Auto Lease Germany S.A. (including the Luxembourg tax authorities) may have a privilege that ranks senior to the rights of the Noteholders in such circumstances. Other insolvency proceedings under Luxembourg law include controlled management and moratorium of payments (*gestion controlée et sursis de paiement*) and composition proceedings (*concordat*) of Red & Black Auto Lease Germany S.A.

In any such circumstances, there is a risk that the Noteholders will ultimately not receive the full principal amount of the Notes and/or interest thereon.

Category 2: Risks relating to the Notes

4. **Insufficient Credit Enhancement**

The Transaction provides for certain credit enhancement mechanisms such as cash reserves that shall serve as a mitigant in order to reduce the effect of certain risks inherent to the structure, such as the risk that (a) the Servicer may not transfer the Collections to the Operating Account following its Insolvency, (b) a Lessee might have and exercises a set-off right towards the relevant Purchased Receivable resulting from (i) cash deposits made by a Lessee with the Originator, (ii) advances received by the Originator from a Lessee with respect to maintenance services relating to any Open Calculation Lease Agreement or (iii) amounts payable by the Originator to a Lessee due to a Lease Agreement Recalculation but not yet paid, and (c) an insolvency administrator (*Insolvenzverwalter*) of the Servicer would not continue to render the Lease Services and, therefore, may create a termination right with respect to a Lease Agreement for the relevant Lessee (see "*Risk Factors – Category: 3 – Lease Services Component and Termination Rights of Lessees*").

The Servicer has undertaken in the Servicing Agreement that it shall transfer all Collections received by it on behalf of the Issuer and standing to the credit of the Collection Account into the Operating Account not later than one Business Day prior to each Payment Date following the relevant Collection Period. However, such undertaking of the Servicer is not secured. Further, if the Servicer becomes Insolvent, amounts collected by the Servicer and not transferred to the Operating Account may be subject to attachment by the creditors of the Servicer.

This risk is mitigated by the Reserves Funding Agreement pursuant to which the Funding Entity agrees to:

(a) upon the earlier of (y) the occurrence of a Downgrade Event with respect to the Funding Entity or (z) ALD becoming Insolvent, pay the Required Commingling Reserve Amount directly into the Commingling Reserve Account within 31 calendar days from the occurrence of the relevant event;

(b) if on a Payment Date, after the occurrence of a Downgrade Event with respect to the Funding Entity, the amount standing to the credit of the Commingling Reserve Account is less than the Required Commingling Reserve Amount calculated in respect of such Payment Date, pay to the Commingling Reserve Account an amount equal to such shortfall, provided that:

  (i) a Downgrade Event with respect to the Funding Entity is subsisting;

  (ii) ALD is not Insolvent; and

  (iii) the Issuer has not effected any transfers from the Commingling Reserve Account pursuant to clause 4 (Transfer to the Operating Account) of the Reserves Funding Agreement.

Further, if the Funding Entity receives a notice by the Issuer of a valid termination of the Reserves Funding Agreement for good cause (*wichtiger Grund*) caused by the Funding Entity, the Funding Entity shall promptly credit to the Commingling Reserve Account in each case an amount equal to the positive difference of (i) the Commingling Reserve Required Amount and (ii) any amounts previously credited by the Funding Entity to the Commingling Reserve Account.

Accordingly, Noteholders rely not only on the creditworthiness of the Servicer (or a Back-Up Servicer or Substitute Servicer (as applicable)) but also on the creditworthiness of the Funding Entity. If the Funding Entity becomes Insolvent or otherwise defaults in respect of its obligations under the Reserves Funding Agreement, the Noteholders may be exposed to commingling risk and the Issuer may not have

sufficient funds to pay the full amount of interest and/or repay the Notes in full. Also, it cannot be excluded that the respective amount held in the Commingling Reserve Account will be sufficient to entirely cover the risk.

In such scenario, there is a risk that the Noteholders will ultimately not receive the full principal amount of the Notes and/or interest thereon.

See "*Overview of Transaction Documents – The Reserves Funding Agreement*".

The Required Set-Off Reserve Amount

The Originator has represented under the Eligibility Criteria that the Purchased Receivables are free from third party rights and set-off rights, but excluding the Permitted Set-Off Rights.

The Permitted Set-Off Rights are set-off rights a Lessee might have and might exercise towards the relevant Purchased Receivable resulting from (i) cash deposits made by a Lessee with the Originator, (ii) advances received by the Originator from a Lessee with respect to maintenance services relating to any Open Calculation Lease Agreement or (iii) amounts payable by the Originator to a Lessee due to a Lease Agreement Recalculation but not yet paid.

This risk is mitigated by the Reserves Funding Agreement pursuant to which the Funding Entity agrees to:

(a) upon the earlier of (y) the occurrence of a Downgrade Event with respect to the Funding Entity or (z) ALD becoming Insolvent, the Funding Entity will pay the Required Set-Off Reserve Amount directly into the Set-Off Reserve Account (respectively) within 31 calendar days from the occurrence of the relevant event;

(b) if on a Payment Date, after the occurrence of a Downgrade Event with respect to the Funding Entity, the amount standing to the credit of the Set-Off Reserve Account is less than the Required Set-Off Reserve Amount calculated in respect of such Payment Date, the Funding Entity will pay to the Set-Off Reserve Account an amount equal to such shortfall, provided that:

    (i) a Downgrade Event with respect to the Funding Entity is subsisting;

    (ii) ALD is not Insolvent; and

    (iii) the Issuer has not effected any transfers from the Set-Off Reserve Account pursuant to clause 4 (Transfer to the Operating Account) of the Reserves Funding Agreement.

Further, if the Funding Entity receives a notice by the Issuer of a valid termination of the Reserves Funding Agreement for good cause (*wichtiger Grund*) caused by the Funding Entity, the Funding Entity shall promptly credit to the Set-Off Reserve Account an amount equal to the positive difference of (i) the relevant Required Set-Off Reserve Amount and (ii) any amounts previously credited by the Funding Entity to the Set-Off Reserve Account.

If the Funding Entity becomes Insolvent or otherwise defaults in respect of its obligations under the Reserves Funding Agreement, the Noteholders may be exposed to set-off risk and the Issuer may not have sufficient funds to pay the full amount of interest and/or repay the Notes in full. Also, it cannot be excluded that the respective amount held in the Set-Off Reserve Account will be sufficient to entirely cover the risk.

See "*Overview of Transaction Documents – The Reserves Funding Agreement*".

The Required Maintenance Reserve Amount

The Lease Services will not be purchased by the Issuer. The Servicer has undertaken in the Servicing Agreement that it will service the Lease Service Receivables applying at least the same standard of care (*Sorgfalt*) as with respect to the Purchased Receivables.

If the Servicer becomes Insolvent and the insolvency administrator (*Insolvenzverwalter*) of the Servicer would not continue to render the Lease Services, this could create a termination right with respect to a

Lease Agreement for the relevant Lessee (see "*Risk Factors – Category 3: Risks relating to the Purchased Receivables – Lease Services Component and Termination Rights of Lessees*").

This risk is mitigated by the Reserves Funding Agreement pursuant to which the Funding Entity agrees to:

(a) upon the earlier of (y) the occurrence of a Downgrade Event with respect to the Funding Entity or (z) ALD becoming Insolvent, the Funding Entity will pay the Required Maintenance Reserve Amount directly into the Maintenance Account, either:

  (i) if a Downgrade Event with respect to the Funding Entity has occurred, within 31 calendar days; or

  (ii) upon ALD becoming Insolvent, promptly.

(b) if on a Payment Date, after the occurrence of a Downgrade Event with respect to the Funding Entity, the amount standing to the credit of the Maintenance Reserve Account is less than the Required Maintenance Reserve Amount calculated in respect of such Payment Date, the Funding Entity will pay to the Maintenance Reserve Account an amount equal to such shortfall, provided that:

  (i) a Downgrade Event with respect to the Funding Entity is subsisting;

  (ii) ALD is not Insolvent; and

  (iii) the Issuer has not effected any transfers from the Maintenance Reserve Account pursuant to clause 4 (Transfer to the Operating Account) of the Reserves Funding Agreement.

Further, if the Funding Entity receives a notice by the Issuer of a valid termination of the Reserves Funding Agreement for good cause (*wichtiger Grund*) caused by the Funding Entity, the Funding Entity shall promptly credit to the Maintenance Reserve Account an amount equal to the positive difference of (i) the relevant Required Maintenance Reserve Amount and (ii) any amounts previously credited by the Funding Entity to the Maintenance Reserve Account.

If the Funding Entity becomes Insolvent or otherwise defaults in respect of its obligations under the Reserves Funding Agreement, the Noteholders may be exposed to the risk that the Servicer will not be able to render the Lease Service and the Issuer may not have sufficient funds to pay the full amount of interest and/or repay the Notes in full. Also, it cannot be excluded that the respective amount held in the Maintenance Reserve Account will be sufficient to entirely cover the risk.

See "*Overview of Transaction Documents – The Reserves Funding Agreement*".

5. Early Redemption

During the Revolving Period, there will be no repayment of principal under the Notes. Instead, the Issuer may use the Pre-Enforcement Available Distribution Amount to acquire Additional Receivables in accordance with the Transaction Documents. The Revolving Period ends on the Payment Date falling in November 2021, unless an Amortisation Event occurs prior to such date, in which case the Revolving Period will end early. During the Amortisation Period, the amount of repayment of principal under the Notes on any given Payment Date will depend on the relevant Available Distribution Amount, in particular, the funds received by the Issuer on the Purchased Receivables, in particular the aggregate amount which the Lessees have paid in the Collection Period immediately preceding such Payment Date.

There is no assurance that the Purchased Receivables can be realised by or on behalf of the Issuer at their present Outstanding Principal Amount, or at all. While each Lease Agreement has due dates for scheduled payments thereunder, there is no assurance that the Lessees under those Lease Agreements will pay in time, or at all. See "*Risk Factors – Category 3: Risks relating to the Purchased Receivables – Factors affecting the Payment under the Purchased Receivables*".

There is no guarantee that the Noteholders will ultimately receive the full principal amount of the Notes and interest thereon as a result of any losses incurred in respect of the Lease Agreements or the Vehicles. The expectations expressed under "*Weighted Average Life of the Notes*" should be viewed as estimates

only and no assurance is given that the expectations expressed therein will be realised. No Noteholder of any Class of Notes will have any rights under the Notes after the Legal Maturity Date.

See "*Terms and Conditions of the Notes – Clause 10.2 (Redemption on the Legal Maturity Date)*".

Early Redemption for Default

Immediately upon the earlier of (i) being informed by the Trustee of the occurrence of an Issuer Event of Default or (ii) becoming aware in any other way of the occurrence of an Issuer Event of Default, the Trustee may at its discretion - and will if so requested by Noteholders holding at least 25 per cent. of the Aggregate Outstanding Note Principal Amount of the Most Senior Class of Notes - serve an Early Redemption Notice to the Issuer. If Noteholders holding at least 25 per cent. of the Aggregate Outstanding Note Principal Amount of the Most Senior Class of Notes exercise such right, the Issuer will redeem all (but not only some) Notes as described herein.

See "*The Terms and Conditions of the Notes – Early Redemption for Default*".

In such events, the Issuer is not obliged to pay the Noteholders a premium or any other compensation for the redemption of the Notes prior to the Legal Maturity Date. In case of such early redemption of all Notes, the overall interest payments under the Notes may be lower than expected.

Early Redemption – Repurchase Option upon the Occurrence of a Clean-Up Call Event or Illegality and Tax Call Event

The Issuer has granted to the Originator the right to, upon at least five Business Days' prior written notice to the Issuer (with a copy to the Trustee), repurchase on a Payment Date all (but not only some) of the Purchased Receivables and Related Collateral at the respective Repurchase Price if a Clean-Up Call Event or Illegality and Tax Call Event has occurred and if the Repurchase Prices are sufficient to redeem the Class A Notes and the Class B Notes and if all amounts due in respect of. items ranking senior to or equal to the Class B Notes are being paid pursuant to the applicable Priority of Payments.

See "*The Terms and Conditions of the Notes – Early Redemption – Repurchase Option upon the occurrence of a Repurchase Event*".

In such events, the Issuer is not obliged to pay the relevant Noteholders a premium or any other compensation for the redemption of the relevant Class of Notes prior to the Legal Maturity Date. In case of such early redemption of the relevant Class of Notes, the overall interest payments under the relevant Class of Notes may be lower than expected.

6. Enforcement of Security Interest in Security Assets by the Trustee

Upon the Enforcement Conditions being fulfilled, the payment of interest and the repayment of principal on the Notes may depend on whether and to what extent the Trustee will be able to enforce and realise the Security Interests in the Security Assets. There is a risk that at the time of such enforcement there is no active and liquid secondary market for lease receivables such as the Purchased Receivables or for the collateral such as the Related Collateral (in particular, the Vehicles). Accordingly, there is a risk that the Trustee, should it choose to sell the Purchased Receivables and/or realise the Related Collateral, will not be able to sell the Purchased Receivables and/or realise the Related Collateral on appropriate economic terms. This may adversely affect the payment of interest and the repayment of principal of the Notes.

7. Trustee Claim

The Issuer will grant the Trustee Claim (*Treuhänderanspruch*) to the Trustee in accordance with the Trust Agreement. The Trustee Claim entitles the Trustee to demand from the Issuer to pay, whenever an Issuer Obligation that is payable by the Issuer to a Secured Party has become due (*fällig*), an equal amount to the Trustee. To secure such Trustee Claim the Issuer will, *inter alia*, grant a pledge (*Pfandrecht*) to the Trustee for the benefit of the Noteholders and the other Secured Parties over Security Assets as specified in clause 12.1 (Pledge) of the Trust Agreement.

There is no authority to the effect that the Trustee Claim of the Trustee against the Issuer established by the Trust Agreement may not be validly secured by a pledge of the relevant Security Assets pursuant to the Trust Agreement. However, as there is no specific authority confirming the validity of such pledge

either, the validity of such pledge is subject to some degree of legal uncertainty. If such pledge would be considered to be void, the Trustee would not be able to realise such security interest and the Noteholders may ultimately bear the risk that due to a lack of sufficient funds available that they will ultimately not receive the full principal amount of the Notes and/or interest thereon.

8. Securitisation Regulation – EU risk retention, EU transparency requirements, simple, transparent and standardised securitisations and due diligence requirements

On 17 January 2018, as part of the implementation of the European Commission's Action Plan on Building a Capital Markets Union, the Securitisation Regulation came into force which harmonises rules on risk retention, due diligence and disclosure across the different categories of European institutional investors which apply to all securitisations (subject to grandfathering provisions) and introduce a new framework for simple, transparent and standardised securitisations. The Securitisation Regulation applies since 1 January 2019.

The Securitisation Regulation applies to certain parties (including sponsors, original lenders, originators and securitisation special purpose entities ("SSPEs") (each as defined in article 2 of the Securitisation Regulation)) involved in the establishment of EU regulated securitisations, the securities of which are issued on or after 1 January 2019, and to certain institutional investors therein.

EU risk retention

There are material differences between the regulatory rules which applied to securitisations prior to 1 January 2019 and the regime which now applies pursuant to the Securitisation Regulation. Notably, the Securitisation Regulation imposes requirements on a wide range of institutional investors (as defined under the regulation) which includes categories of investors which were not subject to such prior requirements. Investors should note that, unlike the previous regime, in addition to requirements which apply to investors (as to which see further below), the Securitisation Regulation places a direct requirement on "originators", "sponsors", "original lenders" and "SSPEs" (as defined in the Securitisation Regulation) established in the EU to, amongst other things, (i) in respect of originators, sponsors and original lenders only, retain on an on-going basis a material net economic interest in the securitisation of not less than 5 per cent. (article 6 of the Securitisation Regulation) and (ii) make certain information available to holders of a securitisation position, competent authorities and (upon request) potential investors in accordance with the disclosure requirements set out therein (article 7 Securitisation Regulation).

Under article 6 of the Securitisation Regulation, the originator, sponsor or original lender of a securitisation shall retain on an ongoing basis a material net economic interest in the securitisation of not less than 5 per cent. The Originator agreed, for the life of the Transaction, to retain, as "originator" (as defined in article 2(3)(a) of the Securitisation Regulation), a material net economic interest of not less than 5 per cent. in this Transaction in accordance with article 6 of the Securitisation Regulation. As at the Closing Date, such retention will be comprised of an interest in the Class C Notes and the Subordinated Loan as required by article 6(3)(d) of the Securitisation Regulation. The material net economic interest is not and will not be subject to any credit-risk mitigation or hedging.

If the Originator does not comply with its obligations under article 6 of the Securitisation Regulation, the ability of the Noteholders to sell and/or the price investors receive for the Notes in the secondary market may be adversely affected.

Following the issuance of the Notes, relevant investors to which the Securitisation Regulation is applicable are required to independently assess and determine the sufficiency of the information described above for the purposes of complying with article 5 of the Securitisation Regulation, and none of the Issuer, the Originator or the Lead Manager makes any representation that the information described above is sufficient in all circumstances for such purposes.

The European Commission has adopted technical standards to be made under the risk retention requirements. Noteholders should take their own advice and/or seek guidance from their regulator on compliance with, and the application of, the provisions of article 6 of the Securitisation Regulation in particular.

EU transparency requirements

The originator, sponsor and SSPE (i.e. the Issuer) of a securitisation are required to designate one of them (the "**Reporting Entity**") to fulfil the Securitisation Regulation's reporting requirements in article 7 (the "**Transparency Requirements**"). The Reporting Entity must make certain prescribed information available to holders of a securitisation position, to the relevant competent authorities ("**Competent Authorities**") and, upon request, to potential investors.

In relation to the Transparency Requirements: (a) the Issuer will be designated as the Reporting Entity, and (b) Servicer agreed under the Servicing Agreement to prepare the Servicer Reports and to commit the information required pursuant to article 7 of the Securitisation Regulation for the Issuer, including by way of the Transparency Reports. Whether the Servicer will be able to obtain and provide to the Issuer and the Cash Administrator all of the information required to be reported in accordance with the Transparency Requirements is unclear.

Under article 7 of the Securitisation Regulation, the drafts of certain Transaction Documents and this Prospectus are required to be made available before pricing. The Servicer (acting on behalf of the Issuer) will make such draft documentation available on the website of the European Datawarehouse at www.eurodw.eu). The final versions of the Transaction Documents and this Prospectus will be available on or after the Closing Date.

On 16 October 2019, the European Commission adopted regulatory technical standards on the Transparency Requirements published by the European Securities and Markets Authority (the "**Transparency RTS**"). The Transparency RTS were published in the Official Journal of the EU on 3 September 2020 and entered into force on 23 September 2020. The transitional provisions of the Securitisation Regulation with respect to the Transparency Requirements provide that until the application of the Transparency RTS, the Reporting Entity shall make available the information referred to in Annexes I to VIII of Delegated Regulation (EU) 2015/3.

Although the Issuer has undertaken to act as the Reporting Entity, it should be noted that the Securitisation Regulation's reporting obligations are likely to apply to both the Originator as the originator within the meaning of article 2(3)(a) of the Securitisation Regulation (cf. article 22(5) of the Securitisation Regulation) and the Issuer.

Any failure by the Issuer, as the reporting entity, or by the Servicer (on behalf of the Issuer), or by the Originator to fulfil the Transparency Requirements applicable to them or covenants relating thereto may cause the Transaction to be non-compliant with the Securitisation Regulation.

Simple, transparent and standardised securitisations

In addition, the Securitisation Regulation sets out the criteria and framework for so-called "simple, transparent and standardised" ("**STS**") securitisation transactions. STS securitisation transactions will receive preferential capital treatment and benefit from other regulatory advantages, such as a proposed exemption from clearing and a proposed relaxation of margining rules for derivatives entered into by a securitisation special purpose entity. In order to obtain this designation, a transaction is required to comply with the requirements set out in articles 20, 21 and 22 of the Securitisation Regulation (the "**STS Criteria**") and one of the originator or sponsor in relation to such transaction is required to file a notification to ESMA confirming the compliance of the relevant transaction with the STS Criteria (the "**STS-Notification**"). Investors should note that a draft STS Notification will be made available to investors before pricing of the Notes. Although the Transaction has been structured to comply with the requirements for simple, transparent and standardised securitisations transactions as set out in articles 20, 21 and 22 of the Securitisation Regulation and has been certified as such by STS Verification International GmbH, no guarantee can be given that the Transaction maintains this status throughout its lifetime and prospective investors should verify the current status of the Transaction on ESMA's website. It is important to note that the involvement of STS Verification International GmbH as an authorised verification agent is not mandatory and the responsibility for compliance with the Securitisation Regulation remains with the relevant institutional investors, originators and issuers, as applicable in each case. A STS verification will not absolve such entities from making their own assessment and assessments with respect to the Securitisation Regulation, and a STS assessment cannot be relied on to determine compliance with the foregoing regulations in the absence of such assessments by the relevant entities. Furthermore, a STS verification is not an opinion on the creditworthiness of the Notes nor on

the level of risk associated with an investment in the Notes. It is not an indication of the suitability of the Notes for any investor and/or a recommendation to buy, sell or hold Notes.

Institutional investors that are subject to the due diligence requirements of the Securitisation Regulation need to make their own independent assessment and may not solely rely on a STS verification, the STS Notification or other disclosed information. Non-compliance with such status may result in higher capital requirements for investors because an investment in the Notes would not benefit from articles 260, 262 and 264 of the CRR.

None of the Issuer, the Originator, the Servicer, the Lead Manager, the Trustee nor any other Transaction Party gives any explicit or implied representation or warranty as to (i) inclusion of the Transaction in the list administered by ESMA within the meaning of article 27 of the Securitisation Regulation, (ii) that the Transaction does or continues to comply with the Securitisation Regulation or (iii) that the Transaction does or continues to be recognised or designated as 'STS' or 'simple, transparent and standardised' within the meaning of article 18 of the Securitisation Regulation.

Investors should also note that, to the extent the Transaction is designated a STS securitisation, the designation of a transaction as a STS securitisation is not an assessment by any party as to the creditworthiness of that transaction but is instead a reflection that the specific requirements of the Securitisation Regulation have been met as regards compliance with the criteria of STS Securitisations.

Due-diligence requirements for institutional investors

Investors to which the Securitisation Regulation is applicable should make themselves aware of the due diligence requirements set out in article 5 of the Securitisation Regulation.

The due diligence requirements apply to certain types of "institutional investor" as defined in the Securitisation Regulation ("**Institutional Investors**"). Such Institutional Investors include institutions for occupational retirement provision, credit institutions, alternative investment fund managers that manage and/or market alternative investment funds in the EU, investment firms as defined in the CRR, insurance and reinsurance undertakings, and management companies of UCITS funds (or internally managed UCITS).

These requirements restrict such Institutional Investors from investing in securitisations unless such investors have verified (among other things) that: (i) the originator, sponsor or original lender will retain, on an ongoing basis, a material net economic interest of not less than five per cent. in the securitisation in accordance with the Securitisation Regulation and the risk retention is disclosed to the institutional investor; (ii) the originator, sponsor or SSPE has, where applicable, made available the information required by article 7 of the Securitisation Regulation (as to which see the disclosure requirements set out below) in accordance with the frequency and modalities provided for in that article and (iii) where the originator or original lender is established in the EU, and is not a credit institution or an investment firm as defined in the CRR, the originator or original lender grants all the credits giving rise to the underlying exposures on the basis of sound and well-defined criteria and clearly established processes for approving, amending, renewing and financing those credits and has effective systems in place to apply those criteria and processes in accordance with article 9(1) of the Securitisation Regulation. Pursuant to article 14 of the CRR consolidated subsidiaries of credit institutions and investment firms subject to the CRR may also be subject to these requirements.

With a view to support compliance with article 5 of the Securitisation Regulation, the Servicer (on behalf of the Issuer) will, among others, (i) publish a monthly investor report as required by and in accordance with article 7(1)(e) of the Securitisation Regulation, (ii) publish on a monthly basis certain loan-by-loan information in relation to the Portfolios in respect of the relevant monthly Collection Period as required by and in accordance with article 7(1)(a) of the Securitisation Regulation, (iii) publish any information required to be reported pursuant to article 7(1)(f) or (g) (as applicable) of the Securitisation Regulation without delay, and (iv) before pricing of the Notes (in at least draft or initial form) and within 15 days of the issuance of the Notes (in final form), make available copies of the notification required under article 27 of the Securitisation Regulation (the "**STS Notification**"), the Transaction Documents (other than the Subscription Agreement) and this Prospectus. The information set out above shall be published on the website of the European DataWarehouse at www.eurodw.eu, being a website which conforms with the requirements set out article 7(2) of the Securitisation Regulation. Separately, it should be noted that the information required under article 7(1)(a) of the Securitisation Regulation shall be made available to

potential Noteholders before pricing upon request. For the avoidance of doubt, such website and the contents thereof do not form part of this Prospectus.

It should be noted that there is no certainty that references to the retention obligations of the Originator in this Prospectus will constitute explicit disclosure (on the part of the Originator and the Issuer as Reporting Entity) or adequate due diligence (on the part of the Noteholders) for the purposes of article 5 of the Securitisation Regulation.

Following the issuance of the Notes, relevant investors to which the Securitisation Regulation is applicable are required to independently assess and determine the sufficiency of the information described above for the purposes of complying with article 5 of the Securitisation Regulation, and none of the Issuer, the Originator nor the Lead Manager makes any representation that the information described above is sufficient in all circumstances for such purposes.

Prospective investors should carefully consider (and, where appropriate, take independent advice) in relation to the capital charges associated with an investment in the Notes. In particular, investors should carefully consider the effects of the change (and likely increase) to the capital charges associated with an investment in the Notes for credit institutions and investment firms which took effect from 1 January 2019 and from 1 January 2020, depending on the particular exposure. These effects may include, but are not limited to, a decrease in demand for the Notes in the secondary market, which may lead to a decreased price for the Notes. It may also lead to decreased liquidity and increased volatility in the secondary market. Prospective investors are themselves responsible for monitoring and assessing changes to the EU risk retention rules and their regulatory capital requirements.

Failure to comply with one or more of the requirements under the Securitisation Regulation may result in various administrative sanctions or remedial measures being imposed on the relevant investor, originator, sponsor, lender and/or SSPE (as applicable) which may be payable or reimbursable by the Issuer as administrative expenses to the extent such sanctions or measures are in the form of pecuniary sanctions imposed on the Issuer or the "originator" within the meaning of the Securitisation Regulation. The rules establishing sanctions are to be set by the individual member states of the European Economic Area in accordance with the framework set out in the Securitisation Regulation. Among other things, this framework allows for criminal sanctions and specifies maximum fines of at least EUR 5,000,000 (or equivalent) or of up to 10 per cent. of total annual net turnover, or (even if that is higher than the other maximum levels stated) at least twice the amount of the benefit derived from the infringement. Investors should note that there may be variance requirements of the Securitisation Regulation and in the manner the same are applied by the competent authorities designated by each Member State. The imposition of sanctions or remedial measures on the Issuer in connection with the Securitisation Regulation may directly and adversely affect the amounts payable under the Notes and otherwise affect the performance of the Issuer's obligations. The imposition of sanctions or remedial measures on the Originator as "originator" in connection with the Securitisation Regulation may adversely affect the Originator's, the Servicer's and the Lender's performance of its ongoing obligations under the Transaction Documents and, consequently may adversely affect the sums payable under the Notes. Failure to comply with one or more of the requirements under the Securitisation Regulation may result in a different regulatory capital treatment of the relevant Notes.

The Securitisation Regulation and any other changes in the law or regulation, the interpretation or application of any or regulation or changes in the regulatory capital treatment of the Notes for some or all investors may negatively impact the regulatory position of individual investors and, in addition, may have a negative impact on the price and liquidity of the Notes in the secondary market. Without limitation to the foregoing, no assurance can be given that the requirements of the Securitisation Regulation or the interpretation or application thereof, will not change (whether as a result of the legislative proposals put forward by the European Commission or otherwise), and, if any such change is effected, whether such change would affect the regulatory position of current or future investors in the Notes.

To ensure that this Transaction will comply with future changes or requirements under or in connection with the Securitisation Regulation, the Trustee and the Issuer are entitled to change the Transaction Documents as well as the Terms and Conditions, in accordance with amendment provisions in the Transaction Documents and the Terms and Conditions, to comply with such requirements, subject to further prerequisites, without the consent of the Noteholders (*see Terms and Conditions of the Notes – Condition 19 (Amendment Options provided for in the Trust Agreement)*" in connection with "*Trust Agreement – Clause 2.2(b) and Clause 32.4 (Amendments)*"). It should be noted that the Issuer may incur

additional costs and expenses in seeking to comply with such disclosure obligations and certain amendments may be required in relation to the Transaction Documents. Such costs and expenses would be payable by the Issuer as administrative expenses.

The Transaction is expected to comply with the rules on risk retention, due diligence and disclosure set out in the Securitisation Regulation. However, none of the Lead Manager, the Issuer, the Originator, the Servicer, the Trustee, the Paying Agent, the Cash Administrator, their respective Affiliates or any other Person makes any representation, warranty or guarantee that any information described herein is sufficient in all circumstances for such purposes or any other purpose or that the structure of the Notes and the transactions described herein are compliant with the Securitisation Regulation or any other applicable legal or regulatory or other requirements and no such person shall have any liability to any prospective investor or investor with respect to any deficiency in such information or any failure of the transactions or structure contemplated hereby to comply with or otherwise satisfy such requirements, and no such person shall have any liability to any prospective investor or any other person with respect to the insufficiency of such information or any failure of the transactions contemplated hereby to satisfy or otherwise comply with the requirements of the Securitisation Regulation, the implementing provisions in respect of the Securitisation Regulation in their relevant jurisdiction or any other applicable legal, regulatory or other requirements.

Each prospective investor and Noteholder should make themselves aware of the requirements of the Securitisation Regulation (and any corresponding implementing rules of their regulator), where applicable to them, in addition to any other regulatory requirements applicable to them with respect to their investment in the Notes and should be aware that a failure to comply with applicable provisions may result in administrative penalties, in addition to any other regulatory requirements applicable to them with respect to their investment in the Notes. Each prospective investor in the Notes and Noteholder which is subject to the Securitisation Regulation should consult with its own legal, accounting and other advisors and/or its national regulator to determine whether, and to what extent, such information is sufficient for such purposes and any other requirements of the Securitisation Regulation or similar requirements of which it is uncertain.

See "RISK RETENTION AND TRANSPARENCY REQUIREMENTS" below.

9. **Reliance on Verification "VERIFIED BY SVI" by STS Verification International GmbH**

STS Verification International GmbH ("**SVI**") is a service provider based in Frankfurt am Main, Germany, which was authorised to act as third party verification agent pursuant to article 28 of the Securitisation Regulation on 7 March 2019 by the German Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht*) as competent supervisory body. SVI grants a registered verification label "verified – STS VERIFICATION INTERNATIONAL" if a securitisation complies with the requirements for simple, transparent and standardised securitisation as set out in articles 19 to 22 of the Securitisation Regulation ("**STS Requirements**"). The Issuer has applied and will obtain such verification for the Transaction on or before the Closing Date by SVI.

In accordance with article 27 (2) of the Securitisation Regulation, SVI's verification does not affect the liability of the originator, sponsor or the special purpose vehicle in respect of their legal obligations under the Securitisation Regulation, and such verification by SVI does not affect the obligations imposed on institutional investors as set out in article 5 of the Securitisation Regulation. The confirmation by SVI only verifies compliance of the Transaction with the STS Requirements; the confirmation by SVI does not verify the compliance of the Transaction with the general requirements of the Securitisation Regulation at large.

For a more detailed explanation see "*Verification by SVI*" below.

10. **Resolutions of Noteholders; Noteholders' Representative**

The Notes provide for resolutions of Noteholders of any Class to be passed by vote taken without meetings. Each Noteholder is subject to the risk of being outvoted. As resolutions properly adopted are binding on all Noteholders of such Class of Notes, certain rights of such Noteholder against the Issuer under the Terms and Conditions may be amended or reduced or even cancelled.

If the Noteholders of any Class of Notes appoint a Noteholders' Representative by a majority resolution of the Noteholders, it is possible that a Noteholder may lose, in whole or in part, its individual right to pursue and enforce its rights under the Terms and Conditions against the Issuer, such right passing to the Noteholders' Representative who is then exclusively responsible to claim and enforce the rights of all the Noteholders of such Class of Notes.

Further, the Noteholders of any Class of Notes may agree by majority resolution to amend the Terms and Conditions which shall be binding on all Noteholders of the relevant Class of Notes. Resolutions which do not provide for identical conditions for all Noteholders may be void, unless the Noteholders of such Class of Notes who are disadvantaged have expressly consented to their being treated disadvantageously.

11. Reform of EURIBOR Determinations

Financial market reference rates and their calculation and determination procedures have come under close public scrutiny in recent years. Starting in 2009, authorities in jurisdictions such as the European Union, the United States, Japan and others investigated cases of (alleged) misconduct around the rate setting of LIBOR, EURIBOR and other reference rates finally resulting, *inter alia*, in the Benchmark Regulation which applies since 1 January 2018.

The Benchmark Regulation applies to "contributors", "administrators" and "users of" benchmarks (such as EURIBOR and LIBOR) in the EU, and, among other things, (i) requires benchmark administrators to be authorised (or, if non-EU-based, to be subject to an equivalent regulatory regime) and to comply with extensive requirements in relation to the administration of "benchmarks" and (ii) ban the use of benchmarks of unauthorised administrators.

As part of the initiatives to reform reference rate setting referred to above, there has also been discussion in the regulatory and supervisory communities about the discontinuation of certain financial market reference rates. For example, on 27 July 2017 and most recently on 17 September 2020, the UK Financial Conduct Authority announced that it will no longer persuade or compel banks to submit rates for the calculation of the LIBOR benchmark after 2021 (the "**FCA Announcement**"). The FCA Announcement indicates that the continuation of LIBOR on the current basis cannot and will not be guaranteed after 2021. With effect from 3 December 2018, the European Money Markets Institute discontinued the publication of the two-week, two-month and nine-month EURIBOR tenors. Although thus far there has been no specific indication from the European Money Markets Institute that the one month EURIBOR tenor may also be phased out or discontinued during the life of the Notes, this cannot be ruled out as possibility in the current regulatory climate. In particular, in October 2018, the European Money Markets Institute noted that, without reform, it could not be guaranteed that EURIBOR would be compliant with the Benchmark Regulation.

Changes in the manner of administration of benchmarks may result in such benchmarks performing differently than in the past, or benchmarks could be eliminated entirely, or there could be other consequences which cannot be predicted. The potential elimination of a benchmark, or changes in the manner of administration of any benchmark, could require an adjustment to the Terms and Conditions, early redemption, discretionary valuation of the Interest Determination Agent, delisting or result in other consequences, in respect of the Class A Notes linked to EURIBOR. Any such consequence could have a material adverse effect on the ability of the Issuer to meet its obligations under the Notes and/or on the value of and return on any such Notes.

As at the date of this Prospectus, there can be no assurance as to the consequences for the use of EURIBOR as benchmark under the Terms and Conditions and the Swap Agreement of the UK leaving the EU (see *"Risk Factors – Category 2: Risks relating to the Notes – Political Uncertainty*" below. When the Brexit transition period comes to an end on 31 December 2020, the Benchmark Regulation will become part of the UK's retained EU law as part of the wider "onshoring" process, subject to a number of amendments designed to ensure that it operates effectively in a UK-only context (the "**UK Benchmark Regulation**"). The UK Benchmark Regulation will permit benchmarks provided by non-UK administrators (which will include European Economic Area ("**EEA**") administrators) to be used in the UK by supervised entities where certain prerequisites are met. However, the UK Benchmark Regulation contains transitional provisions that permit non-UK benchmarks to be used in the UK for a limited time where none of these requirements has been met. The transition period is currently scheduled to end on 31 December 2022. Given the similarities between the UK Benchmark Regulation and the Benchmark Regulation, it should not be difficult for the UK to make equivalence determinations in

respect of EEA jurisdictions, thereby permitting the continued use of EEA-administered benchmarks in the UK after 31 December 2020. This position may change if, after 31 December 2020, either the EU or the UK makes legislative changes which are not reflected in the other's benchmarks regime. If EURIBOR will not be accepted under the UK Benchmark Regulation as valid benchmark after 2022, it could be the case that the reference rate applicable to the Class A Notes and under the Swap Agreement do not match so that the interest rate risk resulting from the floating rate interest to be paid under the Class A Notes and fixed rate interest under the Purchased Receivables is not adequately hedged. In such case, the Issuer could be required to pay more interest under the Class A Notes than the Issuer has available under the Available Distribution Amount which could result in a shortfall under the Notes.

12. European Market Infrastructure Regulation (EMIR) and Markets in Financial Instruments Directive (MiFID II)

Regulation (EU) No 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories, known as the European Market Infrastructure Regulation ("**EMIR**"), including a number of regulatory technical standards and implementing technical standards in relation thereto, introduce certain requirements in respect of OTC derivative contracts. Such requirements include, amongst other things, the mandatory clearing of certain OTC derivative contracts (the "**Clearing Obligation**") through an authorised central counterparty (a "**CCP**"), the reporting of OTC derivative contracts to a registered or recognised trade repository (the "**Reporting Obligation**") and certain risk mitigation requirements in relation to derivative contracts which are not centrally cleared in relation to timely confirmation, portfolio reconciliation and compression, and dispute resolution.

EMIR has further been amended by, *inter alia*, Regulation (EU) 2019/834 of the European Parliament and of the Council of 20 May 2019 amending Regulation (EU) No 648/2012 as regards the clearing obligation, the suspension of the clearing obligation, the reporting requirements, the risk-mitigation techniques for OTC derivative contracts not cleared by a central counterparty, the registration and supervision of trade repositories and the requirements for trade repositories ("**EMIR REFIT**"). For the avoidance of doubt, any reference to EMIR is to the version as amended by EMIR REFIT. The changes introduced by EMIR REFIT are in force since 17 June 2019 with certain amended provisions being immediately applicable (such as the changes in relation to the clearing obligation) and further obligations being phased in until 18 June 2021.

The Clearing Obligation applies to financial counterparties ("**FCs**") and certain non-financial counterparties ("**NFCs**") which have positions in OTC derivative contracts exceeding specified "clearing thresholds" in the relevant asset class (such NFCs, "**NFC+s**). Such OTC derivative contracts also need to be of a class of derivative which has been designated by ESMA as being subject to the Clearing Obligation. On the basis of the relevant technical standards, it is expected that the Issuer will be treated as an NFC for the purposes of EMIR, that the Issuer will calculate its positions in OTC derivative contracts against the clearing thresholds and the swap transactions to be entered into by it on the Closing Date will not exceed the relevant "clearing threshold" ("**NFC-**"), however, this cannot be excluded. If the Issuer qualifies as a NFC, the Issuer might, however, be exempt from the Clearing Obligation under article 42(2) of the Securitisation Regulation in connection with Commission Delegated Regulation (EU) 2020/447 of 16 December 2019 supplementing Regulation (EU) No 648/2012 of the European Parliament and of the Council with regard to regulatory technical standards on the specification of criteria for establishing the arrangements to adequately mitigate counterparty credit risk associated with covered bonds and securitisations because this Transaction is structured to comply with the requirements for simple, transparent and standardised securitisations transactions as set out in articles 20, 21 and 22 of the Securitisation Regulation (with respect to the uncertainties in this respect, please see *"Risk Factors – Category 2: Risks relating to the Notes – Securitisation Regulation – EU risk retention, EU transparency requirements, simple, transparent and standardised securitisations and due diligence requirements)* above).

OTC derivatives contracts that are not cleared that are not cleared by a CCP may be subject to variation and/or initial margin requirements (the "**Margin Obligation**"). Variation margin obligations applying to all in scope transactions entered into by FCs or NFC+ from 1 March 2017 and initial margin requirements are being phased in from September 2017 through September 2020, depending on the type of the FCs or NFC+. However, on the basis that the Issuer is an NFC-, OTC derivatives contracts that are entered into by the Issuer would not be subject to any Margin Obligation. If the Issuer's counterparty status as an NFC- changes then uncleared OTC derivatives contracts that are entered into or materially amended by the Issuer from such time as it is no longer an NFC- may become subject to the Margin Obligation and

the Swap Counterparty may terminate the Swap Agreement. If the Issuer qualifies as a NFC, the Issuer might, however, be exempt from the Margin Obligation under article 42(3) of the Securitisation Regulation in connection with Commission Delegated Regulation (EU) 2020/448 of 7 December 2019 amending Delegated Regulation (EU) 2016/2251 as regards the specification of the treatment of OTC derivatives in connection with certain simple, transparent and standardised securitisations for hedging purposes because this Transaction is structured to comply with the requirements for simple, transparent and standardised securitisations transactions as set out in articles 20, 21 and 22 of the Securitisation Regulation (with respect to the uncertainties in this respect, please see *"Risk Factors – Category 2: Risks relating to the Notes – Securitisation Regulation – EU risk retention, EU transparency requirements, simple, transparent and standardised securitisations and due diligence requirements)* above).

The Reporting Obligation applies to all types of counterparties and covers the entry into, modification or termination of cleared and non-cleared derivative contracts which were entered into on or after 12 February 2014. The deadline for reporting derivatives is one business day after the derivate contract was entered into, amended or terminated with the details of such derivative contracts required to be reported to a trade repository. It will therefore apply to the Swap Agreement and any replacement swap agreement. Pursuant to EMIR REFIT, since 18 June 2020 onwards, the FC should, as a rule, be solely responsible, and legally liable, for reporting on behalf of both itself and NFC that are not subject to the clearing obligation with regard to OTC derivative contracts entered into by those counterparties, as well as for ensuring the correctness of the details reported.

The EU regulatory framework and legal regime relating to derivatives is set not only by EMIR, but also by the recast version of the Directive 2014/65/EU on markets in financial instruments (as amended, restated or supplemented, "**MiFID II**"), in particular as supplemented by the Regulation (EU) No. 600/2014 (as amended, restated or supplemented, "**MiFIR**"). MiFID II and MiFIR provide for regulations which require transactions in OTC derivatives to be traded on organised markets. MiFIR is supplemented by technical standards and delegated acts implementing such technical standards, such as the delegated Regulation (EU) 2017/2417 of 17 November 2017 supplementing MiFIR with regard to regulatory technical standards on the trading obligation for certain derivatives which, *inter alia*, determine which standardised derivatives will have to be traded on exchanges and electronic platforms. For the scope of transactions in OTC derivatives subject to the trading obligation, it is article 28(1) and article 32 MiFIR referring to the definition of FCs and to NFCs that meet certain conditions of EMIR. Since MiFIR was not amended by EMIR REFIT, following the entry into force of EMIR REFIT on 17 June 2019 there is a misalignment in the scope of counterparties as regards the trading obligation under MiFIR and clearing obligation under EMIR: potentially some NFCs would be subject to the trading obligation while being exempted from the clearing obligation. Although ESMA expects competent authorities not to prioritise their supervisory actions in relation to the MiFIR derivatives trading obligation towards counterparties who are not subject to the clearing obligation, and to generally apply their risk-based supervisory powers in their day-to-day enforcement of applicable legislation in this area in a proportionate manner, it might not be excluded that national competent authorities in the relevant Member States impose respective measures on the Issuer in this respect, including certain information requests, measures that the derivatives shall be traded on a respective trading venue, the cancellation of the derivative transactions or administrative fines. Amongst other requirements, MiFIR requires certain standardised derivatives between FCPs and NFC+s to be traded on exchanges and electronic platforms (the "**Trading Obligation**"). On 7 February 2020, ESMA published this final report on the alignment of the MiFIR Trading Obligation with the scope of the EMIR Clearing Obligation, as amended by EMIR REFIT. ESMA recommends that the changes made by EMIR REFIT to the scope of the EMIR Clearing Obligations for FCs and NFCs should be replicated in MiFIR. It also recommends that the mechanism introduced by EMIR REFIT for temporarily suspending the clearing obligation in certain circumstances should be mirrored in MiFIR in respect of the Trading Obligation, with adaptations to the criteria for suspension to the specificities of the Trading Obligation. ESMA has submitted its report to the European Commission, as required under EMIR REFIT. Further regulatory technical standards will be developed to determine which derivatives will be subject to the Trading Obligation. In this respect, it is difficult to predict the full impact of these regulatory requirements on the Issuer. However, on the basis that the Issuer is currently an NFC-, it would not be subject to the Trading Obligation, but the Issuer could therefore become subject to the Trading Obligation if its status as a NFC- changes in the future.

Prospective investors should be aware that EMIR, EMIR REFIT and MiFID II/MiFIR (including other rules and regulatory technical standards relating thereto) may lead to more administrative burdens and higher costs for the Issuer. As a result of such increased costs or increased regulatory requirements, investors may receive less interest or return, as the case may be. Further, if any party fails to comply with

the applicable rules under EMIR it may be liable for a fine. If such fine is imposed on the Issuer, this may also reduce the amounts available to make payments with respect to the Notes. Investors should be aware that such risks are material and that the Issuer could be materially and adversely affected thereby. As such, investors should consult their own independent advisers and make their own assessment about the potential risks posed by EMIR, EMIR REFIT, MiFID II/MiFIR and regulatory technical standards made thereunder, in making any investment decision in respect of the Notes.

In addition, in order to enable the Issuer to comply with any obligation which applies to it under EMIR/EMIR REFIT, prospective investors should be aware that the relevant Transaction Documents may need to be amended during the course of the Transaction, without the consent of any Noteholder, to ensure that the terms thereof and the parties obligations thereunder are in compliance with EMIR/EMIR REFIT and/or the then subsisting EMIR/EMIR REFIT regulatory technical standards. As noted above, the Trustee may concur with the Issuer in making certain modifications to the Transaction Documents without any consent of the Noteholders (see "*Terms and Conditions of the Notes – Condition 19 (Amendment Options provided for in the Trust Agreement)*" in connection with "*Trust Agreement – Clause 2.2(b) and Clause 32.4 (Amendments)*"). Investors should consult their own independent advisers and make their own assessment about the potential risks posed by EMIR/EMIR REFIT in making any investment decision in respect of the Notes.

As at the date of this Prospectus, there can be no assurance as to the consequences for the Swap Agreement of the UK leaving the EU (see *"Risk Factors – Category 2: Risks relating to the Notes – "Political Uncertainty"* below. Also, on 5 October 2018, the UK HM Treasury published a draft of the Markets in Financial Instruments (Amendment) (EU Exit) Regulations 2018 (the "**UK MiFID**"). Consistent with the policy approach of the UK government on Brexit, the UK MiFID generally provides that EU states are treated as third countries. As a result, concepts in MiFID II and MiFIR which extend on an EU-wide basis are generally redrawn to cover the UK only. This could have an impact on the Issuer if the Issuer should become subject to the Trading Obligation if its status as a NFC- changes in the future.

13. **Eurosystem Eligibility**

The Class A Notes are intended to be held in a manner which would allow Eurosystem eligibility. This means that the Class A Notes are intended upon issue to be deposited with one of Euroclear or Clearstream Luxembourg as Common Safekeeper, but does not necessarily mean that the Class A Notes in the future will 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. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria set out in the Guideline (EU) 2019/1032 of the European Central Bank of 10 May 2019 amending Guideline (EU) 2015/510 on the implementation of the Eurosystem monetary policy framework (ECB/2019/11), as amended, restated or supplemented from time to time. The Issuer gives no representation, warranty, confirmation or guarantee to any investor in the Class A Notes that the Class A Notes will at any time in the future satisfy all or any of the requirements for Eurosystem eligibility and be recognised as Eurosystem eligible collateral. Any potential investor in the Class A Notes should make their own conclusions and seek their own advice with respect to whether or not the Class A Notes constitute Eurosystem eligible collateral.

14. **Limitation of Secondary Market Liquidity and Market Value of the Notes**

Although application has been made to admit the Class A Notes and the Class B Notes to trading on the regulated market (segment for professional investors) of the Luxembourg Stock Exchange and to list the Class A Notes and the Class B Notes on the official list of the Luxembourg Stock Exchange, the liquidity of a secondary market for the Class A Notes and/or the Class B Notes may be limited. There can be no assurance that there will be bids and offers and that a liquid secondary market for the Class A Notes and/or the Class B Notes will develop or, if it develops, that it provides sufficient liquidity to absorb any bids and offers, or that it will continue for the whole life of the Class A Notes and/or the Class B Notes.

Limited liquidity in the secondary market for asset-backed securities has in the past had a serious adverse effect on the market value of asset-backed securities. Limited liquidity in the secondary market may continue to have a serious 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.

In addition, prospective investors should be aware of the prevailing and widely reported global credit market conditions. The market value of the Class A Notes and/or the Class B Notes may fluctuate with changes in market conditions. Any such fluctuation may be significant and could result in significant losses to investors in the Class A Notes and/or the Class B Notes. Consequently, any sale of the Class A Notes and/or the Class B Notes by the relevant Noteholders in any secondary market transaction may be at a discount to the original purchase price of such Class A Notes and/or Class B Notes. Accordingly, investors should be prepared to remain invested in the Class A Notes and/or the Class B Notes until the Legal Maturity Date.

15. Economic Effects of the COVID-19 Pandemic

The COVID-19 outbreak has had, and continues to have, a material impact on businesses around the world and the economic environments in which they operate. There are a number of factors associated with the outbreak and its impact on global economies that could have a material adverse effect on (among other things) the profitability, valuation and/or marketability of the Notes.

The COVID-19 outbreak has caused disruption to a number of jurisdictions, including Germany, which have implemented certain restrictions with a resultant significant impact on economic activity in those jurisdictions. These restrictions are being determined by the governments of individual jurisdictions (including through the implementation of emergency powers) and impacts (including the timing of implementation and any subsequent lifting of restrictions) may vary from time to time. It remains unclear how this will evolve through 2020 and therefore, a Noteholder bears the risk that the market price of the Notes falls as a result of the general development of the market such that the Noteholder may bear a loss in respect of its initial investment.

16. Volcker Rule

Under section 619 of the US Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (Dodd-Frank Act) and the corresponding implementing rules (the "Volcker Rule"), US banks, foreign banks with US branches or agencies, bank holding companies, and their affiliates (collectively, the "**Relevant Banking Entities**" as defined under the Volcker Rule) are prohibited from, among other things, acquiring or retaining any ownership interest in, or acting as sponsor in respect of, certain investment entities referred to in the Volcker Rule as covered funds, except as may be permitted by an applicable exclusion or exception from the Volcker Rule. In addition, in certain circumstances, the Volcker Rule restricts relevant banking entities from entering into certain credit exposure related transactions with covered funds.

Key terms are widely defined under the Volcker Rule, including "banking entity", "ownership interest", "sponsor" and "covered fund". In particular, "banking entity" is defined to include certain non-US affiliates of US banking entities. A "covered fund" is defined to include an issuer that would be an investment company under the Investment Company Act 1940 but is exempt from registration solely in reliance on section 3(c)(1) or 3(c)(7) of that Act, subject to certain exemptions found in the Volcker Rule's implementing regulations. An "ownership interest" is defined to include, among other things, interests arising through a holder's exposure to profits and losses in the covered fund.

The Issuer is of the view that it is not a "covered fund" within the meaning of the Volcker Rule. If, however, the Issuer were deemed to be a "covered fund" and the Notes were deemed to constitute an "ownership interest" in the Issuer, the Volcker Rule and its related regulatory provisions, will restrict the ability of "banking entities" to hold an "ownership interest" in the Issuer or enter into certain credit related financial transactions with the Issuer. This may be materially and adversely affect the liquidity of the market for the Notes. The Volcker Rule and any similar measures introduced in another relevant jurisdiction may, in addition, have a negative impact on the price and liquidity of the Notes in the secondary market.

The federal agencies responsible for implementing, interpreting and enforcing the Volcker Rule have recently adopted amendments to the rules implementing the Volcker Rule. These amendments, effective on 1 October 2020, generally simplify and loosen certain of the restrictions on banking entities' ownership and involvement with covered funds. However, the Volcker Rule's prohibitions could negatively impact the liquidity and value of the Notes. Each investor must determine for itself whether it is a "banking entity" subject to regulation under the Volcker Rule and should consult its own legal advisors and consider the potential impact of the Volcker Rule in respect of a prospective investment in

the Notes. None of the Issuer, the Arranger, the Lead Manager, the Originator or the Trustee makes any representation regarding: (i) the status of the Issuer under the Volcker Rule or (ii) the ability of any purchaser to acquire or hold the Notes, now or at any time in the future.

Category 3: Risks relating to the Purchased Receivables

17. **Factors affecting the Payment under the Purchased Receivables**

If Lessees default under Purchased Receivables, the Noteholders may suffer a loss in respect of the amounts invested in the relevant Notes. In addition, there is also a risk that for that reason Noteholders will not receive the expected amount of interest on the Notes.

The payments of amounts due by the Lessees under the Purchased Receivables may be affected by various factors and are generally subject to credit risk, liquidity risk and interest rate risk. The factors negatively affecting payments by the Lessees include, in particular, adverse changes in the national or international economic climate, adverse political developments and adverse government policies. Any deterioration in the economic conditions in locations where Lessees are concentrated may adversely affect the ability of such Lessees to make payments on the Purchased Receivables. Further, the financial standing of the relevant Lessee, loss of earnings, illness, divorce and other comparable factors may negatively affect payments by the Lessees on the Lease Agreements.

Such factors may lead to an increase in defaults under Lease Agreements and ultimately to insufficient funds of the Issuer to pay the full amount of interest and/or repay the Notes in full.

The risk of a default of a Lessee may be further disadvantageously affected by the COVID-19 pandemic and its global overall impact on entire economies.

18. **No Independent Investigation**

None of the Transaction Parties or any of their respective Affiliates has undertaken or will undertake any due diligence, investigations, searches or other actions to verify the details of the Purchased Receivables, the related Lease Agreements or to establish the creditworthiness of any Lessee, the Originator or any other party to the Transaction Documents. Each of the persons named above will only rely on the accuracy of the representations and warranties made by the Originator to the Issuer in the Receivables Purchase Agreement in respect of, in particular, the Purchased Receivables.

The Issuer will assign its claims under all such representations and warranties to the Trustee for the benefit of the Noteholders. If a relevant representation or warranty by the Originator is breached, the Issuer has certain rights of recourse against the Originator. For example, if a Purchased Receivable does not comply with the Eligibility Criteria on the relevant Cut-Off Date, the Originator will be required to repurchase such Purchased Receivable at the Repurchase Price. The ability of the Issuer to make payments on the Notes may be adversely affected if, in case of a breach of such representations and warranties, no corresponding payments are made by the Originator as such obligation of the Originator is unsecured.

19. **Non-Existence of Purchased Receivables**

If any of the Purchased Receivables have not come into existence at the time of their assignment to the Issuer under the Receivables Purchase Agreement or belong to another Person than the Originator, the Issuer would not acquire title to such Purchased Receivable. The Issuer would not receive adequate value in return for its purchase price payment. This result is independent of whether or not the Issuer, at the time of assignment of the Purchased Receivables, is aware of the non-existence and therefore acts in good faith (*gutgläubig*) with respect to the existence of such Purchased Receivable. This risk, however, will be addressed by contractual representations and warranties concerning the existence of each of the Purchased Receivables and the contractual obligation of the Originator to repurchase from the Issuer any Receivables affected by such breach.

Correspondingly, investors rely on the creditworthiness of the Originator in this respect and the ability of the Issuer to make payments on the Notes may be adversely affected if no corresponding payments are made by the Originator as such obligation of the Originator is unsecured.

20. Data Protection

According to article 6 of the Regulation (EU) 2016/679 of 27 April 2016 (the "**General Data Protection Regulation**"), a transfer of a customer's personal data is permitted if (a) the data subject has given consent to the processing of his or her personal data for one or more specific purposes or (b) processing is necessary for the performance of a contract to which the data subject is party or in order to take steps at the request of the data subject prior to entering into a contract or (c) processing is necessary for compliance with a legal obligation to which the controller is subject or (d) processing is necessary in order to protect the vital interests of the data subject or of another natural person or (e) processing is necessary for the performance of a task carried out in the public interest or in the exercise of official authority vested in the controller or (f) processing is necessary for the purposes of the legitimate interests pursued by the controller or by a third party, except where such interests are overridden by the interests or fundamental rights and freedoms of the data subject which require protection of personal data, in particular where the data subject is a child, provided paragraph (f) shall not apply to processing carried out by public authorities in the performance of their tasks. The Issuer is of the view that the transfer of the Lessees' personal data in connection with the assignment of the rights under the Purchased Receivables relating to the respective Related Collateral and the other transactions provided for in, and contemplated by, the Transaction Documents is in compliance the General Data Protection Regulation in accordance with paragraph (f) above, as well as the German Data Protection Act (*Bundesdatenschutzgesetz*) and is necessary to maintain the legitimate interests of the Originator, the Servicer, the Issuer, the Corporate Administrator and the Trustee.

The Transaction has been structured to comply with the General Data Protection Regulation and the German Data Protection Act (*Bundesdatenschutzgesetz*). The relevant Transaction Documents contain the provisions stipulating the control and the processing of the personal data of the Lessees by the Originator, the Servicer, the Issuer, the Corporate Administrator and the Trustee, e.g. (i) together with each Offer to be sent by the Originator to the Issuer, the Originator will also send a separate file to the Issuer containing the personal data relating to the Lessees which will be encrypted by using a suitable encryption method, (ii) on the Closing Date, the Originator will also send to the Data Trustee the Decoding Key required to decrypt the relevant file containing the Personal Data, and (iii) the Issuer and the Trustee have entered into a data processing agreement (*Auftragsdatenverarbeitungsvereinbarung*) under the Trust Agreement because, after the occurrence of a Lessee Notification Event, the Trustee might receive the Decoding Key from the Data Trustee and will then have access to the personal data of the Lessees which have been previously encrypted.

In addition, the Issuer has been advised that the protection mechanisms provided for in the Data Trust Agreement, the Receivables Purchase Agreement, the Trust Agreement, the Servicing Agreement and the Corporate Administration Agreement take into account the legitimate interests of the Lessees to prevent the processing and use of data by any of the Originator, the Servicer, the Issuer, the Corporate Administrator and the Trustee.

However, this data protection concept provided for in the above-mentioned Transaction Documents has not been tested in court and it cannot be ruled out that a German court would come to a different conclusion and, thus, that the Issuer could face administrative fines up to EUR 20,000,000, or in the case of an enterprise (*Unternehmen*), up to 4 per cent. of the total worldwide annual turnover of the preceding financial year (*gesamter weltweit erzielter Jahresumsatzes des vorangegangenen Geschäftsjahrs*), whichever is higher (cf. article 83 para. 6 of the General Data Protection Regulation). This could have an impact on the ability of the Issuer to pay principal and interest on the Notes.

To ensure that this Transaction will comply with future changes, interpretations or requirements under or in connection with the General Data Protection Regulation, the Trustee and the Issuer are entitled to change the Transaction Documents as well as the Terms and Conditions, in accordance with amendment provisions in the Transaction Documents and the Terms and Conditions, to comply with such requirements without the consent of any other Transaction Party, in particular without the consent of the Noteholders (see "*Terms and Conditions of the Notes – Clause 19 (Amendments)*" in connection with "*Trust Agreement – Clause 2.2(b) and Clause 32.4 (Amendments)*").

21. Consumer Protection

Certain Lessees qualify as consumers (*Verbraucher*) within the meaning of section 13 BGB or enter into a Lease Agreement to take up a trade or self-employed occupation (*Existenzgründer*), unless the net loan

amount (i.e. the purchase price in case of a Lease Agreement) exceeds EUR 75,000 ("**Qualified Lessees**"). The provisions of the BGB and the German Introductory Act to the German Civil Code (*Einführungsgesetz zum Bürgerlichen Gesetzbuch*) regarding consumer credits may apply to such Lease Agreements. The consumer credit provisions (which apply not only to loans but also to certain types of leasing) impose certain requirements on, *inter alia*, the form of the Lease Agreement, the information which the Lease Agreement is required to contain and the repayment of principal and payments of interest.

If a Lease Agreement with a Qualified Lessee has not been concluded in accordance with the consumer credit provisions, so long as such failure is not remedied, generally such Lease Agreement will be void. Even if such failure is remedied, for example by a subsequent provision of the required information, there is a risk that certain elements of the Lease Agreement might still not be enforceable. This could apply, for example, to the enforceability of the (effective) interest rate, of collateral granted by the Qualified Lessee or the reimbursement of costs by the Qualified Lessee.

In addition, the consumer credit provisions provide for a right of withdrawal (*Widerrufsrecht*), which grants to the Qualified Lessee the right to withdraw from the relevant Lease Agreement within the withdrawal period. If a Qualified Lessee is not properly notified of this right of withdrawal and/or certain other information, the Qualified Lessee may withdraw from the Lease Agreement at any time during the term of the Lease Agreement.

Under certain circumstances, the Lease Agreement and other agreements (e.g. an insurance contract or a services contract) will be deemed connected contracts (*verbundene Verträge*) within the meaning of sections 358 and 359 of the German Civil Code or linked contracts (*zusammenhängende Verträge*) within the meaning of section 359a (as applicable until 12 June 2014) or section 360 of the German Civil Code (as applicable from 13 June 2014) ("**Other Contract**"). In such case, if the Qualified Lessee, effectively withdraws its declaration to enter into the Other Contract, such Qualified Lessee is no longer bound by its declaration to enter into the relevant Lease Agreement. In addition, the lessor is in such case subject to an extended instruction obligation regarding the Qualified Lessee's right of withdrawal from the Other Contract and the Lease Agreement. If a Qualified Lessee is not properly notified of its right of withdrawal and legal effect of connected contracts, the Qualified Lessee may withdraw its consent to any of these contracts at any time during the term of these contracts (and may also raise such withdrawal as a defence against the relevant Lease Agreement). Finally, in this case, there would also be a risk that any defences (*Einwendungen*) in relation to the Other Contract may also be used as defence against the related Lease Agreement.

These risks also apply to insurance policies (including, but not limited to, any payment default insurance (*Ratenschutz*)), even if the relevant insurance policy is entered into by the Originator as policy holder (*Versicherungsnehmer*) and the Qualified Lessee merely accedes to it as insured person (*versicherte Person*).

The Originator has represented and warranted to the Issuer in the Receivables Purchase Agreement that for each Receivable offered for sale to the Issuer, the related Lease Agreement and the standard terms and conditions applicable thereto have been created in compliance with all applicable laws and contain obligations that are contractually binding and enforceable against the Lessee(s). If such representation and warranty would prove not to have been true, the Issuer would be entitled to receive the respective Deemed Collection. However, see "*Risk Factors – Category 3: Risks relating to the Purchased Receivables – No Independent Investigation*" above.

22. German Insurance Contract Act

Sections 8 and 9 of the German Insurance Contract Act (*Versicherungsvertragsgesetz*) contain statutory withdrawal rights applicable to insurance contracts. The relevant withdrawal right is exercisable for a period of two weeks (30 days in case of life insurance) after the policy holder has been properly notified of such right and provided with certain other information and documents. The withdrawal right applies to insurance contracts entered into by consumers as well as non-consumers and, pursuant to section 9 (2) of the German Insurance Contract Act, also extends to accessory contracts. However, unlike the definition of accessory contracts included in section 360 (2) BGB, the definition of accessory contracts set forth in section 9 (2) of the German Insurance Contract Act does not provide for specific provisions under which consumer loan agreements (or lease agreements) are to be qualified as accessory contracts. The omission of the relevant provisions could be interpreted to the effect that consumer loan agreements

(or lease agreements) which expressly identify and serve to finance the relevant insurance contract in deviation from section 360 (2) BGB do not qualify as accessory contracts for the purposes of section 9 (2) of the German Insurance Contract Act, unless the other requirements set out therein are also met. To date, neither this interpretation of section 9 (2) of the German Insurance Contract Act nor its interaction with sections 358 and 360 BGB (as applicable) have been the subject matter of in depth judicial review or analysis by legal commentators. It is also unclear whether section 9 (2) of the German Insurance Contract Act applies to the withdrawal of a group insurance contract (*Gruppenversicherungvertrag*) exercised by the insured person (*versicherte Person*) rather than the policy holder (*Versicherungsnehmer*). Currently, it cannot be ruled out that a Lessee may raise the withdrawal of its consent to a relevant insurance policy (including, but not limited to, any payment protection insurance policy (*Restschuldversicherung*)) as a defence against the Lessee's obligations under the Lease Agreement.

23. Right to Early Terminate for Good Cause (*Kündigung aus wichtigem Grund*)

Pursuant to section 314 (1) sentence 1 BGB, a Lessee may early terminate a Lease Agreement (which qualifies as an agreement for the performance of a continuing obligation (*Dauerschuldverhältnis*)) for good cause (*aus wichtigem Grund*) without notice period. Pursuant to section 314 (1) sentence 2 BGB good cause exists if, having regard to the circumstances of the specific case and balancing the interests of the parties involved, the terminating party cannot reasonably be expected to continue the contractual relationship until the agreed termination date or until the end of a notice period. This right may neither be entirely excluded nor may it be unreasonably exacerbated or linked to consent from a third party. Such a termination for good cause will lead to an early repayment of the relevant Purchased Receivables without the obligation of the Lessee to pay a compensation for such early termination.

Such early collection of a Receivable would serve to amortise the Notes (subject to the applicable Priority of Payments). Such early redemption of principal of the Notes will reduce the Note Principal Amount of the relevant Notes and thereby reduce the basis on which interest payable on the Notes is calculated. Accordingly, the overall interest payments under the Notes may be lower than expected should the rate of such early collection be higher than anticipated.

24. Single Euro Payments Area (SEPA) Direct Debit Mandate (*SEPA-Lastschriftmandat*) in case of Insolvency of a Lessee

Some of the Lessees have granted to the Originator the right to collect monies due and payable under the relevant Purchased Receivable by making use of a Single Euro Payments Area (SEPA) direct debit mandate (*SEPA-Lastschriftmandat*).

Pursuant to decisions of the Federal Supreme Court of Germany (*Bundesgerichtshof* – "**BGH**"), both the preliminary and the final insolvency administrator (*vorläufiger und endgültiger Insolvenzverwalter*) have the right to object to such direct debits for a period of six weeks upon receipt (*Zugang*) of the last balance of accounts (*Rechnungsabschluss*) in order to preserve the Lessee's assets for the insolvency estate. After such time the relevant direct debit shall be deemed to be approved (*Genehmigungsfiktion*). Pursuant to decisions of the BGH such deemed approval shall also be binding on the preliminary insolvency administrator with reservation of consent (*vorläufiger schwacher Insolvenzverwalter*).

The insolvency administrator shall only have a right to object to the extent that the Lessee has not approved (*genehmigt*) the relevant direct debit contractually or implicitly (e.g. if the Lessee has previously given its consent to regular payments and the objected direct debit was conducted under a continuing obligation such as rental payments). The BGH stated in this respect that it can only be decided on a case by case basis whether the Lessee has approved the relevant direct debit implicitly.

Thus, where the Originator collects monies owed under the Purchased Receivables by making use of a direct debit mandate, the insolvency administrator of a Lessee may have the right to object to these direct debits as set out above. The insolvency administrator's right to object may adversely affect payments on the Notes in an insolvency of a Lessee as the collection of monies owed by the Lessee under the Purchased Receivable may be delayed (e.g. if legal actions have to be taken against the Lessee).

25. **Changing Characteristics of the Purchased Receivables during the Revolving Period**

During the Revolving Period, the Issuer may use the Pre-Enforcement Available Distribution Amount (in accordance with the relevant Priorities of Payment) to purchase Additional Receivables from the Originator. Therefore, the composition of the Portfolio of the Purchased Receivables will, and thus the characteristics of the Portfolio may, change after the Closing Date, subject to the restrictions provided by the Eligibility Criteria and the Replenishment Criteria. There remains, however, a certain risk that the characteristics of the Purchased Receivables as at the Closing Date may nevertheless change which could lead to a negative impact on the payments due under the Notes.

Category 4: Risks relating to Transaction Parties other than the Issuer

26. **Insolvency Proceedings with respect to the Originator – Re-qualification Risk**

The transaction has been structured as a "true sale" of the Purchased Receivables under the Receivables Purchase Agreement from the Originator to the Issuer. However, there are no statutory or case law based tests as to when a securitisation transaction may be characterised as a true sale or as a secured loan.

Therefore, there is a risk that a court, in the insolvency of the Originator, could "re-characterise" the sale of Purchased Receivables under the Receivables Purchase Agreement as a secured loan. In such case, sections 166 and 51 (1) InsO would apply with the following consequences:

(a) If the securitisation transaction is re-qualified as a secured loan, the insolvency administrator of the Originator would be authorised by German law to collect the Purchased Receivables which are deemed to be assigned to the Issuer for security purposes (on behalf of the assignee) and the Issuer would in this case be barred from collecting itself the Purchased Receivables assigned to it.

(b) The insolvency administrator would be obliged to transfer the proceeds from the collection of such Receivables to the Issuer. The insolvency administrator, however, is entitled to deduct from such enforcement proceeds its costs amounting to four per cent. (for the determination of the relevant assets and the existing rights of assets (*Feststellungskosten*)) plus five per cent. of the enforcement proceeds (*Verwertungserlöse*) for costs of enforcement (*Kosten der Verwertung*) plus applicable value added tax. If the actual costs of enforcement are substantially more or less than five per cent. of the enforcement proceeds, the actual costs shall be applied (*sind anzusetzen*). Please also refer to the statements regarding the ruling of the German Federal Supreme Court (*Bundesgerichtshof*) from 2018 (BGH, IX ZR 295/16, 11 January 2018), where it is held that the insolvency administrator of an insolvency debtor (*Insolvenzschuldner*) is not entitled to realise objects of lease if the insolvency debtor has lost its possession position (*Besitzposition*) in relation to such assets prior to its insolvency, made under "*Risk Factors – Category 4: Legal Risk – Insolvency Proceedings with respect to the Originator – Section 108 of the German Insolvency Code (Insolvenzordnung)*").

(c) Accordingly, the Issuer would have to share in the costs of an insolvency proceeding of the Originator, reducing the funds available to pay interest and principal on the Notes.

27. **Insolvency Proceedings with respect to the Originator – Section 108 of the German Insolvency Code (*Insolvenzordnung*)**

If insolvency proceedings were commenced in relation to the Originator in accordance with the terms of the German Insolvency Code (*Insolvenzordnung*), the expected cash flows of the Receivables purchased by the Issuer under the Receivables Purchase Agreement could be adversely affected as laid out below.

The legal existence of such Purchased Receivables assigned under the Receivables Purchase Agreement would generally survive the institution of insolvency proceedings against the Originator pursuant to section 108 (1) sentence 2 of the German Insolvency Code (*Insolvenzordnung*) under the condition that (i) the acquisition of the Vehicles was financed by third parties, e.g. revolving credit facilities or forfaiting arrangements, and (ii) the title to the Vehicles was transferred to such third party as security for such financing.

The Transaction relies on the interpretation of section 108 (1) sentence 2 of the German Insolvency Code (*Insolvenzordnung*) that, if applied to the Transaction, the insolvency administrator of the Originator will not have the right to terminate Lease Agreements.

In respect of the Receivables, the Originator acquired the relevant Vehicles from third parties and funded the purchase price for such Vehicles by way of loans granted by the Original Financier to the Originator pursuant to a secured loan agreement. The Issuer has been advised that such loan has been granted specifically for the financing of the Vehicles relating to the Initial Receivables.

Further, in order to ensure compliance with the requirements under section 108 InsO in respect of financing of the acquisition and the transfer of the leased assets for security purposes, a Receivable only qualifies as an eligible Receivable if, *inter alia*, the Vehicle being the subject of the underlying Lease Agreement is a Vehicle whose acquisition (*Anschaffung*) by the Originator has been, or is financed, in its entirety and is subject to such (re)financing within three months after acquisition of such Vehicle by the Originator (such financing being intended from the outset) by a third-party financier and such Vehicles have been transferred to such third- party financier for securing such financing. The Originator represents and warrants under the terms of the Receivables Purchase Agreement that the Receivables comply with the Eligibility Criteria and undertakes to repurchase any Purchased Receivables that did not comply with the Eligibility Criteria as of the relevant Cut-Off Date. For the avoidance of doubt, the time period of three months is based on the interpretation generally applied in the market but there is no case law confirming the compliance if such (re)financing occurs within three months.

However, it should be noted that there is no case law on this point. If a court came to the conclusion that section 108 (1) sentence 2 of the German Insolvency Code (*Insolvenzordnung*) does not apply, this would have, under section 103 of the German Insolvency Code (*Insolvenzordnung*), the following consequences:

(a) Section 103 of the German Insolvency Code (*Insolvenzordnung*) grants the Originator's insolvency administrator for mutual contracts which have not been (or have not been completely) performed by the Originator and the Lessees on the date when insolvency proceedings were opened against the Originator the right to opt whether or not to continue such contracts.

(b) If the Originator's insolvency administrator chooses not to continue any Lease Agreements with the Lessees, then the Purchased Receivables will be extinguished. If the insolvency administrator chooses to continue a Lease Agreement, the payment obligation of the Lessees will be continued and such obligation will remain, however, the payment obligation of the Lessee will be reinstated and such reinstated payment obligation would not be subject to any assignment under the Receivables Purchase Agreement which came into effect prior to the commencement of insolvency proceedings against the Originator. However, the Issuer's shortfall would be covered by the Issuer's security title (*Sicherungseigentum*) to the relevant Vehicle which would entitle the Issuer to the realisation of the Vehicle. Depending on the factual circumstances to be determined on a case-by-case basis, the Issuer or the Originator's insolvency administrator may realise the relevant Vehicle and the Originator's insolvency administrator may deduct his fees from such proceeds; such fees usually amount to 9 per cent. (the amount may be higher or lower depending in the individual circumstances) of the enforcement proceeds plus applicable VAT (section 171 of the German Insolvency Code (*Insolvenzordnung*)). In a ruling from 2018, the German Federal Supreme Court (*Bundesgerichtshof*) (BGH, IX ZR 295/16, 11 January 2018) held that the insolvency administrator of an insolvency obligor (*Insolvenzschuldner*) is not entitled to realise objects of lease if the insolvency obligor has lost its possession position (*Besitzposition*) in relation to such assets prior to its insolvency. In the case being subject matter of this ruling, the insolvency obligor sold and assigned lease receivables resulting under finance lease arrangements (*Finanzierungsleasing*) to a receivables purchaser prior to the obligor's insolvency. The insolvency obligor also transferred its title to the objects of lease for security purposes (*Sicherunsgübereignung*) to the receivables purchaser by way of assigning the insolvency obligor's restitution claim (*Herausgabeanspruch*) against its lessees to the receivables purchaser pursuant to sections 929 and 932 of the German Civil Code. The German Federal Supreme Court argued that by assigning its restitution claim against its lessees, the insolvency obligor loses its possession position (*Besitzposition*) and thus there is no right which could pass to the insolvency administrator with respect to the objects of lease upon the insolvency of the insolvency obligor and which would entitle the insolvency administrator

to realise the objects of lease. Under the Receivables Purchase Agreement, the Originator also assigns its restitution claim against the relevant Lessee to the Issuer in order to replace the delivery of the Vehicle. This means that, in case of an insolvency scenario of the Originator and by applying the above ruling of the German Federal Supreme Court, the Originator's insolvency administrator would not be entitled to realise the relevant Vehicle and hence the Originator's insolvency administrator may not deduct up to 9 per cent. of the enforcement proceeds plus applicable VAT.

28. **Security Interest in Leased Objects in Foreign Countries**

As described under "*Risk Factors – Category 4: Legal Risk – Insolvency Proceedings with respect to the Originator – Section 108 of the German Insolvency Code (Insolvenzordnung)*" above, it is one of the preconditions for the applicability of section 108 InsO that title to the Vehicles has been transferred to the Original Financier for security purposes. If such transfer for security purposes is invalid for whatever reason, section 108 InsO does not apply.

There are certain jurisdictions which do not recognise a German law transfer for security purposes under all circumstances. Therefore, if the leased objects either have been in such countries at the time the lessor and the third party financier tried to establish the preconditions of section 108 InsO or have been brought to countries which do not recognise a transfer for security purposes after the preconditions of section 108 InsO had been established, there is a risk that section 108 InsO does not apply in an insolvency scenario of the Originator.

In particular, it is disputed whether a transfer of title for security purposes comes alive again, if (i) the leased object was in Germany at the time the preconditions of section 108 InsO had been implemented, (ii) has been brought to a country which does not recognise a transfer of title for security purposes and (iii) is brought back to Germany thereafter. However, the better arguments should apply in favour of the view that if the leased object is brought to a country which does not recognise a transfer of title for security purposes, such security interest (i) should not cease to exist for the purposes of German law, but (ii) should be suspended only and (iii) should come alive again if the leased object re-enters German jurisdiction.

29. **Lease Services Component and Termination Rights of Lessees**

Most of the Lease Agreements executed between the Originator and the relevant Lessees do not only comprise the leasing of the relevant Vehicles, but also envisage that the Originator renders and intermediates certain Lease Services (see "*The Portfolio*").

There is a risk that a competent court may take the view that section 108 InsO does not apply to lease agreements providing for a service component:

(a) According to one view, section 108 InsO applies to the entire agreement as it should continue by operation of law since otherwise (i) the agreement would be separated into a leasing component to be continued and a service component in respect of which the insolvency administrator would have an electoral right pursuant to section 103 InsO and (ii) the customer may (depending on how the insolvency administrator (*Insolvenzverwalter*) exercises its electoral right) be bound by an agreement it probably (depending on the circumstances) would not have agreed to in the first place. As far as service agreements (*Dienstverhältnisse*) are concerned, this position may be supported by section 108 (1) sentence 1 of the InsO. Pursuant to this view, the insolvency estate would be required to render the Lease Services, because the lease agreement as a whole (i.e. including the Lease Services Component) would be upheld.

(b) According to a different view, section 108 InsO applies with respect to the lease component only and section 103 InsO applies with respect to the service component. According to this view, the contract with the lessee shall be divided into a leasing part and a service part. In case of an insolvency of the lessor, each part shall be treated differently in order to avoid detrimental effects to the insolvency estate (*Massebelastungen*) due to the fact that the insolvency estate would be required to render the lease services but would not receive the relevant consideration. The latter would not be in line with the principle that the insolvency estate shall receive the relevant consideration for services rendered by it (*Gegenleistungsgrundsatz*). If this view was followed, the lease component would be upheld pursuant to section 108 InsO, whereas the

insolvency administrator of the Originator would be able to decide whether to continue to render the Lease Services or to terminate that part of the Lease Agreement with the relevant Lessee.

The Issuer has been advised that the better arguments may speak in favour of the first view described under (a) above because a different treatment of lease component and service component is not in line with section 139 BGB and, although the German legislator wanted to avoid detrimental effects to the insolvency estate, such reasoning is not reflected in the wording of section 108 InsO. In the case at hand, it needs to be further considered that the Lease Services Component is not purchased by the Issuer and, thus, not securitised and that the Transaction Documents provide that the Lease Services Collections are paid to the insolvency estate. Therefore, an insolvency administrator of the Originator could hardly argue that it would render the Lease Services without receiving the relevant consideration. Nevertheless, there remains a certain degree of legal uncertainty in this respect.

If one were to follow the view set out under paragraph (b) above that section 103 InsO is to be applied to the Lease Services Component, it needs to be observed that the insolvency administrator's discretion as to whether to continue an agreement has to be exercised diligently. In this regard, the insolvency administrator needs to opt for the alternative which is beneficial for the insolvency estate. The following structural mitigants may have a beneficial effect on the insolvency estate which should be possible to give the Originator's insolvency administrator an incentive to (continue to) render the Lease Services:

(a) Under the Servicing Agreement, the Back-Up Maintenance Coordinator Facilitator agreed to nominate (i) a Back-Up Maintenance Coordinator upon the occurrence of a Downgrade Event with respect to the Servicer or (ii) if no Back-Up Maintenance Coordinator has been appointed after the occurrence of a Downgrade Event with respect to the Servicer, a Substitute Maintenance Coordinator upon the occurrence of a Servicer Termination Event. If (i) no Back-Up Maintenance Coordinator has been appointed within 90 calendar days as of the occurrence of a Downgrade Event with respect to the Servicer, or (ii) no Substitute Maintenance Coordinator has been appointed within 90 calendar days as of the occurrence of a Servicer Termination Event, the Back-Up Maintenance Coordinator Facilitator shall notify the Rating Agencies thereof. Further, if, upon termination of the Servicing Agreement no Back-Up Maintenance Coordinator or Substitute Maintenance Coordinator (as applicable) has been appointed, the Issuer use all reasonable endeavours to arrange for a Substitute Maintenance Coordinator to be appointed on substantially the same terms as those in the Servicing Agreement with respect to the Lease Services as soon as practicable thereafter. In this respect, the Transaction provides for the Maintenance Reserve Account in order to cover (1) the Back-Up Maintenance Coordinator Fee and (2) 105 per cent. of the Excess Amount resulting in a certain benefit for the insolvency estate as the insolvency estate receives the full amount of Lease Services Collections as well as 105 per cent. of the Excess Amount out of the Maintenance Reserve Account. Therefore, the insolvency estate's cash flow position will not be adversely affected for a certain timeframe and will even receive a certain benefit in rendering the Lease Services.

   If the Originator becomes Insolvent, the Issuer (via the Back-Up Maintenance Coordinator) shall immediately contact the insolvency administrator of the Originator with a view to enter into negotiations with the Originator's insolvency administrator in order to incentivise the insolvency administrator to render the Lease Services as required.

(b) The Back-Up Maintenance Coordinator will be appointed in order to provide the insolvency administrator with competent staff in a scenario in which (i) the Originator has already lost, or (ii) the insolvency administrator is forced to lay-off, personnel. Because the Back-Up Maintenance Coordinator Fee would be paid out of the Maintenance Reserve Account, for a certain period of time, i.e. as long as the amounts in the Maintenance Reserve Account are available, the Originator's insolvency estate's cash flow position would not be adversely affected.

By performing the Lease Services, the insolvency administrator reduces the risk that damage claims are asserted by (i) a Lessee due to non-performance under the Lease Agreement and/or (ii) the Issuer due to breach of contract under the Transaction Documents by not finding a replacement.

If the insolvency administrator renders the Lease Services, and a Lessee tries to exercise a right to terminate the Lease Agreement for good cause (*aus wichtigem Grund*) or to withhold the payments owed

under the Lease Agreement, the following arguments can be brought forward against such a termination right of the Lessee:

(a) The Lessee would be granted a kind of precautionary termination right. Although section 323(4) BGB may be overridden by section 314 BGB, the situation addressed by both provisions (and, therefore, the line of argumentation) may be comparable as far as the present analysis is concerned. In this respect, section 323(4) BGB states that a creditor may be entitled to withdraw from an agreement prior to the debtor's obligation becoming due, if it is evident (*offensichtlich*) that the preconditions for withdrawal will be satisfied in the future. The structural mitigants described above should weaken the relevant Lessee's argumentation that the Originator's inability to perform the Lease Services is "evident".

(b) The Originator already delegates the Lease Services to third parties and, therefore, the Lessee is not only relying/focussed on the Originator, and it is arguably acceptable that the insolvency administrator (if applicable supported by the Back-Up Maintenance Coordinator) renders the Lease Services.

A right to withhold payments pursuant to section 320 BGB requires that the debtor exercising a withholding right vis-à-vis its creditor has a claim against such creditor which has not been fulfilled when due. To the extent that Lease Services have been rendered by the insolvency administrator of the Originator (if applicable supported by the Back-Up Maintenance Coordinator), when due the Lessee would not have a right to withhold payments under the Lease Agreements as it may arguably be acceptable to the relevant Lessee that the insolvency administrator (if applicable supported by the Back-Up Maintenance Coordinator) renders the Lease Services because the Originator already delegates the Lease Services to third parties.

The Lessee is sufficiently protected by the general rules set forth in the BGB, i.e. if the measures described above prove unsuccessful for whatever reason with the consequence that the Lease Services are either not rendered or delayed, the Lessee can still terminate or withhold its payments.

With a view to the structural features described above, there are strong arguments that the Lessee, as a result of the Originator's insolvency, will have no right to terminate the Lease Agreement for good cause (*aus wichtigem Grund*) or to withhold payments thereunder purely because the insolvency administrator renders the Lease Services. However, as the above questions to a large extent depend on (i) the analysis of legal issues which are to a considerable extent undetermined by German courts and (ii) questions of fact the outcome of which cannot be fully predicted, the result outlined above is subject to some degree of uncertainty.

30. **Preliminary Measures by Insolvency Court**

Pursuant to section 21 InsO, the insolvency court competent with respect to an Insolvency of the Originator may take certain preliminary measures (i.e., until the decision is made whether or not to open Insolvency Proceedings). The insolvency court may e.g. order pursuant to section 21(2) no. 5 InsO ("**Section 21**") that assets in respect of which a segregation right (*Aussonderungsrecht*) or a right for preferential treatment (*Absonderungsrecht*) would exist if Insolvency Proceedings were opened (i) may not be realised (*verwerten*) or collected (*einziehen*) and (ii) may be utilised to continue the business of the insolvent person, provided that they are of material importance for the business operation. This provision could affect the transaction, in particular, as follows:

(a) The legislator indicated in their legislative considerations that Section 21 InsO does not apply to factoring transactions in respect of the receivables already acquired by the relevant factor, since such receivables upon execution of the relevant agreement no longer form part of the insolvent person's assets. Applying the above reasoning *mutatis mutandis* to receivables transferred in connection with asset backed securitisations, results in a strong argument that Section 21 InsO should not allow the court to prevent a purchaser of receivables from collecting these or implement other measures in an insolvency of the respective originator. In addition, one could argue that receivables which are sold by the insolvent originator are generally not of material importance for the originator's business operation. However, the wording of Section 21 InsO does not entirely reflect the legislator's reasoning as a consequence of which there remains a risk that Section 21 InsO might be applied by a court to asset backed securitisations which may have an impact on the collectability or timely collectability of the Purchased Receivables.

(b) Section 21 InsO might also affect the relationship between the Originator as lessor and the Lessees in an insolvency of the relevant Lessee with the consequence that the Originator may not always be able to enforce its interest in the Vehicle in a timely manner. However, according to the legislator's reasoning, the lessor is protected by being entitled to receive the consideration contractually agreed upon or envisaged by law. Unfortunately, the wording of Section 21 InsO does not entirely reflect the legislator's reasoning and thus there remains some legal uncertainty.

31. Reliance on the Servicer, Back-Up Servicer and Substitution of Servicer, and Back-Up Maintenance Coordinator and Substitute Maintenance Coordinator

Pursuant to the Servicing Agreement, the Issuer has appointed the Originator to be the Servicer on its behalf and to service, administer and collect all Purchased Receivables and the Lease Services subject to the terms and conditions of the Servicing Agreement and subject to the Trust Agreement. The Servicer shall (subject to certain limitations) have the authority to do or cause to be done any and all acts which it reasonably considers necessary or convenient in connection with the servicing of the Purchased Receivables in accordance with the Credit and Collection Policy and the supplements and limitations thereto set out in the Servicing Agreement.

Subject to the terms and conditions of the Servicing Agreement, the Issuer shall appoint a Back-Up Servicer and a Back-Up Maintenance Coordinator upon the occurrence of a Downgrade Event with respect to the Servicer, which shall be on stand-by until a termination of the Servicing Agreement. If no Back-Up Servicer and Back-Up Maintenance Coordinator have been appointed, the Issuer shall use all reasonable endeavours to arrange for a Substitute Servicer and a Substitute Maintenance Coordinator. Such Back-Up Servicer or Substitute Servicer (as applicable) and Back-Up Maintenance Coordinator or Substitute Maintenance Coordinator (as applicable) shall comply with all material duties and obligations of the Servicer. As long as required by applicable Data Protection Provisions, the Issuer shall only designate a Back-Up Servicer or Substitute Servicer (as applicable) and a Back-Up Maintenance Coordinator or Substitute Maintenance Coordinator (as applicable) being a Suitable Entity. Subject to any mandatory provision of German law, the Servicer will continue to perform its duties under the Servicing Agreement until the Back-Up Servicer or Substitute Servicer (as applicable) and the Back-Up Maintenance Coordinator or Substitute Maintenance Coordinator (as applicable) has replaced the Servicer.

The Issuer's ability to meet its obligations under the Notes will be dependent on the performance of the duties by the Servicer or a Back-Up Servicer or Substitute Servicer (as applicable) and a Back-Up Maintenance Coordinator or Substitute Maintenance Coordinator (as applicable)).

Accordingly, the Noteholders are relying, *inter alia*, on the business judgement and practices of the Servicer (or a Back-Up Servicer or Substitute Servicer (as applicable) and a Back-Up Maintenance Coordinator or Substitute Maintenance Coordinator (as applicable)) in administering the Purchased Receivables and the Lease Services and enforcing claims against Lessees.

There can be no assurance that the Servicer (or a Back-Up Servicer or Substitute Servicer (as applicable) and a Back-Up Maintenance Coordinator or Substitute Maintenance Coordinator (as applicable)) will be willing or able to perform such service in the future. If the appointment of the Servicer is terminated in accordance with the Servicing Agreement there is no guarantee that a Back-Up Servicer or a Back-Up Maintenance Coordinator (as applicable) can become active or a Substitute Servicer or a or Substitute Maintenance Coordinator (as applicable) can be appointed within a reasonable timeframe. Further, there can be no assurance that a Substitute Servicer provides for at least equivalent services at materially the same costs. If the fees to be paid to a Back-Up Servicer or Substitute Servicer (as applicable) and a Back-Up Maintenance Coordinator or Substitute Maintenance Coordinator (as applicable) are materially higher than the fees payable to the Servicer and the Maintenance Coordinator, the ability of the Issuer to make payments on the Notes may be adversely affected. In such scenarios, there is a risk that the Noteholders will ultimately not receive the full principal amount of the Notes and/or interest thereon.

32. Swap Counterparty Credit Risk and Interest Rate Hedging

The Purchased Receivables bear interest at fixed rates while the Class A Notes will bear interest at floating rates based on 1-month EURIBOR. The Issuer will hedge such interest rate risk by entering into a Swap Agreement with the Swap Counterparty. The Issuer will make payments by reference to a fixed rate and will use payments made by the Swap Counterparty by reference to EURIBOR to make payments

on the Class A Notes on each Payment Date, in each case calculated with respect to the swap notional amount which is equal to the outstanding Class A Notes balance on the immediately preceding Payment Date.

During periods in which the floating rate payable under the Swap Agreement is substantially greater than the fixed rate under the Swap, the Issuer will be more dependent on receiving payments from the Swap Counterparty in order to make interest payments on the Class A Notes. If in such a period the Swap Counterparty fails to pay any amounts when due under the Swap, the Collections from Purchased Receivables may be insufficient to make the required payments on the Notes and the Noteholders may experience delays and/or reductions in the interest and principal payments on the Notes.

The Swap Counterparty may terminate the Swap Agreement if the Issuer becomes insolvent, if the Issuer fails to make a payment under the Swap Agreement when due and such failure is not remedied within three Local Business Days (as defined in the Swap Agreement) of notice of such failure being given, if performance of the Swap Agreement becomes illegal or if payments to the Swap Counterparty are reduced or payments from the Swap Counterparty are increased for a set period of time due to tax reasons. The Issuer may terminate the Swap Agreement if, among other things, the Swap Counterparty becomes insolvent, the Swap Counterparty fails to make a payment under the Swap when due and such failure is not remedied within three Local Business Days of notice of such failure being given, performance of the Swap becomes illegal or payments to the Issuer are reduced or payments from the Issuer are increased due to tax for a period of time.

The Issuer is exposed to the risk that the Swap Counterparty may become insolvent. In the event that the Swap Counterparty suffers a ratings downgrade, the Issuer may terminate the related Swap if the Swap Counterparty fails, within a set period of time, to take certain actions intended to mitigate the effects of such downgrade. Such actions could include the Swap Counterparty collateralising its obligations as a referenced amount, transferring its obligations to a replacement Swap Counterparty or procuring a guarantee. However, in the event the Swap Counterparty is downgraded there can be no assurance that a guarantor or replacement Swap Counterparty will be found or that the amount of collateral will be sufficient to meet the Swap Counterparty's obligations.

If the Swap Agreement is terminated by either party, then depending on the market value of the swap a termination payment may be due to the Issuer or to the Swap Counterparty. Any such termination payment could, if market interest rates and other conditions have changed materially, be substantial. Under certain circumstances, termination payments required to be made by the Issuer to the Swap Counterparty will rank higher in priority than all payments on the Notes. In such circumstances, the Pre-Enforcement Available Distribution Amount or the Post-Enforcement Available Distribution Amount, as the case may be, may be insufficient to make the required payments on the Notes and the Noteholders may experience delays and/or reductions in the interest and principal payments on the Notes.

In the event that the Swap is terminated by either party or the Swap Counterparty becomes insolvent, the Issuer may not be able to enter into a swap agreement with a replacement swap counterparty immediately or at a later date. If a replacement Swap Counterparty cannot be contracted, the amount available to pay principal of and interest on the Notes will be reduced if the floating rate on the Class A Notes exceeds the fixed rate the Issuer would have been required to pay the Swap Counterparty under the terminated Swap Agreement. Under these circumstances the Collections of the Purchased Receivables may be insufficient to make the required payments on the Notes and the Noteholders may experience delays and/or reductions in the interest and principal payments on the Notes.

The enforceability of a contractual provision which alters the priorities of payments to subordinate the claim of a swap counterparty (to the claims of other creditors of its counterparty) upon the occurrence of an insolvency of or other default by the swap counterparty (a so-called flip clause) has been challenged in the English and US courts. Given that the Transaction Documents include terms providing for the subordination of certain payments under the Swap Agreement, there may be a risk that any court proceedings in the relevant jurisdiction may adversely affect the Issuer's ability to make payments on the Notes and/or the market value of the Notes and result in negative rating pressure in respect of the Notes. If any rating assigned to any of the Notes is lowered, the market value of such Notes may reduce.

33. **Reliance on the Creditworthiness and Performance of Third Parties**

The Issuer has entered into agreements with a number of third parties that have agreed to perform services in relation to the Notes. The ability of the Issuer to meet its obligations under the Notes will be dependent on the performance of the services, duties, obligations and undertakings by each party to the Transaction Documents. The Issuer is relying on the creditworthiness of the other parties to the Transaction Documents. It cannot be ruled out that the creditworthiness of such parties will deteriorate in the future. If any of such third parties fail to perform their obligations under the respective agreements to which they are a party, the ability of the Issuer to meet its obligations under the Notes may be adversely affected.

34. **Political Uncertainty**

On 31 January 2020, the UK departed the EU. The terms of the UK's withdrawal and of its future relationship with the EU are laid down in an agreement between the EU and the UK agreed at the European Council on 17 October 2019 (the "**Withdrawal Agreement**").

Applicability of EU law in the UK

Even though the UK is not a member of the EU anymore, the Withdrawal Agreement includes a transitional period which extends the application of EU law (with the exception of provisions of the treaties and acts, which were not binding upon and in the UK before the entry into force of the Withdrawal Agreement) and provide for continuing access to the EU single market, until the end of 2020. After that period, EU law will cease to apply in the UK. However, many EU laws, such as EU Directives, have already been transposed into domestic laws applicable in the UK and these transposed laws will continue to apply until such time that they are repealed, replaced or amended. EU laws that are directly applicable in the UK before the end of 2020, such as EU Regulations, will be transposed into domestic law by way of the Withdrawal Agreement. The Withdrawal Agreement Also gives UK Ministers powers to make secondary legislation in the form of Statutory Instruments to prevent, remedy or mitigate any failure of EU law to operate effectively, or any other deficiency in retained EU law.

Over the years, domestic laws applicable in the UK have been devised to function in conjunction with EU law (in particular, laws relating to financial markets, financial services, prudential and conduct regulation of financial institutions, financial collateral, settlement finality and market infrastructure). Further, some directly applicable EU laws will not function adequately if they are transposed into UK law without amendment. There will therefore need to be amendments to domestic laws to ensure they are fit for purpose after the UK leaves the EU. The Withdrawal Agreement makes provision for such amendments to be made by way of secondary legislation in certain instances.

The stated purpose of the transition period is to provide time for the EU and the UK to reach agreement on a new relationship which will take effect (or be implemented) at the end of the transition period. The details of this new relationship will only become apparent as negotiations between the EU and the UK progress during the transition period. Legislation will then be required in the UK to give effect in UK law to this new relationship. Thus, after the end of 2020, substantial amendments to domestic laws applicable in the UK may occur. Consequently, domestic laws applicable in the UK may change and it is impossible at this time to predict the consequences on the Portfolio or the Issuer's business, financial condition, results of operations or prospects. Such changes could be materially detrimental to Noteholders.

Market Risk

While the longer term effects of the UK departing the EU are difficult to predict, these may include further financial instability and slower economic growth as well as higher unemployment and inflation, in the UK, continental Europe and the global economy, at least in the short to medium term.

Exposure to Counterparties

Investors should note that UK based Transaction Parties involved in this Transaction, i.e. the Cash Administrator and the Interest Determination Agent, may be unable to perform their obligations due to changes in regulation, including the loss of, or changes to, existing regulatory rights to do cross-border business in the EU or the costs of such transactions with such counterparties may increase.

35. **Termination for Good Cause (*Kündigung aus wichtigem Grund*)**

As a general principle of German law any contract providing for continuing obligations (*Dauerschuldverhältnis*) may be terminated for good cause (*wichtiger Grund*). This right may neither be entirely excluded nor may it be unreasonably exacerbated or linked to consent from a third party. As a consequence, if applicable, a Transaction Document may be subject to termination for good cause (*wichtiger Grund*). This may apply even if the documents contain any limitations of the right of the parties to terminate for good cause (*wichtiger Grund*).

36. **Conflicts of Interest**

The Originator is acting in a number of capacities in connection with the Transaction. The Originator acting in connection with the Transaction shall have only the duties and responsibilities expressly agreed by it in its respective capacity and shall not, by virtue of 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 with respect to each such capacity. The Originator, in its various capacities in connection with the Transaction, may enter into business dealings from which it may derive revenues and profits without any duty to account therefore in connection with the Transaction.

The Originator may hold and/or service receivables other than the Purchased Receivables. The interests or obligations of the Originator in its capacities with respect to such other receivables may in certain aspects conflict with the interests of the Noteholders. This may especially be the case if the Originator holds and/or services in relation to a Lessee other receivables in addition to a Purchased Receivable, where such Lessee becomes Insolvent. In such a case, the interests of the Originator or its affiliates may differ from, and compete with, the interests of the Noteholders. Decisions made with respect to such other receivables may adversely affect the value of the Purchased Receivables and therefore, ultimately, the ability of the Issuer to make payments under the Notes.

Category 5: Tax Risks

This subsection should be read in conjunction with the section entitled "TAXATION" where more detailed information is given. Prospective purchasers of the Notes are advised to consult their own tax advisers as to the tax consequences of subscribing, purchasing, holding and disposing of the Notes under the tax laws of the country in which they are residents.

37. **No Gross-up for Taxes**

Should any withholding or deduction for or on account of any taxes, duties, assessments or governmental charges of whatsoever nature imposed, levied, collected, withheld or assessed by any government or state with authority to tax or any political subdivision or any authority thereof or therein having power to tax be required to be made from any payment in respect of the Notes, neither the Issuer, the Trustee nor any Agent will be obliged to make any additional payments to Noteholders to compensate them for the reduction in the amounts that they will receive as a result of such withholding or deduction. Please see the section entitled "*Taxation*" for further information.

38. **Anti-Tax Avoidance Directive**

On 8 August 2016, the Council Directive (EU) 2016/1164 of 12 July 2016 laying down rules against tax avoidance practices that directly affect the functioning of the internal market (the "**Anti-Tax Avoidance Directive**" or "**ATAD**") entered into force. Among other measures, the Anti-Tax Avoidance Directive contains a limitation on interest deductibility of interest costs in excess of the higher of (a) EUR 3,000,000 or (b) 30 per cent. of an entity's earnings before interest, tax, depreciation and amortisation (EBITDA). However, the restriction on interest deductibility would only be in respect of the amount by which the borrowing costs exceed "interest revenues and other equivalent taxable revenues from financial assets". The Anti-Tax Avoidance Directive was implemented in Luxembourg by a law dated 21 December 2018 (the "**ATAD Luxembourg Law**"). The ATAD Luxembourg Law entered into force on 1 January 2019 (for most of the dispositions) and is applicable to securitisations issuance which occurred on or after this date. However, according to Luxembourg ATAD Law, securitisation companies in the meaning of article 2(2) of the Securitisation Regulation are out of scope of the interest deduction limitation rules. As the Issuer falls within the scope of the Securitisation Regulation, the interest deduction limitation rules, pursuant to the ATAD Luxembourg Law, should not apply to the Issuer.

On 14 May 2020, the European Commission sent a formal notice to the Luxembourg authorities requesting the Grand Duchy of Luxembourg to correctly transpose the interest deduction limitation rules deriving from ATAD, thereby challenging the scope of the exemption created pursuant to the ATAD Luxembourg Law. The European Commission considers that securitisation special purpose entities (SSPEs) within the meaning of the Securitisation Regulation do not qualify as exempted "financial undertakings" in the sense of ATAD and, accordingly, should not be excluded from the scope of application of the interest deduction limitation rules foreseen by the ATAD Luxembourg Law.

As at the date of this Prospectus, it is not known how the Luxembourg authorities will react to the notice received by the European Commission. Should the ATAD Luxembourg Law be amended to exclude SSPEs from the scope of financial undertakings in the sense of ATAD, the Issuer will become subject to the interest deduction limitation rule foreseen by the ATAD Luxembourg Law, thereby potentially affecting the tax position of the Issuer and the return on the Notes.

39. Withholding Under Foreign Account Tax Compliance Act

The Foreign Account Tax Compliance Act ("**FATCA**") imposes a reporting regime and potentially a 30 per cent. withholding tax with respect to certain payments to any non-US financial institution (a foreign financial institution, or "**FFI**" (as defined by FATCA)) that (i) does not become a "**Participating FFI**" by entering into an agreement with the US Internal Revenue Service ("**IRS**") to provide certain information on its account holders or (ii) is not otherwise exempt from or in deemed-compliance with FATCA (including by complying with the requirements of an applicable FATCA intergovernmental agreement). The withholding regime applies currently for payments received from sources within the United States and will apply to "foreign pass-through payments" (a term not yet defined) no earlier than two years after the date on which final US regulations defining "foreign pass-thru payments" are published. For these purposes, FATCA includes (i) sections 1471 through 1474 of the US Internal Revenue Code (the "**Code**"), related regulations, administrative guidance and practices, (ii) an agreement entered into with the IRS pursuant to such sections of the Code, and (iii) an intergovernmental agreement between the United States and another jurisdiction in furtherance of such sections of the Code (including any non-US laws implementing such an intergovernmental agreement).

Investors should be aware that the discussion above reflects recently proposed US Treasury regulations ("**Proposed FATCA Regulations**") which delay the effective date for withholding on foreign passthru payments and eliminate FATCA withholding on gross proceeds from, or final payments, redemptions, or other principal payments made in respect of, the disposition of an obligation that may produce US source interest or dividends. The US Treasury have indicated that taxpayers may rely on the Proposed FATCA Regulations until final regulations are issued. The discussion above assumes that the Proposed FATCA Regulations will be finalised in their current form and that such final regulations will be effective retroactively.

On 28 March 2014, the Grand-Duchy of Luxembourg entered into a Model 1 Intergovernmental Agreement ("**IGA**") with the United States of America which has been transposed into Luxembourg Law by the law of 24 July 2015 (the "**FATCA Law**").

As the Issuer is likely to qualify as a FFI, it has to collect information aiming to identify its direct shareholders and debt holders (including note holders) (together the "**FATCA Investors**") that are Specified US Persons, certain non-US entities with one or more Controlling Person(s) which are Specified US Persons, and Non-Participating FFIs (as defined in the IGA) for FATCA purposes ("**reportable accounts**"). Some information on reportable accounts (including nominative and financial information) may be annually reported by the Issuer to the Luxembourg tax authorities which will exchange that information on an automatic basis with the Government of the United States of America.

FATCA may affect payments made to custodians or intermediaries leading to the ultimate investor if any such custodian or intermediary generally is unable to receive payments free of FATCA withholding. It also may affect payment to any ultimate investor that is a financial institution that is not entitled to receive payments free of withholding under FATCA, or an ultimate investor that fails to provide its broker (or other custodian or intermediary from which it receives payment) with any information, forms, other documentation or consents that may be necessary for the payments to be made free of FATCA withholding. Investors should choose the custodians or intermediaries with care (to ensure each is compliant with FATCA or other laws or agreements related to FATCA), provide each custodian or intermediary with any information, forms, other documentation or consents that may be necessary for

such custodian or intermediary to make a payment free of FATCA withholding. The Issuer's obligations under the Notes are discharged once it has made payment to, or to the order of, the common depositary or common safekeeper for the ICSDs and the Issuer has therefore no responsibility to make additional payments for any amount thereafter transmitted through the ICSDs and custodians or intermediaries.

Application of FATCA is uncertain. The above description is based in part on proposed regulations and official guidance, all of which are subject to change or may be implemented in a materially different form.

TRANSACTION OVERVIEW

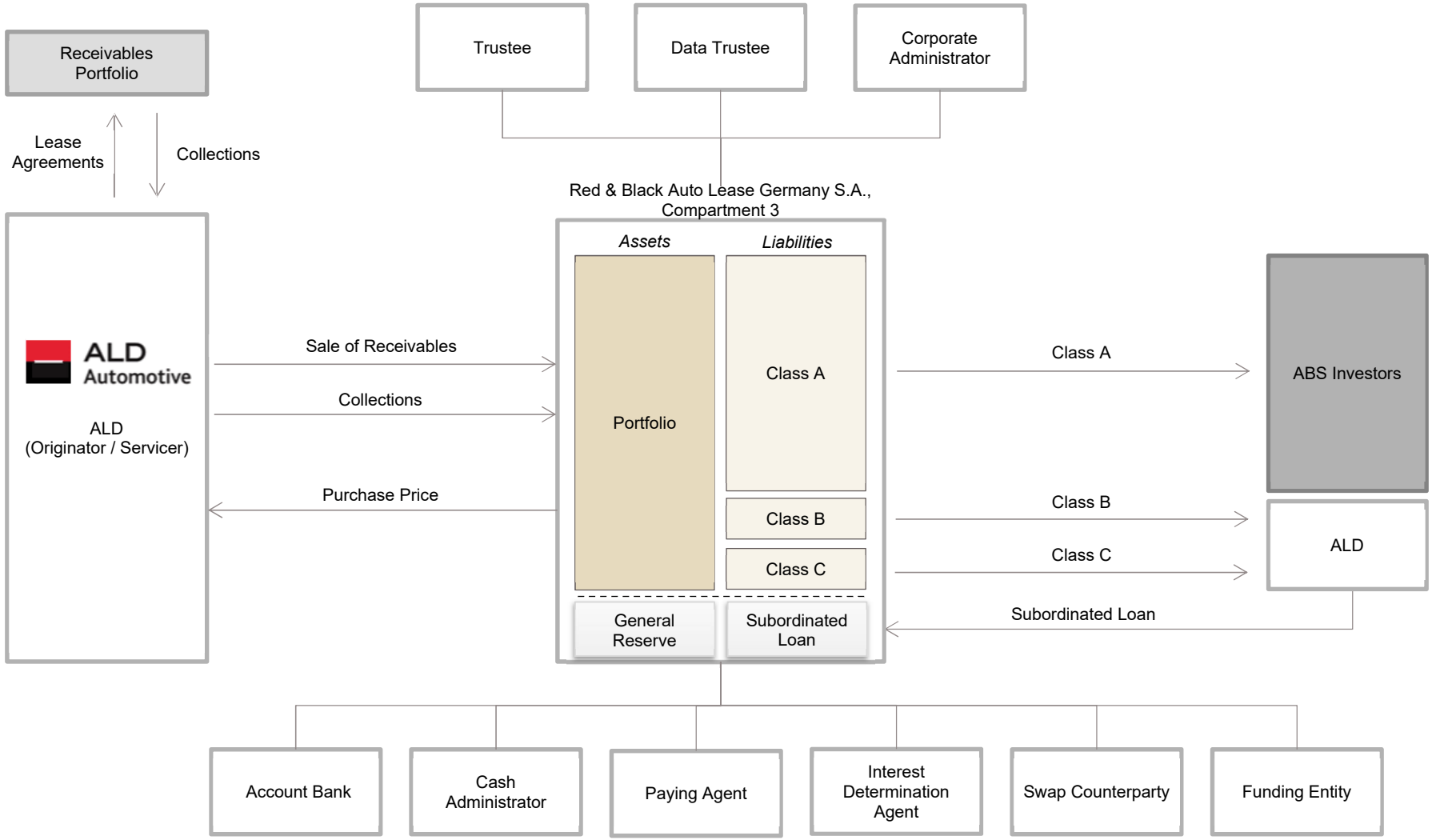
The following overview (the "**Transaction Overview**") should be read as an introduction to the Prospectus.

Any decision to invest in the Notes should be based on consideration of the Prospectus as a whole by the investor (including, in particular, the factors set out under "*Risk Factors*").

The Transaction Overview does not purport to be complete and is taken from and qualified in its entirety by the remainder of this Prospectus.

TRANSACTION OVERVIEW

The following is an overview of the Transaction as illustrated by the structure diagram below:


Receivables Portfolio
Lease Agreements
Collections
Trustee
Data Trustee
Corporate Administrator
Red & Black Auto Lease Germany S.A., Compartment 3
Assets
Liabilities
ALD Automotive
ALD (Originator / Servicer)
Sale of Receivables
Collections
Purchase Price
Portfolio
Class A
Class B
Class C
General Reserve
Subordinated Loan
Class A
Class B
Class C
Subordinated Loan
ABS Investors
ALD
Account Bank
Cash Administrator
Paying Agent
Interest Determination Agent
Swap Counterparty
Funding Entity

THE PARTIES

Issuer	**Red & Black Auto Lease Germany S.A.**, a public limited liability company (*société anonyme*) incorporated under the laws of the Grand Duchy of Luxembourg, having the status of an unregulated securitisation company (*société de titrisation*) subject to the Securitisation Law, registered with the Luxembourg Trade and Companies Register (*Registre de Commerce et des Sociétés*) under registration number B245709 and having its registered office at 6, rue Eugène Ruppert, L-2453 Luxembourg, Grand Duchy of Luxembourg, acting on behalf and for the account of its Compartment 3. See "*The Issuer*".
Shareholder of the Issuer	**Stichting Red & Black Auto Lease Germany**, a foundation incorporated with limited liability under the laws of The Netherlands, registered with The Netherlands Chamber of Commerce (*Kamer van Koophandel*) under registration number 861462373, having its registered address at Prins Bernhardplein 200, 1097 JB Amsterdam, The Netherlands, and holding 30,000 shares each in the nominal amount of EUR 1 in the Issuer in the Issuer (the "**Stichting**"). The Stichting does not have shareholders and would distribute any profits received from the Issuer (if any) to charitable organisations.
Originator, Servicer, Lender	**ALD AutoLeasing D GmbH**, a limited liability company (*Gesellschaft mit beschränkter Haftung*) incorporated under the laws of the Federal Republic of Germany, registered with the commercial register (*Handelsregister*) of the local court (*Amtsgericht*) of Hamburg under HRB 30468 and having its registered office at Nedderfeld 95, 22529 Hamburg, Federal Republic of Germany. ALD AutoLeasing D GmbH belongs to the SG Group. See "*The Lender / Originator / Servicer*".
Arranger	**Société Générale S.A.**, a public limited liability (*société anonyme*) incorporated under the laws of the Republic of France, registered with the Paris Trade Register under registration no. 552 120 222 and having its registered office at 29 Boulevard Haussmann, 75009 Paris, Republic of France. The legal entity identifier of Société Générale S.A. is O2RNE8IBXP4R0TD8PU41.
Lead Manager	**Société Générale S.A.**, a public limited liability (*société anonyme*) incorporated under the laws of the Republic of France, registered with the Paris Trade Register under registration no. 552 120 222 and having its registered office at 29 Boulevard Haussmann, 75009 Paris, Republic of France acting through its Frankfurt Branch and namely its Société Générale Corporate and Investment Banking department, at Neue Mainzer Straße 46 - 50, 60311 Frankfurt am Main, Federal Republic of Germany. The legal entity identifier of Société Générale S.A. is O2RNE8IBXP4R0TD8PU41.
Trustee	**Intertrust Trustees GmbH**, a limited liability company (*Gesellschaft mit beschränkter Haftung*) incorporated under the laws of the Federal Republic of Germany, registered with the commercial register (*Handelsregister*) of the local court

	(*Amtsgericht*) of Frankfurt am Main under HRB 98921 and having its registered office at Eschersheimer Landstraße 14, 60322 Frankfurt am Main, Federal Republic of Germany. Intertrust Trustees GmbH as Trustee belongs to the same group of companies as Intertrust (Luxembourg) S.à r.l. in its capacity as Corporate Administrator and Intertrust (Deutschland) GmbH in its capacity as Data Trustee and Back-Up Servicer Facilitator. Intertrust Trustees GmbH, Intertrust (Luxembourg) S.à r.l. and Intertrust (Deutschland) GmbH are affiliated entities within the Intertrust group. See "*The Trustee*".
Cash Administrator and Interest Determination Agent	**US Bank Global Corporate Trust Limited**, a limited company incorporated under the laws of England and Wales, registered with the Companies House under registration number 05521133 and having its registered office at 125 Old Broad Street, London, EC2N 1AR, United Kingdom. US Bank Global Corporate Trust Limited as Cash Administrator and Interest Determination Agent belongs to the same group of companies as Elavon Financial Services DAC in its capacity as Paying Agent and Account Bank. Elavon Financial Services DAC and US Bank Global Corporate Trust Limited are affiliated entities within the US Bancorp group. See "*The Cash Administrator / Interest Determination Agent*".
Paying Agent and Account Bank	**Elavon Financial Services DAC**, a designated activity company incorporated under the laws of the Republic of Ireland, registered with the Companies Registration Office Ireland under registration number 418442 and having its registered office at Block E, Cherrywood Business Park, Loughlinstown, Dublin, Republic of Ireland. Elavon Financial Services DAC as Paying Agent and Account Bank belongs to the same group of companies as US Bank Global Corporate Trust Limited in its capacity as Cash Administrator and Interest Determination Agent. Elavon Financial Services DAC and US Bank Global Corporate Trust Limited are affiliated entities within the US Bancorp group. See "*The Paying Agent / Account Bank*".
Data Trustee, Back-Up Servicer Facilitator and Back-Up Maintenance Coordinator Facilitator	**Intertrust (Deutschland) GmbH**, a limited liability company (*Gesellschaft mit beschränkter Haftung*) incorporated under the laws of the Federal Republic of Germany, registered with the commercial register (*Handelsregister*) of the local court (*Amtsgericht*) of Frankfurt am Main under HRB 75344 and having its registered office at Eschersheimer Landstraße 14, 60322 Frankfurt am Main, Federal Republic of Germany. Intertrust (Deutschland) GmbH as Data Trustee, Back-Up Servicer Facilitator and Back-Up Maintenance Coordinator Facilitator belongs to the same group of companies as Intertrust (Luxembourg) S.à r.l. in its capacity as Corporate Administrator and Intertrust Trustees GmbH in its capacity as Trustee. Intertrust Trustees GmbH, Intertrust (Luxembourg) S.à r.l. and Intertrust (Deutschland) GmbH are affiliated entities within the Intertrust group.

	See "*The Data Trustee / Back-Up Servicer Facilitator / Back-Up Maintenance Coordinator Facilitator*".
Funding Entity	**Société Générale S.A.**, a public limited liability (*société anonyme*) incorporated under the laws of the Republic of France, registered with the Paris Trade Register under registration no. 552 120 222 and having its registered office at 29 Boulevard Haussmann, 75009 Paris, Republic of France. See "*The Funding Entity*".
Swap Counterparty	**DZ BANK AG Deutsche Zentral-Genossenschaftsbank, Frankfurt am Main**, a stock corporation (*Aktiengesellschaft*) organised under the laws of Germany, registered with the commercial register (*Handelsregister*) of the local court (*Amtsgericht*) of Frankfurt under registration number HRB 45651, with registered office at Platz der Republik, 60265 Frankfurt am Main, Federal Republic of Germany. See "*The Swap Counterparty*".
Corporate Administrator	**Intertrust (Luxembourg) S.à r.l.**, a private limited liability company (*société à responsabilité limitée*) incorporated under the laws of the Grand-Duchy of Luxembourg, registered with the Luxembourg Trade and Companies (*Registre de Commerce et des Sociétés, Luxembourg*) under registration number B 103123 and having its registered office at 6, rue Eugène Ruppert, L-2453 Luxembourg, Grand Duchy of Luxembourg. Intertrust (Luxembourg) S.à r.l. as Corporate Administrator belongs to the same group of companies as Intertrust (Deutschland) GmbH in its capacity as Data Trustee and Back-Up Servicer Facilitator and Intertrust Trustees GmbH in its capacity as Trustee. Intertrust Trustees GmbH, Intertrust (Luxembourg) S.à r.l. and Intertrust (Deutschland) GmbH are affiliated entities within the Intertrust group. See "*The Corporate Administrator*".

THE NOTES

The Notes	EUR 350,000,000 Class A Floating Rate Notes, EUR 41,200,000 Class B Fixed Rate Notes, and EUR 20,600,000 Class C Fixed Rate Notes.
Form and Denomination	The Notes will initially be issued under a Temporary Global Note in bearer form with a denomination of EUR 100,000 per Note. Each Temporary Global Note will be exchangeable not earlier than 40 calendar days after the Closing Date, upon certification of non-US beneficial ownership, for a Permanent Global Note in bearer form. Each Class of Notes is represented by a Global Note without interest coupons which is deposited with the relevant Common Safekeeper. Each Global Note shall be issued in a new global note form and shall be kept in custody by the relevant Common Safekeeper until all obligations of the Issuer under the Class of Notes represented by it have been satisfied. Definitive Notes and interest coupons will not be issued. Copies of the form of the Global Notes are available free of charge at the specified offices of the Paying Agent
Status of the Notes	Each Class of Notes constitutes direct, unconditional and unsubordinated obligations of the Issuer, ranking *pari passu* among such Class of Notes and at least *pari passu* with all other current and future unsubordinated obligations of the Issuer, subject to the applicable Priority of Payments. The Notes benefit from security granted over the Security Assets by the Issuer to the Trustee. The Notes constitute limited recourse obligations of the Issuer. The payment of principal and interest on the Notes is conditional upon the performance of the Purchased Receivables, as set out herein. Neither the Notes nor the Receivables are part of or consist of a re-securitisation or synthetic securitisation.
Interest Rate	The interest rate payable on the Notes for each Interest Period shall be, in the case of the: (a) Class A Notes, EURIBOR + 0.70% *per annum*; (b) Class B Notes, 0.70% *per annum*; and (c) Class C Notes, 1.40% *per annum*, in each case subject to the Pre-Enforcement Available Amount and/or Post-Enforcement Available Distribution Amount (as applicable) and to the relevant Priority of Payments. The interest rate on the Class A Notes shall at any time be at least zero per cent. Amounts payable under the Class A Notes are calculated by reference to the European Interbank Offered Rate ("**EURIBOR**") which is provided by the European Money Markets Institute (the "**Administrator**"). As at the date of this Prospectus, the Administrator appears on the register of administrators and benchmarks established and maintained by ESMA pursuant to article 36 of Benchmark Regulation.

Closing Date	21 October 2020
Scheduled Maturity Date	15 September 2027
Legal Maturity Date	15 September 2031
Payment Date	Each 15th calendar day of each month subject to the Business Day Convention. The first Payment Date will be 15 November 2020. Unless the Notes are redeemed earlier in full, the final Payment Date will be the Legal Maturity Date.
Redemption – Maturity	Unless previously redeemed in accordance with the Terms and Conditions, each Note shall be redeemed in full at its Note Principal Amount on the Scheduled Maturity Date, subject to the Pre-Enforcement Available Distribution Amount or the Post-Enforcement Available Distribution Amount (as applicable). Any Notes not fully redeemed on the Scheduled Maturity Date will be redeemed on the subsequent Payment Dates until the Legal Maturity Date unless previously fully redeemed in accordance with the Terms and Conditions.
Early Redemption for Default	Immediately upon the earlier of (i) being informed in accordance with clause 11.1 (Early Redemption for Default) of the Terms and Conditions or (ii) becoming aware in any other way of the occurrence of an Issuer Event of Default, the Trustee may at its discretion - and will if so requested by Noteholders holding at least 25 per cent. of the Aggregate Outstanding Notes Principal Amount of the Most Senior Class of Notes - serve an Early Redemption Notice to the Issuer. Any of the following events shall constitute an Issuer Event of Default: (i) the Issuer becomes Insolvent; (ii) the Issuer fails to make a payment of interest on the Most Senior Class of Notes on any Payment Date (and such default is not remedied within two Business Days of its occurrence); (iii) the Issuer fails to perform or observe any of its other material obligations under the Terms and Conditions or the Transaction Documents (other than the Subordinated Loan Agreement) and such failure is (if capable of remedy) not remedied within 30 Business Days following written notice from the Trustee or any other Secured Party; or (iv) it is or will become unlawful for the Issuer to perform or comply with any of its obligations under or in respect of the Class A Notes, the Class B Notes and the Class C Notes, or any Transaction Document. For the avoidance of doubt, an Issuer Event of Default shall not occur in respect of claims under the Terms and Conditions which are subject to clause 3.3 (Non-Petition and Limited Recourse against the Issuer) of the Terms and Conditions (other than in respect of the Most Senior Class of Notes in accordance with item (ii) of the definition of Issuer Event of Default). Upon receipt by the Issuer of an Enforcement Notice and provided that such Issuer Event of Default is continuing at the time such

notice is received by the Issuer, all Notes (but not only some) will become due for redemption on the Payment Date following the Enforcement Notice has been served by the Trustee in accordance with clause 11.1 of the Terms and Conditions in an amount equal to their then current Note Principal Amounts plus accrued but unpaid interest.

Upon the delivery of an Enforcement Notice by the Trustee to the Issuer, the Trustee (i) enforces the Security Interest over the Security Assets, to the extent the Security Interest over the Security Assets has become enforceable and (ii) applies any available Post-Enforcement Available Distribution Amount on the Payment Date following the Enforcement Notice has been served by the Trustee in accordance with clause 11.1 of the Terms and Conditions and thereafter on each subsequent Payment Date in accordance with the Post-Enforcement Priority of Payments.

Early Redemption by the Issuer – Illegality and Tax Call Event and Clean-Up Call Event

Repurchase upon the Occurrence of an Illegality and Tax Call Event or a Clean-Up Call Event (as applicable)

(a) The Originator may upon at least five Business Days prior written notice to the Issuer (with a copy to the Trustee) exercise its option to repurchase all (but not only some) of the Purchased Receivables and Related Collateral on the Payment Date following such notice (or, if such notice is delivered to the Issuer less than five Business Days prior to such Payment Date, the next following Payment Date) at the respective Repurchase Price if an Illegality and Tax Call Event or a Clean-Up Call Event (as applicable) has occurred provided that:

(i) the sum of the Repurchase Prices together with the other items (as relevant) of the Available Distribution Amount shall at least be sufficient to redeem the Class A Notes and the Class B Notes and to pay any items ranking senior to the Class B in accordance with the applicable Priority of Payments); and

(ii) the Originator has agreed to reimburse the Issuer for any costs and expenses in respect of the repurchase and reassignment or retransfer of the Purchased Receivables.

(b) Upon receipt of a notice pursuant to clause 12.1 (Early Redemption – Illegality and Tax Call Event and Clean-Up Call Event) of the Terms and Conditions, the Issuer shall (i) resell all Purchased Receivables and (ii) upon receipt of the corresponding Repurchase Prices on the Operating Account redeem all (but not only some) of the Notes on such Payment Date at their then current Note Principal Amount.

Pre-Enforcement Priority of Payments

Prior to the Enforcement Conditions being fulfilled, the Issuer will distribute the Pre-Enforcement Available Distribution Amount on each Payment Date towards the discharge of the claims of the Noteholders and the other creditors of the Issuer in accordance with the following Pre-Enforcement Priority of Payments (in sequential order and only to the extent that the more senior ranking items have been paid):

(a) any due and payable Statutory Claims;

(b) an amount equal to 105 per cent. of the Excess Amount to the Initial Servicer;

(c) any due and payable Trustee Expenses;

(d) any due and payable Administrative Expenses which shall be applied on a *pari passu* and *pro rata* basis;

(e) any due and payable Servicing Fee, Back-Up Servicer Stand-By Fee, Back-Up Maintenance Coordinator Stand-By Fee, Back-Up Maintenance Coordinator Fee;

(f) any due and payable Net Swap Payments and Swap Termination Payments under the Swap Agreement (provided that the Swap Counterparty is not the Defaulting Party (as defined in the Swap Agreement) and there has been no termination of the Swap Agreement due to a termination event relating to the Swap Counterparty's downgrade);

(g) (on a *pro rata* and *pari passu* basis) any due and payable aggregate Interest Amount on the Class A Notes;

(h) (on a *pro rata* and *pari passu* basis) any due and payable aggregate Interest Amount on the Class B Notes;

(i) the Required General Reserve Amount to the General Reserve Account;

(j) during the Revolving Period only: to credit the Replenishment Ledger up to an amount equal to the Required Replenishment Amount to enable the Issuer to purchase Additional Receivables on such Purchase Date;

(k) during the Amortisation Period only: (on a *pro rata* and *pari passu* basis) the Class A Principal Redemption Amount in respect of the redemption of the Class A Notes until the Aggregate Outstanding Note Principal Amount of the Class A Notes is reduced to zero;

(l) during the Amortisation Period only: (on a *pro rata* and *pari passu* basis) the Class B Principal Redemption Amount in respect of the redemption of the Class B Notes until the Aggregate Outstanding Note Principal Amount of the Class B Notes is reduced to zero;

(m) (on a *pro rata* and *pari passu* basis) any due and payable aggregate Interest Amount on the Class C Notes;

(n) during the Amortisation Period only (on a *pro rata* and *pari passu* basis), the Class C Principal Redemption Amount in respect of the redemption of the Class C Notes until the Aggregate Outstanding Note Principal Amount of the Class C Notes is reduced to zero;

(o) any due and payable indemnity payments under any Transaction Document;

(p) the Aggregate Outstanding Portfolio Principal Increase Amount relating to the current Collection Period plus all

accrued but unpaid Aggregate Outstanding Portfolio Principal Increase Amounts of all previous Collection Periods to the Originator;

(q) any Swap Termination Payments due under the Swap Agreement other than those made under item (f) above;

(r) any due and payable interest amounts on the Subordinated Loan;

(s) the Subordinated Loan Redemption Amount in respect of the redemption of the Subordinated Loan until the Subordinated Loan is reduced to zero; and

(t) the Excess Value to the Initial Servicer.

Post-Enforcement Priority of Payments

After the Enforcement Conditions have been fulfilled, the Post-Enforcement Available Distribution Amount will be applied on each Payment Date towards the discharge of the claims of the Noteholders and the other creditors of the Issuer in accordance with the following priority of payments (in sequential order and only to the extent that the more senior ranking items have been paid):

(a) any due and payable Statutory Claims;

(b) an amount equal to 105 per cent. of the Excess Amount to the Initial Servicer;

(c) any due and payable Trustee Expenses;

(d) any due and payable Administrative Expenses which shall be applied on a *pari passu* and *pro rata basis*;

(e) any due and payable Servicing Fee, Back-Up Servicer Stand-By Fee, Back-Up Maintenance Coordinator Stand-By Fee, Back-Up Maintenance Coordinator Fee;

(f) any due and payable Net Swap Payments and Swap Termination Payments under the Swap Agreement (provided that the Swap Counterparty is not the Defaulting Party (as defined in the Swap Agreement) and there has been no termination of the Swap Agreement due to a termination event relating to the Swap Counterparty's downgrade);

(g) (on a *pro rata* and *pari passu* basis) any due and payable aggregate Interest Amount on the Class A Notes;

(h) (on a *pro rata* and *pari passu* basis) the redemption of the Class A Notes until the Aggregate Outstanding Note Principal Amount of the Class A Notes is reduced to zero;

(i) (on a *pro rata* and *pari passu* basis) any due and payable aggregate Interest Amount on the Class B Notes;

(j) (on a *pro rata* and *pari passu* basis) the redemption of the Class B Notes until the Aggregate Outstanding Note Principal Amount of the Class B Notes is reduced to zero;

(k) (on a *pro rata* and *pari passu* basis) any due and payable aggregate Interest Amount on the Class C Notes;

(l) (on a *pro rata* and *pari passu* basis), the redemption of the Class C Notes until the Aggregate Outstanding Note Principal Amount of the Class C Notes is reduced to zero;

(m) any due and payable indemnity payments under any Transaction Document;

(n) the Aggregate Outstanding Portfolio Principal Increase Amount relating to the current Collection Period plus all accrued but unpaid Aggregate Outstanding Portfolio Principal Increase Amounts of all previous Collection Periods to the Originator;

(o) any Swap Termination Payments due under the Swap Agreement other than those made under item (f) above;

(p) any due and payable interest amounts on the Subordinated Loan;

(q) any due and payable principal amounts under the Subordinated Loan Agreement until the Subordinated Loan is reduced to zero; and

(r) the Excess Value to the Initial Servicer.

Non-Petition and Limited Recourse against the Issuer

No Proceedings against the Issuer

(a) Until the date falling one year and one day after the Final Discharge Date, the Noteholders or any person on their behalf shall not initiate, or join any Person in initiating, Insolvency Proceedings in respect of the Issuer, provided that any Noteholder may join any proceedings or action under any applicable insolvency law that is initiated by any Person other than such Noteholder or one of such Noteholder's Affiliates.

(b) None of the Noteholders shall be entitled to take, or join in the taking of, any corporate action, legal proceedings or other procedure or step which would result in any applicable Priority of Payments not being complied with.

Limited Recourse

Each Noteholder agrees with and acknowledges to the Issuer that, notwithstanding any other provision of this Agreement, all obligations of the Issuer to the Noteholders, including, without limitation, the Issuer Obligations, are limited in recourse as set out below:

(a) each Noteholder agrees that it will have a claim only in respect of the Security Assets and will not have any claim, by operation of law or otherwise, against, or recourse to, any of the Issuer's other assets, the assets of any other Compartment created by the board of directors of the Company, or the share capital of the Company;

(b) sums payable to the Noteholders in respect of the Issuer's obligations to the Noteholders shall be limited to the lesser of (a) the aggregate amount of all sums due and

payable to the Noteholders and (b) the aggregate amounts received, realised or otherwise recovered by or for the account of the Issuer in respect of the Security Assets, whether pursuant to enforcement of the Security Assets or otherwise, net of any sums which are payable by the Issuer in accordance with the applicable Priority of Payments in priority to or *pari passu* with sums payable to the Noteholders; and

(c) upon the giving written notice to the Noteholders in accordance with clause 15 (Form of Notices) of the Terms and Conditions that the Trustee has determined (in reliance on the certification delivered to it by the Originator) that there is no reasonable likelihood of there being any further realisations in respect of the Security Assets (whether arising from an enforcement of the Security Assets or otherwise) which would be available pursuant to the applicable Priority of Payments to pay unpaid amounts outstanding under this Agreement, the Noteholders shall have no further claim against the Issuer in respect of any such unpaid amounts and such unpaid amounts shall be discharged in full.

Resolutions of Noteholders

The Noteholders of a particular Class of Notes may agree to amendments of the Terms and Conditions by majority vote or, in case of material amendments to the Terms and Conditions as specified in the Terms and Conditions, with a majority of not less than 75 per cent. of the votes cast (*qualifizierte Mehrheit* (qualified majority) (as applicable) and may appoint a Noteholder's Representative for all Notes of such Class of Notes for the preservation of rights in accordance with the German Bonds Act (*Schuldverschreibungsgesetz*).

Taxation

Payments in respect of the Notes shall only be made after deduction and withholding of current or future 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.

Neither the Issuer nor the Originator nor any other party is obliged to pay any amounts as compensation for a deduction or withholding of taxes in respect of payments on the Notes.

Use of Proceeds from the Notes

The Issuer will apply the proceeds of the Notes for the purchase of the Initial Purchased Receivables from the Originator on the Closing Date and for payment of the Upfront Amount to the Originator on the Closing Date.

Subscription

The Lead Manager will subscribe, subject to certain conditions, the Class A Notes, the Class B Notes and the Class C Notes from the Issuer on the Closing Date.

Selling Restrictions

Subject to certain exceptions, the Notes are not being offered or sold within the United States. For a description of these and other restrictions on sale and transfer, see "*Subscription And Sale*".

Listing and Admission to Trading	Application has been made to the Luxembourg Stock Exchange for the Class A Notes and the Class B Notes to be listed on the Official List of the Luxembourg Stock Exchange and to be admitted to trading on its regulated market (segment for professional investors). The Class C Notes will not be listed.
Settlement	**Clearstream Banking S.A.**, a public limited liability company (*société anonyme*) incorporated under the laws of the Grand Duchy of Luxemburg, registered with the Luxembourg Trade and Companies (*Registre de Commerce et des Sociétés, Luxembourg*) under registration number B 9248 Luxembourg, and having its registered office at 42 Avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg. **Euroclear Banking SA/NV**, a public limited liability company (*société anonyme*) incorporated under the laws of the Kingdom of Belgium, registered with the RPM Brussels under registration number 0423 747 369 and having its registered office at 1 Boulevard du Roi Albert II, B-1210 Brussels, Kingdom of Belgium.
Governing Law	The Notes will be governed by the laws of the Federal Republic of Germany. The provisions of articles 470-3 to 470-19 of the Luxembourg Companies Law regarding the representations of noteholders and noteholder's meetings shall not apply.
Rating Agencies / Ratings	**Moody's Deutschland GmbH**, a limited liability company (*Gesellschaft mit beschränkter Haftung*) incorporated under the laws of the Federal Republic of Germany, registered with the commercial register (*Handelsregister*) of the local court (*Amtsgericht*) of Frankfurt am Main under HRB 33863 and having its registered office at An der Welle 5, 60322 Frankfurt am Main, Federal Republic of Germany. **S&P Global Ratings Europe Limited**, a limited liability company incorporated under the laws of the Republic of Ireland, registered with the Companies Registration Office Ireland under registration number 611431 and having its registered office at Fourth Floor Waterways House, Grand Canal Quay, Dublin 2, Ireland, acting through its German branch (*Niederlassung Deutschland*) registered with the commercial register (*Handelsregister*) of the local court (*Amtsgericht*) of Frankfurt am Main under registration number HRB 112659 and having its registered office at OpernTurm, Bockenheimer Landstraße 2, 60306 Frankfurt am Main, Federal Republic of Germany. The Class A Notes are expected to be rated "Aaa (sf)" by Moody's and " AAA (sf)" S&P. The Class B Notes are expected to be rated "BBB (sf)" by S&P and "Baa2(sf)" by Moody's. The Class C Notes will not be rated.

THE ASSETS AND RESERVES

Assets backing the Notes

The Notes are backed by the Purchased Receivables as described herein and as acquired by the Issuer in accordance with the Receivables Purchase Agreement.

Purchase and Servicing of Receivables

Under the Receivables Purchase Agreement, the Originator sells and assigns on the Closing Date to the Issuer the Initial Purchased Receivables with an Aggregate Outstanding Portfolio Principal Amount of EUR 411,798,574.68 as of the Initial Cut-Off Date. The Initial Purchase Price is payable by the Issuer to the Originator on the Closing Date.

The Issuer will finance the purchase of the Initial Receivables by issuing the Notes.

The Originator will sell and assign on each Purchase Date following the Closing Date during the Revolving Period to the Issuer the Additional Receivables. The Additional Purchase Price is payable by the Issuer to the Originator on each Purchase Date. The Revolving Period is the period from and including the Closing Date to but excluding the earlier of (i) the Payment Date falling in November 2021 and (ii) the Payment Date following the occurrence of an Amortisation Event.

The Purchased Receivables will be serviced by the Servicer.

Eligibility Criteria

Means the following criteria (*Beschaffenheitskriterien*) in respect of a Receivable:

(a) the Receivable derives from a Lease Agreement which:

(i) has been entered into between a Lessee and the Originator, excluding any Lease Agreement under any employee programme of the Originator;

(ii) is (x) legal, valid and binding, (y) based on the Originator's Form of Contract and (z) governed by the laws of the Federal Republic of Germany;

(iii) (including the standard terms and conditions applicable thereto) has been created in compliance with all applicable laws, rules and regulations (in particular with respect to consumer protection) and all required consents, approvals and authorisations have been obtained in respect thereof and the Originator is not in violation of any such law, rule or regulation;

(iv) at least one Lease Instalment has been paid in respect of the Lease Agreement;

(v) there is no material breach, default or violation of any obligation under the associated Lease Agreement;

(vi) is not a Lease Agreement under which lease payments are in arrear;

(vii) is not a Defaulted Lease Agreement;

(viii) gives rise to monthly Lease Instalments;

(ix) provides for an Original Term not longer than 72 months;

(x) terms and conditions do not expressly provide for a termination right of the relevant Lessee in case the Originator becomes Insolvent;

(xi) has not been terminated;

(xii) has been originated in the ordinary course of business;

(xiii) has been originated in accordance with the Credit and Collection Policy;

(b) each Receivable:

(i) is freely assignable without breach of the underlying Lease Agreement and can be disposed of by the Originator free from third party rights and set-off rights, but excluding the Permitted Set-Off Rights, and is solely owned by the Originator;

(ii) to the best of the Originator's knowledge, is not encumbered or otherwise in a condition that can be foreseen to adversely affect the enforceability of the true sale or assignment or transfer with the same legal effect;

(iii) is denominated in EUR;

(iv) is collectable and enforceable;

(v) is secured by the security transfer (*Sicherungsübereignung*) of legal title to the relevant Vehicle to the Issuer;

(vi) has no Lease Instalments in arrear;

(vii) can be segregated and identified at any time for purposes of ownership in the files of the Originator and such files and the relating software is able to provide the information to be included in the Servicing Agreement and/or Receivables Purchase Agreement with respect to such Receivable;

(viii) was not, as at the relevant Cut-off Date, an exposure in default within the meaning of article 178(1) of Regulation (EU) No 575/2013 or an exposure to a credit-impaired Lessee or guarantor, who, to the best of the Originator's knowledge:

(A) has been declared insolvent or had a court grant his creditors a final non-appealable right of enforcement or material damages as a result of a missed payment within three years prior to the date of origination or has undergone a debt- restructuring process with regard to his non-performing

exposures within three years prior to the Closing Date

(B) was, at the time of origination, where applicable, on a public credit registry of persons with adverse credit history or, where there is no such public credit registry, another credit registry that is available to the Originator; or

(C) has a credit assessment or a credit score indicating that the risk of contractually agreed payments not being made is significantly higher than for comparable exposures held by the Originator which are not securitised;

(ix) do not include derivatives as defined in point (29) of article 2(1) Regulation (EU) No 600/2014, or transferable securities as defined in point (44) of article 4(1) of Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments (as amended, restated or supplemented, MiFID II) other than corporate bonds, that are not listed on a trading venue and do not include any securitisation position;

(x) does not arise under a Lease Agreement that is under a COVID-19 related payment holiday (including legislative payment holiday and non-legislative payment holiday);

(c) the Lessee of such Receivable:

(i) is not part of the SG Group;

(ii) is not employed with the Originator or any of its Affiliates;

(iii) is a (x) merchant (*Kaufmann/Unternehmer*) having its registered office within the Federal Republic of Germany, or (y) Public Debtor registered within the Federal Republic of Germany, or (z) Consumer resident in the Federal Republic of Germany;

(iv) to the best knowledge of the Originator, is neither entitled to nor has threatened to invoke any right of rescission, counterclaim, contest, challenge or other defence (deriving from the Lease Agreement) in respect of such Receivable;

(v) is not Insolvent and no proceedings for the commencement of Insolvency Proceedings are pending in any jurisdiction against it (to the best knowledge of the Originator);

(vi) has received a copy of the Lease Agreement together with instructions in respect of the right of revocation of the Originator (e.g. the applicable

form requirements and notifications are complied with) (to the best knowledge of the Originator);

(d) the Vehicle to which the Receivable relates:

(i) is existing;

(ii) is a new Vehicle;

(iii) has an initial vehicle sale price not exceeding EUR 150,000;

(iv) is a Vehicle in relation to which:

(A) the purchase price (including value added tax) has been paid in full to the relevant supplier;

(B) the Originator has acquired full title from the supplier;

(C) the sale and purchase agreements pertaining to it and each prior Vehicle delivered by the same supplier, do not extend to on-going maintenance or other services;

(D) there is no default in the performance of any obligation under or pursuant to such sale and purchase agreements by the Originator;

(E) to the extent that there is a legal obligation of the Originator or the Lessee (as applicable) to take out third-party liability insurance, the Originator or the Lessee (as applicable) has taken out such third-party liability insurance with respect to the relevant Vehicle;

(v) is a Vehicle the acquisition (*Anschaffung*) of which by the Originator has been, or is financed, in its entirety within three months after acquisition of such Vehicle by the Originator (such financing being intended from the outset) by a third-party financier and such Vehicles have been transferred to such third- party financier for securing such financing;

(e) the Originator:

(i) is the sole creditor of the Receivable;

(ii) has not entered into an agreement with a Lessee in respect of the Receivable according to which the repayment of the Receivable would be suspended or otherwise impaired (other than in accordance with the Credit and Collection Policy);

(iii) has not commenced enforcement proceedings against a Lessee in respect of the Receivable; and

(iv) to the best knowledge of the Originator:

(A) no Lessee (aa) is in breach of any of its obligations in respect of the Receivable in any material respect, or (bb) is entitled to or has threatened to invoke any right of rescission, counterclaim, contest, challenge or other defence in respect of such Receivable, except for Permitted Set-Off Rights, or (cc) has declared a set-off in respect of such Receivable, except for Permitted Set-Off Rights; and

(B) no litigation is pending in respect of the Receivable.

Replenishment Criteria Means the following criteria as of the relevant Cut-Off Date preceding the relevant Purchase Date, taking into account the Additional Receivables to be purchased on such Purchase Date:

(a) The top 1 Lessee or Lessee Groups measured in relation to the respective contribution to the Aggregate Outstanding Portfolio Principal Amount does not account for more than 1.50 per cent. of the Aggregate Outstanding Portfolio Principal Amount as of the Initial Cut-Off Date;

(b) each of the top 2 to 4 Lessees or Lessee Groups measured in relation to the respective contribution to the Aggregate Outstanding Portfolio Principal Amount does not account for more than 1.25 per cent. of the Aggregate Outstanding Portfolio Principal Amount as of the Initial Cut-Off Date;

(c) each of the top 5 to 10 Lessees or Lessee Groups measured in relation to the respective contribution to the Aggregate Outstanding Portfolio Principal Amount does not account for more than 1.0 per cent. of the Aggregate Outstanding Portfolio Principal Amount as of the Initial Cut-Off Date;

(d) each of the top 11 to 20 Lessees or Lessee Groups measured in relation to the respective contribution to the Aggregate Outstanding Portfolio Principal Amount does not account for more than 0.75 per cent. of the Aggregate Outstanding Portfolio Principal Amount as of the Initial Cut-Off Date;

(e) each Lessee, other than the top 20 Lessees or Lessee Groups measured in relation to the respective contribution to the Aggregate Outstanding Portfolio Principal Amount does not account for more than 0.5 per cent. of the Aggregate Outstanding Portfolio Principal Amount as of the Initial Cut-Off Date;

(f) the Aggregate Outstanding Portfolio Principal Amount resulting from Lease Agreements in respect of which the Lessee is classified in a specific industry based on NACE Industry Division does not account for more than 15.0 per cent. of the Aggregate Outstanding Portfolio Principal Amount as of the Initial Cut-Off Date;

(g) the weighted average remaining term of all Lease Agreements is not larger than 36 months;

(h) the weighted average Discount Rate of all Lease Agreements is not lower than 2.75 per cent.; and

(i) the Aggregate Outstanding Portfolio Principal Amount resulting from Lease Agreements in respect of which the Lessee is classified as (i) a private sector non-financial corporation or (ii) a natural person accounts for at least 90.0 per cent. of the Aggregate Outstanding Portfolio Principal Amount.

Transaction Accounts

The Transaction Accounts will be:

(a) the Operating Account;

(b) the General Reserve Account;

(c) the Swap Collateral Account;

(d) the Commingling Reserve Account;

(e) the Set-Off Reserve Account; and

(f) the Maintenance Reserve Account.

Commingling Reserve/Set-Off Reserve

Upon the earlier of (y) the occurrence of a Downgrade Event with respect to the Funding Entity or (z) ALD becoming Insolvent, the Funding Entity will pay the Required Commingling Reserve Amount and the Required Set-Off Reserve Amount directly into the Commingling Reserve Account and the Set-Off Reserve Account (respectively) within 31 calendar days from the occurrence of the relevant event.

If on a Payment Date, after the occurrence of a Downgrade Event with respect to the Funding Entity, the amount standing to the credit of the Commingling Reserve Account is less than the Required Commingling Reserve Amount and/or the Set-Off Reserve Account is less than the Required Set-Off Reserve Amount calculated in respect of such Payment Date, the Funding Entity will pay to the Commingling Reserve Account and/or the Set-Off Reserve Account an amount equal to such shortfall, provided that:

(a) a Downgrade Event with respect to the Funding Entity is subsisting;

(b) ALD is not Insolvent; and

(c) the Issuer has not effected any transfers from the Commingling Reserve Account pursuant to clause 4 (Transfer to the Operating Account) of the Reserves Funding Agreement.

Required Commingling Reserve Amount means, with respect to any Payment Date, an amount equal to the product of:

(a) 5 per cent.; and

(b) the Aggregate Outstanding Portfolio Principal Amount on the preceding Determination Date,

provided that the Required Commingling Reserve Amount shall not exceed the Risk Reserve Maximum Amount with respect to the Commingling Reserve Account.

For the avoidance of doubt, (i) in case of the occurrence of an Insolvency Event with respect to ALD, the above amount shall be calculated on the basis of the latest published Investor Report at such time and (ii) the above amount shall only be credited to the Commingling Reserve Account in accordance with the Reserve Funding Agreement upon the occurrence of (a) a Downgrade Event with respect to the Funding Entity or (b) an Insolvency Event with respect to ALD.

Required Set-Off Reserve Amount means, with respect to any Payment Date, an amount equal to the sum of (as determined on the Determination Date immediately preceding such Payment Date):

(a) any cash deposits made by a Lessee with ALD;

(b) any advances received by ALD from a Lessee with respect to maintenance services relating to any Open Calculation Lease Agreement; and

(c) any amounts payable by ALD to a Lessee due to a Lease Agreement Recalculation but not yet paid,

provided that the Required Set-Off Reserve Amount shall not exceed the Risk Reserve Maximum Amount with respect to the Set-Off Reserve Account.

For the avoidance of doubt, (i) in case of the occurrence of an Insolvency Event with respect to ALD, the above amount shall be calculated on the basis of the latest published Investor Report at such time and (ii) the above amount shall only be credited to the Set-Off Reserve Account in accordance with the Reserve Funding Agreement upon the occurrence of (a) a Downgrade Event with respect to the Funding Entity or (b) an Insolvency Event with respect to ALD.

Maintenance Reserve

Upon the earlier of (y) the occurrence of a Downgrade Event with respect to the Funding Entity or (z) ALD becoming Insolvent, the Funding Entity will pay the Required Maintenance Reserve Amount directly into the Maintenance Account, either:

(a) if a Downgrade Event with respect to the Funding Entity has occurred, within 31 calendar days; or

(b) upon ALD becoming Insolvent, promptly.

If on a Payment Date, after the occurrence of a Downgrade Event with respect to the Funding Entity, the amount standing to the credit of the Maintenance Reserve Account is less than the Required Maintenance Reserve Amount calculated in respect of such Payment Date, the Funding Entity will pay to the Maintenance Reserve Account an amount equal to such shortfall, provided that:

(a) a Downgrade Event with respect to the Funding Entity is subsisting;

(b) ALD is not Insolvent; and

(c) the Issuer has not effected any transfers from the Maintenance Reserve Account pursuant to clause 4 (Transfer to the Operating Account) of the Reserves Funding Agreement.

Required Maintenance Reserve Amount means, with respect to any Payment Date, an amount equal to the positive balance of the sum of the Maintenance Settlement Ledger in respect of each Lease Agreement relating to a Purchased Receivable as notified in the Investor Report, provided that the Required Maintenance Reserve Amount shall not exceed the Risk Reserve Maximum Amount with respect to the Maintenance Reserve.

For the avoidance of doubt, (i) in case of the occurrence of an Insolvency Event with respect to ALD, the above amount shall be calculated on the basis of the latest published Investor Report at such time and (ii) the above amount shall only be credited to the Maintenance Reserve Account in accordance with the Reserve Funding Agreement upon the occurrence of (a) a Downgrade Event with respect to the Funding Entity or (b) an Insolvency Event with respect to ALD.

THE MAIN TRANSACTION AGREEMENTS

Receivables Purchase Agreement	Pursuant to the Receivables Purchase Agreement, the Originator shall sell and assign the Receivables (together the Related Claims and Rights) and to assign and transfer the Related Collateral, to the Issuer. See "*Overview of Transaction Documents – The Receivables Purchase Agreement*".
Servicing Agreement	Pursuant to the Servicing Agreement, the Servicer shall service, collect and administer the assets forming part of the Portfolio and shall perform all related functions in accordance with the provisions of the Servicing Agreement and the Credit and Collection Policy. See "*Overview of Transaction Documents – The Servicing Agreement*".
Trust Agreement	Pursuant to the Trust Agreement, the Issuer grants security over its assets to the Trustee. See "*Overview of Transaction Documents – The Trust Agreement*".
Data Trust Agreement	Pursuant to the Data Trust Agreement, the Data Trustee shall hold the Decoding Key delivered to it on trust (*treuhänderisch*) for the Issuer. See "*Overview of Transaction Documents – The Data Trust Agreement*".
Reserves Funding Agreement	Pursuant to the Reserves Funding Agreement, the Funding Entity has agreed to provide a reserve to cover commingling risks, set-off risks and maintenance risks in relation to the Servicer. See "*Overview of Transaction Documents – The Reserves Funding Agreement*".
Account Bank Agreement	With effect as of the Closing Date, the Issuer has opened certain Transaction Accounts with the Account Bank in accordance with the Account Bank Agreement. See "*Overview of Transaction Documents – The Account Bank Agreement*".
Cash Administration Agreement	In accordance with the Cash Administration Agreement, the Issuer has appointed the Cash Administrator to, *inter alia*, calculate the amounts payable under the Notes. See "*Overview of Transaction Documents – The Cash Administration Agreement*".
Agency Agreement	In accordance with the Agency Agreement, (i) the Interest Determination Agent shall determine EURIBOR and (ii) the Paying Agent shall, *inter alia*, pay on behalf of the Issuer to the Noteholders on each Payment Date the amounts payable in respect of the Notes. See "*Overview of Transaction Documents – The Agency Agreement*".

Swap Agreement	The Issuer has entered into the Swap Agreement in order to hedge certain interest risks arising in connection with the Class A Notes. See "*Overview of Transaction Documents – The Swap Agreement*".
English Security Deed	The Issuer and the Trustee have entered into an English law governed Security Deed to grant security of the claims of the Issuer arising under the Swap Agreement. See "*Overview of Transaction Documents – The English Security Deed*".
Irish Security Deed	The Issuer and the Trustee have entered into an Irish law governed Security Deed to grant security over the Transaction Accounts to the Trustee. See "*Overview of Transaction Documents – The Irish Security Deed*".
Subordinated Loan Agreement	Pursuant to the Subordinated Loan Agreement, the Lender provides the Issuer (acting in its capacity as Borrower) with the Subordinated Loan. See "*Overview of Transaction Documents — The Subordinated Loan Agreement*".
Subscription Agreement	Pursuant to the Subscription Agreement, the Lead Manager agrees to subscribe and pay for the Notes, on the Closing Date at the Issue Price. See "*Subscription and Sale*".
Corporate Administration Agreement	In accordance with the Corporate Administration Agreement, the Corporate Administrator has agreed to provide certain corporate administration services to the Issuer. See "*Overview of Transaction Documents – the Corporate Administration Agreement*".
Governing Law	The transaction agreements are governed by the laws of the Federal Republic of Germany, except for (i) the Swap Agreement and the English Security Deed which are governed by English law, (ii) the Irish Security Deed which is governed by Irish law, and (iii) the Corporate Administration Agreement which is governed by Luxembourg law. The provisions of articles 470-3 to 470-19 of the Luxembourg Companies Law regarding the representations of noteholders and noteholder's meetings shall not apply.

VERIFICATION BY SVI

STS Verification International GmbH ("**SVI**") has been authorised by the German Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht*) as third party verification agent pursuant to Article 28 of the Securitisation Regulation.

The verification label "verified – STS VERIFICATION INTERNATIONAL" has been officially registered as a trade mark and is licensed to an issuer of securities if the securities meet the requirements for simple, transparent and standardised securitisation as set out in articles 19 to 22 of the Securitisation Regulation ("**STS Requirements**").

The verification label is issued on the basis of SVI's verification process, which is explained in detail on the SVI website (www.sts-verification-international.com). The verification process is based on the SVI verification manual. It describes the verification process and the individual inspections in detail. The verification manual is authoritative for all parties involved in the verification process and its application ensures an objective and uniform verification of transactions to be verified.

The originator will include in its notification pursuant to article 27(1) of the Securitisation Regulation a statement that compliance of its securitisation with the STS Requirements has been confirmed by SVI.

SVI disclaims any responsibility for monitoring continuing compliance with the STS Requirements by the parties concerned or other aspect of their activities or operations.

Verification by SVI is not a recommendation to buy, sell or hold securities. Investors should, therefore, not evaluate their investment in notes on the basis of this verification. Furthermore, the STS status of a transaction is not static and investors should therefore verify the current status of the transaction on ESMA's website.

RISK RETENTION AND TRANSPARENCY REQUIREMENTS

1. EU Risk Retention Requirements

Under article 6 of the Securitisation Regulation, the originator, sponsor or original lender of a securitisation shall retain on an ongoing basis a material net economic interest in the securitisation of not less than 5 per cent. ALD AutoLeasing D GmbH acts as "originator" within the meaning of article 6 of the Securitisation Regulation and has agreed to retain the material net economic interest. The material net economic interest is not subject to any credit-risk mitigation or hedging. Pursuant to article 6(3)(d) of the Securitisation Regulation, a net economic interest may be retained through a first loss tranche.

ALD AutoLeasing D GmbH - in its capacity as "originator" within the meaning of the Securitisation Regulation - will, on an ongoing basis whilst any of the Class A Notes and the Class B Notes remain outstanding retain for the life of the Transaction a material net economic interest of not less than 5 per cent. with respect to the Transaction in accordance with article 6(3)(d) of the Securitisation Regulation. For the purposes of compliance with the requirements of article 6(3)(d) of the Securitisation Regulation, ALD AutoLeasing D GmbH will do each of the following: First, ALD AutoLeasing D GmbH will retain on an on-going basis until the earlier of (i) the redemption of the Class A Notes and the Class B Notes in full or (ii) the Legal Maturity Date, a first loss tranche constituted by the claim for repayment of the outstanding Subordinated Loan of EUR 2,059,000 (on the Closing Date) to be made finally and fully available by ALD AutoLeasing D GmbH in its capacity as Lender to the Issuer under the Subordinated Loan Agreement on the Closing Date. The nominal amount of such Subordinated Loan equals 0.5 per cent. of the portfolio comprising the Initial Purchased Receivables on the Closing Date. Pursuant to the Pre-Enforcement Priority of Payments and the Post-Enforcement Priority of Payments (as applicable), any payments due under the Subordinated Loan Agreement are subordinated to payments due under the Notes. Second, ALD AutoLeasing D GmbH will retain, on an on-going basis until the earlier of (i) the redemption of the Class A Notes and the Class B Notes in full or (ii) the Legal Maturity Date, the Class C Notes in an aggregate principal amount equal to at least 5 per cent. of the securitised exposures (i.e. the Purchased Receivables) (the Class C Notes together with the Subordinated Loan are together referred to as the "**Retained Risk**"). Pursuant to the Subscription Agreement, ALD AutoLeasing D GmbH undertakes to purchase and retain the Class C Notes and not to sell, transfer, hedge, enter into short positions or otherwise mitigate its credit risk under or associated with the Retained Risk until the earlier of (i) the redemption of the Class A Notes and the Class B Notes in full or (ii) the Legal Maturity Date, save as in accordance with article 6(3)(d) of the Securitisation Regulation. The level of retention may reduce over time in compliance with article 10(2) of the Commission Delegated Regulation (EU) 625/2014 or any successor delegated regulation.

After the Closing Date, the Servicer will prepare monthly Servicer Reports wherein, among others, an overview of the retention of the material net economic interest by the Originator for the purposes of which the Servicer will provide the Issuer with all information required in accordance with article 7 of the Securitisation Regulation. Please also see "*Risk Retention and Transparency Requirements – EU Transparency Requirements*" below.

Any failure by ALD AutoLeasing D GmbH to fulfil the obligations under article 6 of the Securitisation Regulation may cause this Transaction to be non-compliant with the Securitisation Regulation.

None of the Issuer, the Lead Manager, the Arranger or ALD AutoLeasing D GmbH makes any representation that the measures taken by ALD AutoLeasing D GmbH aiming for compliance with the risk retention requirements under article 6 of the Securitisation Regulation (and/or any implementing rules) are or will be actually sufficient for such purposes.

2. EU Transparency Requirements

General

Pursuant to article 7(1) of the Securitisation Regulation, the Originator and the Issuer shall, in accordance with article 7(2) of the Securitisation Regulation, make at least the following information available to the Noteholders, to the competent authorities referred to in article 29 of the Securitisation Regulation, and, upon request, to potential investors in the Notes:

(a) information on the underlying exposures on a quarterly basis;

(b) all underlying documentation that is essential for the understanding of the transaction;

(i) the final offering document or the prospectus together with the closing transaction documents, excluding legal opinions;

(ii) for traditional securitisation the asset sale agreement, assignment, novation or transfer agreement and any relevant declaration of trust;

(iii) the derivatives and guarantee agreements, as well as any relevant documents on collateralisation arrangements where the exposures being securitised remain exposures of the originator;

(iv) the servicing, back-up servicing, administration and cash management agreements;

(v) the trust deed, security deed, agency agreement, account bank agreement, guaranteed investment contract, incorporated terms or master trust framework or master definitions agreement or such legal documentation with equivalent legal value;

(vi) any relevant inter-creditor agreements, derivatives documentation, subordinated loan agreements, start-up loan agreements and liquidity facility agreements;

(c) the STS notification referred to in Article 27 of the Securitisation Regulation;

(d) quarterly investor reports, containing the following:

(i) all materially relevant data on the credit quality and performance of underlying exposures;

(ii) information on events which trigger changes in the priority of payments or the replacement of any counterparties, and data on the cash flows generated by the underlying exposures and by the liabilities of the securitisation;

(iii) information about the risk retained, including information on which of the modalities provided for in Article 6(3) of the Securitisation Regulation has been applied, in accordance with Article 6 of the Securitisation Regulation.

(e) any inside information relating to the securitisation that the originator, sponsor or SSPE is obliged to make public in accordance with Article 17 of Regulation (EU) No 596/2014 of the European Parliament and of the Council on insider dealing and market manipulation;

(f) where point (e) does not apply, any significant event such as:

(i) a material breach of the obligations provided for in the documents made available in accordance with point (b) above, including any remedy, waiver or consent subsequently provided in relation to such a breach;

(ii) a change in the structural features that can materially impact the performance of the securitisation;

(iii) a change in the risk characteristics of the securitisation or of the underlying exposures that can materially impact the performance of the securitisation;

(iv) where the securitisation ceases to meet the STS requirements or where competent authorities have taken remedial or administrative actions;

(v) any material amendment to transaction documents.

The information described in points (b) and (c) above shall be made available before pricing. The information described in points (a) and (d) above shall be made available simultaneously each quarter at the latest one month after the due date for the payment of interest.

Designation of Reporting Entity

Pursuant to article 7(2) of the Securitisation Regulation, the Originator or the Issuer are required to designate amongst themselves one entity to be the designated entity (the "**Reporting Entity**") to make available to the Noteholders, potential investors in Notes and competent authorities (together, the "**Relevant Recipients**"), the documents, reports and information necessary to fulfil the relevant reporting obligations under article 7(1) of the Securitisation Regulation. The Reporting Entity shall make the information for a securitisation transaction available by means of a securitisation repository. The Issuer agreed, pursuant to the Servicing Agreement, to act as the Reporting Entity for this Transaction. In such capacity, the Issuer shall fulfil the information requirements set out above.

Reporting/Information prior to Pricing of the Notes

Under the Servicing Agreement, the Servicer agreed to commit the information required pursuant to article 7 of the Securitisation Regulation for the Issuer. The Servicer will also provide, upon request by the Issuer, such further information as reasonably requested by the Noteholders for the purposes of compliance of such Noteholder with the requirements under the Securitisation Regulation (in particular articles 5 through 7) and the implementation into the relevant national law, subject to applicable law and availability. With a view to support compliance with article 5 of the Securitisation Regulation, the Servicer (on behalf the Issuer) will, on a monthly basis after the Closing Date, provide certain information to investors in the form of the Transparency Reports including data with regard to the Purchased Receivables and an overview of the retention of the material net economic interest. Until the regulatory technical standards relating to article 7 of the Securitisation Regulation came into effect on 23 September 2020 (the "**Securitisation Regulation Reporting Effective Date**"), the information regarding the underlying exposures will be provided prior to the Securitisation Regulation Reporting Effective Date in the Transparency Report which - in the Issuer's view - is in line with the level of information typically provided to noteholders of European structured finance instruments backed by auto leases in the period immediately prior to 1 January 2019. To the extent no securitisation repository is registered in accordance with article 10 of the Securitisation Regulation, the Servicer will make such information required by the Securitisation Regulation available on the website of the European DataWarehouse at www.eurodw.eu which, for the avoidance of doubt, will comply with the EU Transparency Requirements. If such securitisation repository should be registered in accordance with article 10 of the Securitisation Regulation, the Servicer will make the information available to such securitisation repository.

The Servicer, acting on behalf and on the instructions of the Issuer, will make the following information and documentation (as provided to it by or on behalf of the Issuer) available to the Relevant Recipients before pricing of the Notes:

(a) made available – via www.eurodw.eu – to any potential investor in the Notes before pricing of the Notes data on historical default performance relating to the period starting in February 2008 and ending in June 2020 in respect of loan receivables substantially similar to the Receivables;

(b) made available – via https://www.intex.com – to any potential investor in the Notes before pricing of the Notes an accurate liability cash flow model representing precisely the contractual relationship between the Receivables and the payments flowing between the Originator, the Noteholders, the Issuer and any other party to the Transaction which contained an amount of information sufficient to allow such potential investor to price the Notes;

(c) made available – via www.eurodw.eu – to any potential investor in the Notes before pricing of the Notes information on the underlying exposures;

(d) made available – via www.eurodw.eu – to any potential investor in the Notes before pricing of the Notes the Transaction Documents (other than the Subscription Agreement) and this Prospectus in a draft form;

(e) made available – via www.eurodw.eu – to any potential investor in the Notes a draft of the STS notification referred to in article 27 of the Securitisation Regulation; and

(f) made available – via www.eurodw.eu – in final versions of this Prospectus, the Transaction Documents (other than the Subscription Agreement) and the STS notification referred to in article 27 of the Securitisation Regulation within 15 days from the Closing Date.

Any failure by the Issuer to fulfil the obligations under article 7 of the Securitisation Regulation may cause this Transaction to be non-compliant with the Securitisation Regulation.

None of the Issuer, the Lead Manager, the Arranger or ALD AutoLeasing D GmbH makes any representation that the measures taken by the Issuer aiming for compliance with the disclosure requirements under article 7 of the Securitisation Regulation (and/or any implementing rules) are or will be actually sufficient for such purposes.

3. **EU Due Diligence Requirements**

Prospective investors and the Noteholders should be aware of article 5 of the Securitisation Regulation which, among others, requires institutional investors prior to holding a securitisation position to verify that the originator, sponsor or original lender retains on an ongoing basis a material net economic interest in accordance with article 6 of the Securitisation Regulation and the risk retention is disclosed to the institutional investor in accordance with article 7 of the Securitisation Regulation.

The Transaction is expected to comply with the rules on risk retention, due diligence and disclosure set out in the Securitisation Regulation. Each prospective investor and Noteholder is, however, required to independently assess and determine the sufficiency of the information described in the preceding paragraphs for the purposes of complying with article 5 of the Securitisation Regulation. None of the Lead Manager, the Arranger, the Issuer, the Originator, the Servicer, the Trustee, the Paying Agent, the Cash Administrator, their respective Affiliates or any other Person makes any representation, warranty or guarantee that any information described herein is sufficient in all circumstances for such purposes or any other purpose or that the structure of the Notes and the transactions described herein are compliant with the Securitisation Regulation or any other applicable legal or regulatory or other requirements and no such person shall have any liability to any prospective investor or investor with respect to any deficiency in such information or any failure of the transactions or structure contemplated hereby to comply with or otherwise satisfy such requirements, and no such person shall have any liability to any prospective investor or any other person with respect to the insufficiency of such information or any failure of the transactions contemplated hereby to satisfy or otherwise comply with the requirements of the Securitisation Regulation, the implementing provisions in respect of the Securitisation Regulation in their relevant jurisdiction or any other applicable legal, regulatory or other requirements. In addition, if and to the extent the Securitisation Regulation or any similar requirements are relevant to any prospective investor and Noteholder, such investor and Noteholder should ensure that it complies with the Securitisation Regulation or such other applicable requirements (as relevant).

Prospective investors who are uncertain as to the requirements which apply to them in any relevant jurisdiction should seek guidance from the competent regulator.

4. **US Risk Retention**

The final rules promulgated under section 15(G) of the US Securities Exchange Act of 1934, as amended, codified as Regulation RR 17 C.F.R. Part 246 (the "**US Risk Retention Rules**") generally require the "securitizer" of a "securitization transaction" to retain at least 5 per cent. of the "credit risk" of "securitized assets", as such terms are defined for purposes of the US Risk Retention Rules, and generally prohibit a securitizer from directly or indirectly eliminating or reducing its credit exposure by hedging or otherwise transferring the credit risk that the securitizer is required to retain. The US Risk Retention Rules also provide for certain exemptions from the risk retention obligations that they generally impose.

The Transaction will not involve risk retention by the Originator for the purposes of the US Risk Retention Rules, but rather will be made in reliance on a safe harbour provided for in Rule 20 of the US Risk Retention Rules regarding certain non-US related transactions. Such non-US transactions must meet certain requirements, including that (1) the transaction is not required to be and is not registered under the Securities Act; (2) no more than 10 per cent. of the dollar value (or equivalent amount in the currency in which the securities are issued) of all classes of securities issued in the securitisation transaction are sold or transferred to US persons (in each case, as defined in the US Risk Retention Rules) or for the account or benefit of US persons (as defined in the US Risk Retention Rules and referred to in this Prospectus as "Risk Retention US Persons"); (3) neither the sponsor nor the issuer of the securitisation transaction is organised under US law or is a branch located in the United States of a non-US entity; and (4) no more than 25 per cent. of the underlying collateral was acquired from a majority-owned affiliate or branch of the sponsor or issuer organised or located in the United States.

The Notes sold as part of the initial distribution of the Notes may not be purchased by Risk Retention US Persons. Prospective investors should note that whilst the definition of "US person" in the US Risk Retention Rules is substantially similar to the definition of "US person" in Regulation S, the definitions are not identical and persons who are not "US persons" under Regulation S may be "US persons" under the US Risk Retention Rules.

There can be no assurance that the safe harbour provided for in Rule 20 of the US Risk Retention Rules regarding certain non-US related transactions will be available. Failure of the offering of the Notes to comply with the US Risk Retention Rules (regardless of the reason for such failure to comply) could give rise to regulatory action which may adversely affect the Notes. Furthermore, the impact of the US Risk Retention Rules on the securitisation market generally is uncertain, and a failure by a transaction to comply with the risk retention requirements of US Risk Retention Rules could negatively affect the market value and secondary market liquidity of the Notes.

Neither the Lead Manager nor any of its Affiliates makes any representation to any prospective investor or purchaser of the Notes as to whether the transactions described in this Prospectus comply as a matter of fact with the US Risk Retention Rules on the Closing Date or at any time in the future. Investors should consult their own advisers as to the US Risk Retention Rules. No predictions can be made as to the precise effects of such matters on any investor or otherwise.

COMPLIANCE WITH STS REQUIREMENTS

This Transaction meets the requirements for simple, transparent and standardised non-ABCP securitisations provided for by Articles 19 to 22 of the Securitisation Regulation (the "**STS Requirements**").

The compliance of this Transaction with the STS Requirements will be verified on or before the Closing Date by STS Verification International GmbH, in its capacity as third party verification agent authorised pursuant to article 28 of the Securitisation Regulation. No assurance can be provided that the Transaction described in this Prospectus does or continues to qualify as an STS-securitisation under the Securitisation Regulation at any point in time in the future. Prospective investors should verify the current status of the Transaction on ESMA's website.

The Originator will notify the European Securities and Markets Authority that the Securitisation meets the STS Requirements in accordance with article 27 of the Securitisation Regulation.

Compliance with the STS Requirements 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 (2014/65/EU) and it is not a credit rating whether generally or as defined under the Credit Rating Agency Regulation (1060/2009/EC).

TERMS AND CONDITIONS OF THE NOTES

*The terms and conditions of the Notes (the "**Terms and Conditions**") are set out below. Annex A to the Terms and Conditions sets out the "Trust Agreement", Annex B to the Terms and Conditions sets out the "Transaction Definitions and Transaction Interpretation". In case of any overlap or inconsistency in the definition of a term or expression in the Terms and Conditions and elsewhere in this Prospectus, the definition contained in the Terms and Conditions will prevail. For Annex A referred to under the Terms and Conditions of the Notes see "Material Provisions of the Trust Agreement". For Annex B referred to under the Terms and Conditions of the Notes see "Transaction Definitions".*

THE OBLIGATIONS UNDER THE NOTES CONSTITUTE DIRECT AND UNSUBORDINATED LIMITED RECOURSE OBLIGATIONS OF THE ISSUER. ALL NOTES RANK AT LEAST *PARI PASSU* WITH ALL OTHER CURRENT AND FUTURE UNSUBORDINATED OBLIGATIONS OF THE ISSUER. ALL NOTES WITHIN A CLASS OF NOTES RANK *PARI PASSU* AMONG THEMSELVES AND PAYMENTS THEREON SHALL BE ALLOCATED *PRO RATA*.

SUBJECT TO AND IN ACCORDANCE WITH THE APPLICABLE PRIORITY OF PAYMENTS WITH RESPECT TO PAYMENT OF PRINCIPAL AND INTEREST (I) THE CLASS A NOTES RANK PRIOR TO THE CLASS B NOTES AND THE CLASS C NOTES AND (II) THE CLASS B NOTES RANK PRIOR TO THE CLASS C NOTES.

THE ISSUER'S ABILITY TO SATISFY ITS PAYMENT OBLIGATIONS UNDER THE NOTES AND ITS OPERATING AND ADMINISTRATIVE EXPENSES WILL BE WHOLLY DEPENDENT UPON RECEIPT BY IT IN FULL OF PAYMENTS (A) OF, IN PARTICULAR, PRINCIPAL AND INTEREST AND OTHER AMOUNTS PAYABLE UNDER THE PURCHASED RECEIVABLES AS COLLECTIONS FROM THE SERVICER, (B) UNDER THE TRANSACTION DOCUMENTS TO WHICH IT IS A PARTY AND/OR (C) OF THE PROCEEDS RESULTING FROM ENFORCEMENT OF THE SECURITY GRANTED BY THE ISSUER TO THE TRUSTEE OVER THE SECURITY ASSETS (TO THE EXTENT NOT COVERED BY (A) AND (B)).

PRIOR TO THE ENFORCEMENT CONDITIONS BEING FULFILLED THE FOLLOWING APPLIES: IF THE PRE-ENFORCEMENT AVAILABLE DISTRIBUTION AMOUNT IS INSUFFICIENT TO PAY TO THE NOTEHOLDERS THEIR RELEVANT SHARE OF SUCH PRE-ENFORCEMENT AVAILABLE DISTRIBUTION AMOUNT IN ACCORDANCE WITH THE PRE-ENFORCEMENT PRIORITY OF PAYMENTS, THE CLAIMS OF SUCH NOTEHOLDERS AGAINST THE ISSUER SHALL BE LIMITED TO THEIR RESPECTIVE SHARE OF SUCH PRE-ENFORCEMENT AVAILABLE DISTRIBUTION AMOUNT. AFTER PAYMENT TO THE NOTEHOLDERS OF THEIR RELEVANT SHARE OF SUCH PRE-ENFORCEMENT AVAILABLE DISTRIBUTION AMOUNT THE OBLIGATIONS OF THE ISSUER TO THE NOTEHOLDERS WITH RESPECT TO SUCH PAYMENT DATE SHALL BE EXTINGUISHED IN FULL AND NEITHER THE NOTEHOLDERS NOR ANYONE ACTING ON THEIR BEHALF SHALL BE ENTITLED TO TAKE ANY FURTHER STEPS AGAINST THE ISSUER TO RECOVER ANY FURTHER SUM.

UPON THE ENFORCEMENT CONDITIONS BEING FULFILLED THE FOLLOWING APPLIES: IF THE POST-ENFORCEMENT AVAILABLE DISTRIBUTION AMOUNT IS ULTIMATELY INSUFFICIENT TO PAY IN FULL ALL AMOUNTS WHATSOEVER DUE TO ANY NOTEHOLDER AND ALL OTHER CLAIMS RANKING *PARI PASSU* TO THE CLAIMS OF SUCH NOTEHOLDERS IN ACCORDANCE WITH THE POST-ENFORCEMENT PRIORITY OF PAYMENTS, THE CLAIMS OF SUCH NOTEHOLDERS AGAINST THE ISSUER SHALL BE LIMITED TO THEIR RESPECTIVE SHARE OF SUCH REMAINING POST-ENFORCEMENT AVAILABLE DISTRIBUTION AMOUNT.

THE REMAINING POST-ENFORCEMENT AVAILABLE DISTRIBUTION AMOUNT SHALL BE DEEMED TO BE "ULTIMATELY INSUFFICIENT" AT SUCH TIME WHEN, IN THE OPINION OF THE TRUSTEE, NO FURTHER ASSETS ARE AVAILABLE AND NO FURTHER PROCEEDS CAN BE REALISED TO SATISFY ANY OUTSTANDING CLAIMS OF THE NOTEHOLDERS, AND NEITHER ASSETS NOR PROCEEDS WILL BE SO AVAILABLE THEREAFTER. AFTER PAYMENT TO THE NOTEHOLDERS OF THEIR RELEVANT SHARE OF SUCH REMAINING POST-ENFORCEMENT AVAILABLE DISTRIBUTION AMOUNT, THE OBLIGATIONS OF THE ISSUER TO THE NOTEHOLDERS SHALL BE EXTINGUISHED IN FULL AND NEITHER THE

NOTEHOLDERS NOR ANYONE ACTING ON THEIR BEHALF SHALL BE ENTITLED TO TAKE ANY FURTHER STEPS AGAINST THE ISSUER TO RECOVER ANY FURTHER SUM.

THE NOTES REPRESENT OBLIGATIONS OF THE ISSUER ONLY, AND DO NOT REPRESENT AN INTEREST IN, OR CONSTITUTE A LIABILITY OR OTHER OBLIGATIONS OF ANY KIND OF THE ORIGINATOR, THE SERVICER, THE TRUSTEE, THE DATA TRUSTEE, THE ACCOUNT BANK, THE CASH ADMINISTRATOR, THE CORPORATE ADMINISTRATOR, THE LEAD MANAGER, THE PAYING AGENT, THE LENDER, THE SWAP COUNTERPARTY, THE INTEREST DETERMINATION AGENT, THE FUNDING ENTITY OR ANY OF THEIR RESPECTIVE AFFILIATES OR ANY THIRD PERSON OR ENTITY.

1. Definitions and Interpretation

1.1 Definitions

Unless the context requires otherwise, terms used in these Terms and Conditions shall have the meaning given to them in clause 2 (Defined Terms) (the "**Transaction Definitions**") of the transaction definitions agreement dated 19 October 2020 (as amended from time to time) and signed by the Issuer and the Trustee (the "**Transaction Definitions Agreement**").

1.2 Interpretation

Terms in these Terms and Conditions, except where otherwise stated or where the context otherwise requires, shall be interpreted in the same way as set forth in clause 1 (Interpretation) of the Transaction Definitions Agreement (the "**Transaction Interpretation**").

1.3 Conflict

In the event of any conflict between the Transaction Definitions and the Transaction Interpretation and these Terms and Conditions, these Terms and Conditions shall prevail.

2. The Notes

2.1 Principal Amounts

The Issuer issues the following classes of asset backed notes:

(a) Class A Notes which are issued in an initial aggregate principal amount of EUR 350,000,000 and divided into 3,500 Class A Notes, each having an initial principal amount of EUR 100,000;

(b) Class B Notes which are issued in an initial aggregate principal amount of EUR 41,200,000 and divided into 412 Class B Notes, each having an initial principal amount of EUR 100,000; and

(c) Class C Notes which are issued in an initial aggregate principal amount of EUR 20,600,000 and divided into 206 Class C Notes, each having an initial principal amount of EUR 100,000.

2.2 Form

The Notes are issued in bearer form.

2.3 Global Notes

(a) Each Class of Notes shall be initially represented by a temporary global bearer note without coupons attached which is deposited with the Common Safekeeper for the relevant ICSD (each a "**Temporary Global Note**"). The Temporary Global Notes shall be exchangeable, as provided in paragraph (b) below, for permanent global bearer notes which are recorded in the records of the ICSDs without coupons attached.

(b) The Temporary Global Notes shall be exchanged for permanent global bearer note without coupons attached (each a "**Temporary Global Note**") to be recorded in the records of the ICSDs, on a date not earlier than 40 calendar days after the Closing Date (the "**Exchange Date**") upon delivery by the relevant participants to the ICSDs, as relevant, and by an ICSD to the

Paying Agent, of certificates in the form which forms part of the Temporary Global Notes and are available from the Paying Agent for such purpose, to the effect that the beneficial owner or owners of the Notes represented by the relevant Temporary Global Note is not a "**United States Person**" as defined in the US Internal Revenue Code of 1986, as amended (other than certain financial institutions or certain persons holding through such financial institutions). Each Permanent Global Note delivered in exchange for the relevant Temporary Global Note shall be delivered only outside of the United States. The Notes represented by Global Notes may be transferred in book-entry form only. Each Global Note shall be issued in a new global note form and shall be kept in custody by the Common Safekeeper for the relevant ICSD until all obligations of the Issuer under the Class of Notes represented by it have been satisfied. The Global Notes will not be exchangeable for definitive notes. Upon an exchange of a portion only of the Notes represented by the Temporary Global Note, the Issuer shall procure that details of such exchange shall be entered *pro rata* in the records of the ICSDs.

"**United States**" means, for the purposes of this clause 2.3(b), the United States of America (including the States thereof and the District of Columbia) and its possessions (including Puerto Rico, the US Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands). Any exchange of a Temporary Global Note pursuant to this clause 2.3(b) shall be made free of charge to the Noteholders.

(c) Payments of interest or principal on the Notes represented by a Temporary Global Note shall be made only after delivery by the relevant participants to the ICSDs, as relevant, and by an ICSD to the Paying Agent of the certifications described in condition 2.3(b) above.

(d) Copies of the form of the Global Notes are available free of charge at the specified offices of the Paying Agent.

2.4 **Principal Amount**

(a) The Aggregate Outstanding Note Principal Amount of a Class of Notes represented by the relevant Global Note shall be equal to the aggregate nominal amount from time to time entered in the records of both ICSDs in respect of such Global Note.

(b) Absent errors, the records of the ICSDs (which expression means the records that each ICSD holds for its customers which reflect the amount of such customer's interest in the Notes) shall be conclusive evidence of the Aggregate Outstanding Note Principal Amount of the Class of Notes represented by the relevant Global Note and, for these purposes, a statement issued by an ICSD stating the aggregate nominal amount of the Class of Notes so represented by such Global Note at any time shall be conclusive evidence of the records of the relevant ICSD at that time.

(c) On any redemption or payment of principal or interest being made in respect of, or purchase and cancellation of, any of the Notes of a Class of Notes represented by the relevant Global Note the Issuer shall procure that details of such redemption, payment or purchase and cancellation (as the case may be) in respect of such Global Note shall be entered *pro rata* in the records of the ICSDs and, upon any such entry being made, the Aggregate Outstanding Note Principal Amount of the Class of Notes recorded in the records of the ICSDs and represented by the relevant Global Note shall be reduced by the aggregate nominal amount of the Notes so redeemed or purchased and cancelled or by the aggregate nominal amount of such principal payment. Each redemption or payment so made will discharge the Issuer's obligations in respect thereof. Any failure to make the entries in the records of the relevant ICSD shall not affect such discharge.

2.5 **Execution**

(a) The Global Notes shall each bear the manual or facsimile signatures of two duly authorised officers of the Issuer.

(b) The Global Notes shall also bear the manual or facsimile signature of an authentication officer of the Paying Agent and the manual signature of an authorised officer of the relevant Common Safekeeper.

3. Status; Subordination; Non-Petition and Limited Recourse against the Issuer; Security

3.1 Status

The obligations under the Notes constitute direct and unsubordinated limited recourse obligations of the Issuer. All Notes rank at least *pari passu* with all other current and future unsubordinated obligations of the Issuer. All Notes within a Class of Notes rank *pari passu* among themselves and payment shall be allocated *pro rata*.

3.2 Subordination

Subject to and in accordance with the applicable Priority of Payments, with respect to payments of principal and interest

(a) the Class A Notes rank prior to the Class B Notes and the Class C Notes; and

(b) the Class B Notes rank prior to the Class C Notes.

3.3 Non-Petition and Limited Recourse against the Issuer

(a) No Proceedings against the Issuer

(i) Until the date falling one year and one day after the Final Discharge Date, the Noteholders or any person on their behalf shall not initiate, or join any Person in initiating, Insolvency Proceedings in respect of the Issuer, provided that any Noteholder may join any proceedings or action under any applicable insolvency law that is initiated by any Person other than such Noteholder or one of such Noteholder's Affiliates.

(ii) None of the Noteholders shall be entitled to take, or join in the taking of, any corporate action, legal proceedings or other procedure or step which would result in any applicable Priority of Payments not being complied with.

(b) Limited Recourse

Each Noteholder agrees with and acknowledges to the Issuer that, notwithstanding any other provision of this Agreement, all obligations of the Issuer to the Noteholders, including, without limitation, the Issuer Obligations, are limited in recourse as set out below:

(i) each Noteholder agrees that it will have a claim only in respect of the Security Assets and will not have any claim, by operation of law or otherwise, against, or recourse to, any of the Issuer's other assets, the assets of any other Compartment created by the board of directors of the Company, or the share capital of the Company;

(ii) sums payable to the Noteholders in respect of the Issuer's obligations to the Noteholders shall be limited to the lesser of (a) the aggregate amount of all sums due and payable to the Noteholders and (b) the aggregate amounts received, realised or otherwise recovered by or for the account of the Issuer in respect of the Security Assets, whether pursuant to enforcement of the Security Assets or otherwise, net of any sums which are payable by the Issuer in accordance with the applicable Priority of Payments in priority to or *pari passu* with sums payable to the Noteholders; and

(iii) upon the giving written notice to the Noteholders in accordance with clause 15 (Form of Notices) that the Trustee has determined (in reliance on the certification delivered to it by the Originator) that there is no reasonable likelihood of there being any further realisations in respect of the Security Assets (whether arising from an enforcement of the Security Assets or otherwise) which would be available pursuant to the applicable Priority of Payments to pay unpaid amounts outstanding under this Agreement, the Noteholders shall have no further claim against the Issuer in respect of any such unpaid amounts and such unpaid amounts shall be discharged in full.

3.4 **Obligations under the Notes**

The Notes represent obligations of the Issuer only, and do not represent an interest in, or constitute a liability or other obligations of any kind of the Originator, the Servicer, the Trustee, the Data Trustee, the Account Bank, the Cash Administrator, the Corporate Administrator, the Lead Manager, the Paying Agent, the Lender, the Swap Counterparty, the Interest Determination Agent, the Funding Entity or any of their respective Affiliates or any third Person.

3.5 **Trustee, Security Assets**

(a) The Issuer has entered into a trust agreement with the Trustee pursuant to which the Trustee acts as trustee (*Treuhänder*) and provides certain services for the benefit of the Secured Parties.

(b) The Issuer grants or will grant security interests to the Trustee over the Security Assets for the benefit of the Noteholders and the other Secured Parties.

(c) No Person (and, in particular, no Secured Party) other than the Trustee shall:

(i) be entitled to enforce any Security Interest in the Security Assets; or

(ii) exercise any rights, claims, remedies or powers in respect of the Security Assets; or

(iii) have otherwise any direct recourse to the Security Assets.

(d) As long as any Notes are outstanding, the Issuer shall ensure that a trustee is appointed and will have the functions referred to in clauses 3.5(a), 3.5(b) and 11 (Early Redemption for Default).

4. **Interest**

4.1 **Interest Periods**

(a) Each Note shall bear interest on its Note Principal Amount from (and including) the Closing Date to (but excluding) the first Payment Date and thereafter from (and including) each Payment Date to (but excluding) the next following Payment Date and for the last time on the Legal Maturity Date.

(b) Interest on the Notes shall be payable monthly in arrear on each Payment Date.

4.2 **Interest Rates**

The interest rate for each Interest Period shall be:

(a) in the case of the Class A Notes, EURIBOR plus 0.70% *per annum*;

(b) in the case of the Class B Notes, 0.70% *per annum*; and

(c) in the case of the Class C Notes, 1.40% *per annum*.

The interest rate on the Class A Notes shall at any time be at least zero per cent.

4.3 **Interest Amount**

(a) On each EURIBOR Determination Date, the Interest Determination Agent determines the applicable EURIBOR for the Interest Period following such EURIBOR Determination Date and communicates such rate to the Cash Administrator.

The Interest Amount payable on each Note for the immediately following Interest Period shall be calculated by multiplying the relevant Interest Rate for the relevant Interest Period by the Day Count Fraction and by the relevant Notes Principal Amount (as outstanding at the end of the immediately preceding Payment Date or, in case of the first Interest Period, the Closing Date) and rounding the result to the nearest EUR 0.01 (with EUR 0.005 being rounded upwards) as determined by the Cash Administrator.

The aggregate Interest Amount payable on each Class of Notes shall be equal to the Interest Amount payable per Note multiplied by the number of Notes of the respective Class of Notes. Such aggregate Interest Amount shall be calculated by the Cash Administrator.

(b) If there has been a public announcement of the permanent or indefinite discontinuation of EURIBOR that applies to the Class A Notes at that time, the Issuer shall, without undue delay, use commercially reasonable endeavours to propose an Alternative Base Rate in accordance with clause 23 (Base Rate Modification) of the Trust Agreement.

4.4 **Extinguished Interest**

(a) If the Issuer has insufficient funds to pay in full all amounts of interest payable on the Notes on any Payment Date in accordance with the applicable Priority of Payments, then no further payment of interest on the respective Class of Notes shall become due and payable and the claim of a Noteholder to receive such interest payment will be extinguished in accordance with clause 3.3 (Non-Petition and Limited Recourse against the Issuer).

(b) Any claim of a Noteholder to receive an amount equal to interest amounts extinguished pursuant to clause 4.4(a) shall come into existence as additional interest payment claim on the next Payment Date(s) on which, and to the extent that, sufficient funds are available to pay such additional interest amount in accordance with the applicable Priority of Payments. Interest shall not accrue on interest amounts extinguished pursuant to clause 4.4(a).

(c) For the avoidance of doubt, any failure to pay interest on the Most Senior Class of Notes shall constitute (where such default is not remedied within two Business Days) an Issuer Event of Default.

4.5 **Notification of Interest Rate and Interest Amount**

(a) The Cash Administrator notifies each Interest Rate, the aggregate Interest Amount of all Notes, the Interest Amount payable on each Note, and the relevant Payment Date to the Issuer and the Servicer, as well as the Noteholders and, if required by the rules of any stock exchange on which any of the Notes are from time to time listed, to such stock exchange (i) promptly after their determination, but in no event later than on the first day of the relevant Interest Period, and (ii) by including such information in each Investor Report.

(b) Each aggregate Interest Amount and Payment Date so notified may subsequently be corrected (or appropriate alternative arrangements made by way of adjustment) without notice in the event of a subsequent extension or shortening of the Interest Period. Any such amendment will be promptly notified in accordance with clause 4.5(a).

4.6 **Determinations Binding**

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this clause 4 by the Interest Determination Agent or the Cash Administrator shall (in the absence of manifest error) be binding on the Issuer, the Paying Agent, the Cash Administrator and the Noteholders.

4.7 **Default Interest**

Default interest will be determined in accordance with this clause 4. Section 288 (1) BGB is hereby derogated, to the extent it limits this clause 4.7. This does not affect any additional rights that may be available to the Noteholders.

5. **Payments**

5.1 **General**

The Paying Agent arranges for the payments to be made under the Notes in accordance with these Terms and Conditions.

Payment of principal and interest in respect of Notes shall be made in EUR to the Clearing System or to its order for credit to the relevant participants in the ICSD for subsequent transfer to the Noteholders.

5.2 **Discharge**

(a) The Issuer shall be discharged by payment to, or to the order of, the relevant ICSD.

(b) The Issuer and the Paying Agent may call and, except in the case of manifest error, shall be at liberty to accept and place full reliance on as sufficient evidence thereof, a certificate or letter of confirmation issued on behalf of the relevant ICSD or any form of record made by it to the effect that at any particular time or throughout any particular period any particular Person is, was, or will be shown in the records of the relevant ICSD as a Noteholder of a particular Note.

5.3 **Business Day Convention**

Each Payment Date shall be subject to the Business Day Convention. For the avoidance of doubt, an adjustment shall be made to the Interest Amount payable as a result of any deferral of a Payment Date pursuant to the Business Day Convention.

5.4 **Temporary Global Note**

Payments in respect of interest on any Note represented by a Temporary Global Note shall be made to, or to the order of, the Common Safekeeper, as relevant, for credit to the relevant participants in the ICSDs for subsequent transfer to the relevant Noteholders upon due certification as provided in condition 2.3(b).

6. **Determinations by the Cash Administrator**

6.1 The Cash Administrator has been appointed by the Issuer to calculate (on behalf of the Issuer and in accordance with the Cash Administration Agreement) on each Calculation Date, *inter alia*, the Pre-Enforcement Available Distribution Amount or the Post-Enforcement Available Distribution Amount, as applicable, as at such date for application of payments and the amounts to be paid according to the relevant Priority of Payments on the Payment Date immediately following such Calculation Date.

6.2 All amounts payable under the Notes and determined by the Cash Administrator for the purposes of these Terms and Conditions shall, in the absence of manifest error, be final and binding.

7. **Replenishment**

During the Revolving Period, the Originator may, under certain conditions, sell Additional Receivables to the Issuer on each Purchase Date. The Issuer will pay the relevant Additional Purchase Price to the Originator in accordance with the Pre-Enforcement Priority of Payments.

8. **Amortisation**

8.1 After the termination of the Revolving Period, the Issuer will redeem the Class A Notes, the Class B Notes and the Class C Notes, subject to the Pre-Enforcement Available Distribution Amount or the Post-Enforcement Available Distribution Amount, as applicable and in accordance with the relevant Priority of Payments.

8.2 If on any Reporting Date the Servicer or any Substitute Servicer (as applicable) has not provided the Cash Administrator with the Servicer Report, and on the relevant Calculation Date the Cash Administrator cannot calculate the amount of principal to be redeemed, the Issuer will not redeem the Notes on the relevant Payment Date.

8.3 The Issuer will continue to redeem the Notes in accordance with clause 8.1 from the Payment Date in relation to which such Servicer or Substitute Servicer, as the case may be, has provided the Cash Administrator with the Servicer Report on the Reporting Date immediately preceding such Payment Date.

9. Priorities of Payments

9.1 Pre-Enforcement Priority of Payments

Prior to the Enforcement Conditions being fulfilled, the Issuer will distribute the Pre-Enforcement Available Distribution Amount on each Payment Date towards the discharge of the claims of the Noteholders and the other creditors of the Issuer in accordance with the following Pre-Enforcement Priority of Payments (in sequential order and only to the extent that the more senior ranking items have been paid):

(a) any due and payable Statutory Claims;

(b) an amount equal to 105 per cent. of the Excess Amount to the Initial Servicer;

(c) any due and payable Trustee Expenses;

(d) any due and payable Administrative Expenses which shall be applied on a *pari passu* and *pro rata* basis;

(e) any due and payable Servicing Fee, Back-Up Servicer Stand-By Fee, Back-Up Maintenance Coordinator Stand-By Fee, Back-Up Maintenance Coordinator Fee;

(f) any due and payable Net Swap Payments and Swap Termination Payments under the Swap Agreement (provided that the Swap Counterparty is not the Defaulting Party (as defined in the Swap Agreement) and there has been no termination of the Swap Agreement due to a termination event relating to the Swap Counterparty's downgrade);

(g) (on a *pro rata* and *pari passu* basis) any due and payable aggregate Interest Amount on the Class A Notes;

(h) (on a *pro rata* and *pari passu* basis) any due and payable aggregate Interest Amount on the Class B Notes;

(i) the Required General Reserve Amount to the General Reserve Account;

(j) during the Revolving Period only: to credit the Replenishment Ledger up to an amount equal to the Required Replenishment Amount to enable the Issuer to purchase Additional Receivables on such Purchase Date;

(k) during the Amortisation Period only: (on a *pro rata* and *pari passu* basis) the Class A Principal Redemption Amount in respect of the redemption of the Class A Notes until the Aggregate Outstanding Note Principal Amount of the Class A Notes is reduced to zero;

(l) during the Amortisation Period only: (on a *pro rata* and *pari passu* basis) the Class B Principal Redemption Amount in respect of the redemption of the Class B Notes until the Aggregate Outstanding Note Principal Amount of the Class B Notes is reduced to zero;

(m) (on a *pro rata* and *pari passu* basis) any due and payable aggregate Interest Amount on the Class C Notes;

(n) during the Amortisation Period only (on a *pro rata* and *pari passu* basis), the Class C Principal Redemption Amount in respect of the redemption of the Class C Notes until the Aggregate Outstanding Note Principal Amount of the Class C Notes is reduced to zero;

(o) any due and payable indemnity payments under any Transaction Document;

(p) the Aggregate Outstanding Portfolio Principal Increase Amount relating to the current Collection Period plus all accrued but unpaid Aggregate Outstanding Portfolio Principal Increase Amounts of all previous Collection Periods to the Originator;

(q) any Swap Termination Payments due under the Swap Agreement other than those made under item (f) above;

(r) any due and payable interest amounts on the Subordinated Loan;

(s) the Subordinated Loan Redemption Amount in respect of the redemption of the Subordinated Loan until the Subordinated Loan is reduced to zero; and

(t) the Excess Value to the Initial Servicer.

9.2 **Post- Enforcement Priority of Payments**

After the Enforcement Conditions have been fulfilled, the Post-Enforcement Available Distribution Amount will be applied on each Payment Date towards the discharge of the claims of the Noteholders and the other creditors of the Issuer in accordance with the following priority of payments (in sequential order and only to the extent that the more senior ranking items have been paid):

(a) any due and payable Statutory Claims;

(b) an amount equal to 105 per cent. of the Excess Amount to the Initial Servicer;

(c) any due and payable Trustee Expenses;

(d) any due and payable Administrative Expenses which shall be applied on a *pari passu* and *pro rata basis*;

(e) any due and payable Servicing Fee, Back-Up Servicer Stand-By Fee, Back-Up Maintenance Coordinator Stand-By Fee, Back-Up Maintenance Coordinator Fee;

(f) any due and payable Net Swap Payments and Swap Termination Payments under the Swap Agreement (provided that the Swap Counterparty is not the Defaulting Party (as defined in the Swap Agreement) and there has been no termination of the Swap Agreement due to a termination event relating to the Swap Counterparty's downgrade);

(g) (on a *pro rata* and *pari passu* basis) any due and payable aggregate Interest Amount on the Class A Notes;

(h) (on a *pro rata* and *pari passu* basis) the redemption of the Class A Notes until the Aggregate Outstanding Note Principal Amount of the Class A Notes is reduced to zero;

(i) (on a *pro rata* and *pari passu* basis) any due and payable aggregate Interest Amount on the Class B Notes;

(j) (on a *pro rata* and *pari passu* basis) the redemption of the Class B Notes until the Aggregate Outstanding Note Principal Amount of the Class B Notes is reduced to zero;

(k) (on a *pro rata* and *pari passu* basis) any due and payable aggregate Interest Amount on the Class C Notes;

(l) (on a *pro rata* and *pari passu* basis), the redemption of the Class C Notes until the Aggregate Outstanding Note Principal Amount of the Class C Notes is reduced to zero;

(m) any due and payable indemnity payments under any Transaction Document;

(n) the Aggregate Outstanding Portfolio Principal Increase Amount relating to the current Collection Period plus all accrued but unpaid Aggregate Outstanding Portfolio Principal Increase Amounts of all previous Collection Periods to the Originator;

(o) any Swap Termination Payments due under the Swap Agreement other than those made under item (f) above;

(p) any due and payable interest amounts on the Subordinated Loan;

(q) any due and payable principal amounts under the Subordinated Loan Agreement until the Subordinated Loan is reduced to zero; and

(r) the Excess Value to the Initial Servicer.

10. **Redemption – Maturity**

10.1 **Redemption on the Scheduled Maturity Date**

Unless previously redeemed in accordance with these Terms and Conditions, each Note shall be redeemed in full at its Note Principal Amount on the Scheduled Maturity Date.

10.2 **Redemption on the Legal Maturity Date**

(a) Any Notes not fully redeemed on the Scheduled Maturity Date will be redeemed on the subsequent Payment Dates until the Legal Maturity Date unless previously fully redeemed in accordance with the Terms and Conditions.

(b) No Noteholders of any Class of Notes will have any rights under the Notes after the Legal Maturity Date.

11. **Early Redemption for Default**

11.1 Immediately upon the earlier of (i) being informed by the Issuer in writing of the occurrence of an Issuer Event of Default or (ii) becoming aware in any other way of the occurrence of an Issuer Event of Default, the Trustee may at its discretion - and will if so requested by Noteholders holding at least 25 per cent. of the Aggregate Outstanding Note Principal Amount of the Most Senior Class of Notes - serve Enforcement Notice to the Issuer.

11.2 Any of the following events shall constitute an Issuer Event of Default:

(a) the Issuer becomes Insolvent;

(b) the Issuer fails to make a payment of interest on the Most Senior Class of Notes on any Payment Date (and such default is not remedied within two Business Days of its occurrence);

(c) the Issuer fails to perform or observe any of its other material obligations under these Terms and Conditions or the Transaction Documents (other than the Subordinated Loan Agreement) and such failure is (if capable of remedy) not remedied within 30 Business Days following written notice from the Trustee or any other Secured Party; or

(d) it is or will become unlawful for the Issuer to perform or comply with any of its obligations under or in respect of the Class A Notes, the Class B Notes, the Class C Notes or any Transaction Document.

11.3 For the avoidance of doubt, an Issuer Event of Default shall not occur in respect of claims hereunder which are subject to clause 3.3 (Non-Petition and Limited Recourse against the Issuer), except where a non-payment of interest respect of the Most Senior Class of Notes in accordance with clause 11.2(b) occurs.

11.4 Upon receipt by the Issuer of an Enforcement Notice and provided that such Issuer Event of Default is continuing at the time such notice is received by the Issuer, all Notes (but not only some) will become due for redemption on the Payment Date following the Enforcement Notice has been served by the Trustee in accordance with clause 11.1 in an amount equal to their then current Note Principal Amounts plus accrued but unpaid interest.

11.5 Upon the delivery of an Enforcement Notice by the Trustee to the Issuer, the Trustee (i) enforces the Security Interest over the Security Assets, to the extent the Security Interest over the Security Assets has become enforceable and (ii) applies any available Post-Enforcement Available Distribution Amount on the Payment Date following the Enforcement Notice has been served by the Trustee in accordance with clause 11.1 and thereafter on each subsequent Payment Date in accordance with the Post-Enforcement Priority of Payments.

12. **Early Redemption – Illegality and Tax Call Event and Clean-Up Call Event**

12.1 **Repurchase upon the Occurrence of an Illegality and Tax Call Event or a Clean-Up Call Event**

(a) The Originator may upon at least five Business Days prior written notice to the Issuer (with a copy to the Trustee) exercise its option to repurchase all (but not only some) of the Purchased Receivables on the Payment Date following such notice (or, if such notice is delivered to the Issuer less than five Business Days prior to such Payment Date, the next following Payment Date) at the respective Repurchase Price if an Illegality and Tax Call Event or a Clean-Up Call Event (as applicable) has occurred provided that:

(i) the sum of the Repurchase Prices together with the other items (as relevant) of the Available Distribution Amount shall at least be sufficient to redeem the Class A Notes and the Class B Notes and to pay any items ranking senior to the Class B in accordance with the applicable Priority of Payments); and

(ii) the Originator has agreed to reimburse the Issuer's for any costs and expenses in respect of the repurchase and reassignment or retransfer of the Purchased Receivables.

(b) Upon receipt of a notice pursuant to clause 12.1 the Issuer shall (i) resell all Purchased Receivables and (ii) upon receipt of the corresponding Repurchase Price on the Operating Account redeem all (but not only some) of the Notes on such Payment Date at their then current Note Principal Amount.

12.2 **Consent of the Trustee**

Under the Trust Agreement, the Trustee has consented to the repurchase and reassignment of such Purchased Receivables and the reassignment or retransfer (as applicable) of the Related Collateral by the Issuer.

13. **Taxes**

(a) Payments in respect of the Notes shall only be made after deduction and withholding of current or future 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.

(b) Neither the Issuer nor the Originator nor any other party is obliged to pay any amounts as compensation for deduction or withholding of taxes in respect of payments on the Notes.

(c) For the avoidance of doubt, such deductions or withholding of taxes will not constitute an Issuer Event of Default.

14. **Investor Notifications**

As long as the Notes are outstanding, with respect to each Payment Date, the Issuer, or the Cash Administrator on its behalf, shall,

(a) generally and in the case of an early redemption pursuant to clause 11 (Early Redemption for Default) not later than on the Calculation Date preceding the Payment Date or, as soon as available, or

(b) in the case of an early redemption pursuant to clause 12.1 (Repurchase upon the Occurrence of an Illegality and Tax Call Event or a Clean-Up Call Event) not later than on the Calculation Date preceding the Payment Date on which such redemption shall occur,

provide the Noteholders of each Class of Notes with the Investor Report by making such Investor Report available on the website https://pivot.usbank.com of the Cash Administrator (or such other website as

notified by the Cash Administrator to the Noteholders in advance in accordance with clause 15 (Form of Notices)).

15. Form of Notices

All notices to the Noteholders regarding the Notes shall be (i) delivered to the relevant ICSD for communication by it to the Noteholders on or before the date on which the relevant notice is given, (ii) published on the website of the Luxembourg Stock Exchange (www.bourse.lu) or such other website as notified to the Noteholders via the relevant ICSD, or (iii) published in a leading daily newspaper having general circulation in Luxembourg (which is expected to be the Luxemburger Wort) (or, if this is not practicable, in another leading daily newspaper having supra-regional circulation in Luxembourg) if and to the extent a publication in such form is required by applicable legal provisions and/or the rules of the relevant stock exchange, unless such publication can be arranged by a direct receipt of all Noteholders. The Issuer shall also ensure that notices are duly published in compliance with the requirements of the relevant authority of each stock exchange on which the Class A Notes and the Class B Notes may be listed and all applicable laws (if any). Any notice referred to above shall be deemed to have been given to all Noteholders on the date of first publication or direct receipt.

16. Paying Agent

16.1 Appointment of Paying Agent

The Issuer has appointed Elavon Financial Services DAC as the Paying Agent. The Paying Agent (including any Substitute Agent) shall act solely as agent for the Issuer and shall not have any agency or trustee relationship or any relationship of a fiduciary nature with the Noteholders.

16.2 Obligation to maintain a Paying Agent

The Issuer shall procure that as long as any of the Notes are outstanding there shall always be a paying agent to perform the functions as set out in these Terms and Conditions.

17. Substitution of the Issuer

17.1 General

The Issuer may, without the consent of the Noteholders, substitute in its place a New Issuer as debtor in respect of all obligations arising under or in connection with the Notes and the Transaction Documents, provided that:

(a) the New Issuer shall be a newly formed single purpose company or a newly created Compartment of Red & Black Auto Lease Germany S.A. which has not carried on any previous business activities;

(b) the New Issuer shall give substantially the same representations and agree to be bound by the same covenants as the Issuer;

(c) a solvency certificate executed by each of the Issuer and the New Issuer dated the date of the proposed substitution confirming that it is solvent and will not become insolvent as a result of the substitution shall be delivered to the Trustee;

(d) (i) the New Issuer assumes all rights, duties and obligations of the Issuer in respect of the Notes and under the Transaction Documents, (ii) the Security Assets are, upon the Issuer's substitution, held by the Trustee to secure the Trustee Claim against the New Issuer, and (iii) the Transaction Accounts are, upon the Issuer's substitution, pledged, charged and/or assigned to the Trustee to secure the relevant the claims against the New Issuer;

(e) the New Issuer has obtained all necessary authorisations, governmental and regulatory approvals and consents in the country in which it has its registered office to assume liability as principal Lessee and all such approvals and consents are at the time of substitution in full force and effect and is in a position to fulfil all its obligations in respect of the Notes and the other Transaction Documents without discrimination against the Noteholders in their entirety;

(f) the New Issuer shall pay in EUR and without being obliged to deduct or withhold any taxes or other duties of whatever nature levied by the country in which the New Issuer has its domicile or tax residence all amounts required for the fulfilment of the payment obligations arising under the Notes and the substitution shall not result in any withholding or deduction of taxes on the amounts payable under the Notes which would not arise if there was no such substitution;

(g) there shall have been delivered to the Trustee and the Paying Agent one legal opinion for each jurisdiction affected by the substitution from a law firm of recognised standing acceptable to the Trustee in a form satisfactory to the Trustee and to the effect that:

(i) paragraphs (a) through (f) above have been satisfied and that no additional expenses or legal disadvantages of any kind arise for the Noteholders from the substitution;

(ii) such substitution does not affect the validity and enforceability of the Security Assets; and

(iii) the agreements and documents executed or entered into pursuant to paragraph (j) below are legal, valid and binding;

(h) the Trustee receives (at the Issuer's cost and expense) the legal opinion (*Rechtsgutachten*) of a law firm of recognised standing acceptable to the Trustee in a form satisfactory to the Trustee to the effect that the substitution of the Issuer does not adversely affect the rights of the Noteholders;

(i) the substitution does not adversely affect the ratings of the Notes by the Rating Agencies; and

(j) the Issuer and the New Issuer enter into such agreements, execute such documents and comply with such other requirements as the Trustee considers necessary for the effectiveness of the substitution.

Upon fulfilment of the above conditions the New Issuer shall in every respect substitute the Issuer and the Issuer shall be released *vis-à-vis* the Noteholders from all its obligations as Issuer of the Notes and party to the Transaction Documents.

17.2 **Notice of Substitution**

The New Issuer shall give notice of the substitution to the Noteholders pursuant to clause 15 (Form of Notices) with a copy to the Luxembourg Stock Exchange. Upon the substitution, the New Issuer shall take all measures required by the rules of the Luxembourg Stock Exchange.

17.3 **Effects of Substitution**

Upon the substitution, each reference to the Issuer in these Terms and Conditions shall from then on be deemed to be a reference to the New Issuer and any reference to the country in which the Issuer has its registered office, domicile or residency for tax purposes, as relevant, shall from then on be deemed to be a reference to the country in which the New Issuer has its registered office, domicile or residency for tax purposes, as relevant.

18. **Resolutions of Noteholders**

18.1 The Noteholders of any Class of Notes may agree by majority resolution to amend these Conditions, provided that no obligation to make any payment or render any other performance shall be imposed on any Noteholder by majority resolution.

18.2 Majority resolutions shall be binding on all Noteholders of the relevant Class of Notes. Resolutions which do not provide for identical conditions for all Noteholders of the relevant Class of Notes are void, unless the Noteholders of such Class of Notes who are disadvantaged have expressly consented to their being treated disadvantageously.

18.3 Noteholders of any Class of Notes may in particular agree by majority resolution in relation to such Class of Notes to the following:

(a) the change of the due date for payment of interest, the reduction, or the cancellation, of interest;

(b) the change of the due date for payment of principal;

(c) the reduction of principal;

(d) the subordination of claims arising from the Notes of such Class of Notes in insolvency proceedings of the Issuer;

(e) the conversion of the Notes of such Class of Notes into, or the exchange of the Notes of such Class of Notes for, shares, other securities or obligations;

(f) the exchange or release of security;

(g) the change of the currency of the Notes of such Class of Notes;

(h) the waiver or restriction of Noteholders' rights to terminate the Notes of such Class of Notes;

(i) the substitution of the Issuer;

(j) the appointment or removal of a common representative for the Noteholders of such Class of Notes; and

(k) the amendment or rescission of ancillary provisions of the Notes.

18.4 Resolutions shall be passed by simple majority of the votes cast. Resolutions relating to material amendments to these Conditions, in particular to provisions relating to the matters specified in clause 18.3(a) through 18.3(k) above, require a majority of not less than 75 per cent. of the votes cast (*qualifizierte Mehrheit* (qualified majority)).

18.5 Noteholders of the relevant Class of Notes shall pass resolutions by vote taken without a meeting.

18.6 Each Noteholder participating in any vote shall cast votes in accordance with the nominal amount or the notional share of its entitlement to the outstanding Notes of the relevant Class of Notes. As long as the entitlement to the Notes of the relevant Class lies with, or the Notes of the relevant Class of Notes are held for the account of, the Issuer or any of its affiliates (section 271(2) HGB), the right to vote in respect of such Notes shall be suspended. The Issuer may not transfer Notes, of which the voting rights are so suspended, to another person for the purpose of exercising such voting rights in the place of the Issuer; this shall also apply to any Affiliate of the Issuer. No person shall be permitted to exercise such voting right for the purpose stipulated in sentence 3, first half sentence, herein above.

18.7 No person shall be permitted to offer, promise or grant any benefit or advantage to another person entitled to vote in consideration of such person abstaining from voting or voting in a certain way.

18.8 A person entitled to vote may not demand, accept or accept the promise of, any benefit, advantage or consideration for abstaining from voting or voting in a certain way.

18.9 The Noteholders of any Class of Notes may by qualified majority (*qualifizierte Mehrheit*) resolution appoint a Noteholders' Representative to exercise rights of the Noteholders of such Class of Notes on behalf of each Noteholder. Any natural person having legal capacity or any qualified legal person may act as Noteholders' Representative. Any person who:

(a) is a member of the management board, the supervisory board, the board of directors or any similar body, or an officer or employee, of the Issuer or any of its affiliates;

(b) holds an interest of at least 20 per cent. in the share capital of the Issuer or of any of its affiliates;

(c) is a financial creditor of the Issuer or any of its affiliates, holding a claim in the amount of at least 20 per cent. of the outstanding Notes of such Class, or is a member of a corporate body, an officer or other employee of such financial creditor; or

(d) is subject to the control of any of the persons set forth in paragraphs (a) to (c) above by reason of a special personal relationship with such person,

must disclose the relevant circumstances to the Noteholders of such Class of Notes prior to being appointed as a Noteholders' Representative. If any such circumstances arise after the appointment of a Noteholders' Representative, the Noteholders' Representative shall inform the Noteholders of the relevant Class of Notes promptly in appropriate form and manner.

If the Noteholders of different Classes of Notes appoint a Noteholders' Representative, such person may be the same person as is appointed Noteholders' Representative of such other Class of Notes.

18.10 The Noteholders' Representative shall have the duties and powers provided by law or granted by majority resolution of the Noteholders of the relevant Class of Notes. The Noteholders' Representative shall comply with the instructions of the Noteholders of the relevant Class of Notes. To the extent that the Noteholders' Representative has been authorised to assert certain rights of the Noteholders of the relevant Class of Notes, the Noteholders of such Class of Notes shall not be entitled to assert such rights themselves, unless explicitly provided for in the relevant majority resolution. The Noteholders' Representative shall provide reports to the Noteholders of the relevant Class of Notes on its activities.

18.11 The Noteholders' Representative shall be liable for the performance of its duties towards the Noteholders of the relevant Class of Notes who shall be joint and several creditors (*Gesamtgläubiger*); in the performance of its duties it shall act with the diligence and care of a prudent business manager. The liability of the Noteholders' Representative may be limited by a resolution passed by the Noteholders of the relevant Class of Notes. The Noteholders of the relevant Class of Notes shall decide upon the assertion of claims for compensation of the Noteholders of such Class of Notes against the Noteholders' Representative.

18.12 The Noteholders' Representative may be removed from office at any time by the Noteholders of the relevant Class of Notes without specifying any reasons. The Noteholders' Representative may demand from the Issuer to furnish all information required for the performance of the duties entrusted to it. The Issuer shall bear the costs and expenses arising from the appointment of the Noteholders' Representative, including reasonable remuneration of the Noteholders' Representative.

19. Amendment Options provided for in the Trust Agreement

In addition to Condition 18 (Resolutions of Noteholders), amendments to these Terms and Conditions may also be made in accordance with clause 2.2(b) and clause 32.3 (Amendments) of the Trust Agreement.

20. Miscellaneous

20.1 Presentation Period

The presentation period for a Global Note provided in section 801 (1), sentence 1 BGB shall end five years after the date on which the last payment in respect of the Notes represented by such Global Note was due.

20.2 Replacement of Global Notes

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

20.3 **Place of Performance**

Place of performance of the Notes shall be Frankfurt am Main.

20.4 **Severability**

Should any of the provisions hereof be or become invalid in whole or in part, the remaining provisions shall remain in force.

20.5 **Governing Law**

The Notes (including any non-contractual rights arising thereunder) and all rights and obligations of the Issuer and all rights of the Noteholders under the Notes shall be governed by the laws of the Federal Republic of Germany. The provisions of articles 470-3 to 470-19 of the Luxembourg Companies Law regarding the representations of noteholders and noteholder's meetings shall not apply to this Terms and Conditions and to the Notes.

20.6 **Jurisdiction**

(a) The competent courts in Frankfurt am Main shall have non-exclusive jurisdiction (*nicht-ausschließlicher Gerichtsstand*) over any action or other legal proceedings arising out of or in connection with the Notes.

(b) The German courts shall have exclusive jurisdiction over the annulment of the Global Notes in the event of their loss or destruction.

MATERIAL PROVISIONS OF THE TRUST AGREEMENT

The following is the text of the material terms of the Trust Agreement between the Issuer, the Originator, the Servicer, the Lender, the Trustee, the Data Trustee, the Cash Administrator, the Paying Agent, the Interest Determination Agent, the Account Bank, the Funding Entity, the Swap Counterparty and the Corporate Administrator. The text is attached to the Terms and Conditions as Annex A and constitutes an integral part of the Terms and Conditions. In case of any overlap or inconsistency in the definition of a term or expression in the Trust Agreement and elsewhere in this Prospectus, the definitions contained in the Terms and Conditions will prevail.

RECITALS

(A) The Issuer has agreed to purchase from the Originator certain Receivables pursuant to, and subject to the terms of, the Receivables Purchase Agreement dated on or about the date hereof.

(B) The Issuer will issue and sell Notes and use the proceeds thereof to purchase the Initial Receivables on the Closing Date.

(C) The Issuer intends to appoint a trustee. In order to secure the claims of the Noteholders and the other Secured Parties against the Issuer under the Transaction Documents, the Issuer intends to pledge and assign certain rights and claims and transfer certain related collateral, including security title to the Vehicles, to the Trustee as trustee for the benefit of the Secured Parties.

IT IS AGREED AS FOLLOWS:

1. **DEFINITIONS AND INTERPRETATION**

1.1 **Definitions**

Unless the context requires otherwise, terms used in this Agreement (including the recitals and the schedule hereto) shall have the meaning given to them in clause 2 (Defined Terms) of the transaction definitions agreement dated 19 October 2020 (as amended from time to time) and signed by the Issuer and the Trustee (the **"Transaction Definitions Agreement"**).

1.2 **Interpretation**

Terms in this Agreement, except where otherwise stated or where the context otherwise requires, shall be interpreted in the same way as set forth in clause 1 (Interpretation) of the Transaction Definitions Agreement.

1.3 **Conflict**

In the event of any conflict between clause 1 (Interpretation) and clause 2 (Defined Terms) of the Transaction Definitions Agreement and this Agreement, this Agreement shall prevail. Each Party confirms that it has received a copy of the Transaction Definitions Agreement.

2. **APPOINTMENT OF THE TRUSTEE; POWERS OF ATTORNEY**

2.1 **The Issuer hereby appoints**

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to hold and enforce certain security assets and to provide the Trustee Services as security trustee for the benefit of the Secured Parties in accordance with this Agreement, the English Security Deed and the Irish Security Deed. Intertrust Trustees GmbH hereby accepts such appointment by the Issuer.

2.2 Each of the Parties (other than the Trustee) hereby authorises and grants a power of attorney to the Trustee to:

(a) sign the Transaction Definitions Agreement;

(b) agree upon any amendments to the Transaction Documents in each case for and on behalf of the Secured Parties, provided that any amendment to the Transaction Documents shall be made in accordance with clause 32.3 (Amendments);

(c) execute all other necessary agreements related to this Agreement at the cost of the Issuer;

(d) accept any pledge or other accessory right (*akzessorisches Sicherungsrecht*) or any assignment or transfer on behalf of the Secured Parties;

(e) make and receive all declarations, statements and notices which are necessary or desirable in connection with this Agreement and the other Transaction Documents, including, without limitation with respect to any amendment of these agreements as a result or for the purpose of a substitution of a Secured Party, and of any other security agreements that may be entered into in connection with this Agreement; and

(f) undertake all other necessary or desirable actions and measures, including, without limitation, the perfection of any Security Interest over the Security Assets in accordance with this Agreement.

The power of attorney shall automatically expire as soon as a Substitute Trustee has been appointed pursuant to clause 25.3 (Effect of Termination) hereof. Upon the Trustee's request, the Parties shall provide the Trustee with a separate certificate for the powers granted in accordance with this clause 2.2.

2.3 For the purposes of this clause **2** and to the extent legally possible, the Parties hereby release the Trustee from the restrictions of self-dealing under section 181 BGB and any other similar provision under foreign laws.

3. DECLARATION OF TRUST (TREUHAND); REINTERPRETATION AS AGENCY AGREEMENT

3.1 The Trustee shall in relation to the Security Interests created under this Agreement, the English Security Deed and the Irish Security Deed acquire, hold and enforce such Security Assets which are pledged (*verpfändet*), assigned (*abgetreten*) or transferred (*übereignet*) (as applicable) to it pursuant to this Agreement, the English Security Deed and the Irish Security Deed for the purpose of securing the Trustee Claim as trustee (*Treuhänder*) for the benefit of the Secured Parties, and shall act in accordance with the terms and subject to the conditions of this Agreement, the English Security Deed and the Irish Security Deed in relation to the Security Assets. The Parties agree that the Security Assets shall not form part of the Trustee's estate, irrespective of which jurisdiction's Insolvency Proceedings apply.

3.2 In relation to any jurisdiction the courts of which would not recognise or give effect to the trust (*Treuhand*) expressed to be created by this Agreement, the relationship of the Issuer and the Secured Parties to the Trustee shall be construed as one of principal and agent but, to the extent permissible under the laws of such jurisdiction, all the other provisions of this Agreement shall have full force and effect between the Parties hereto.

4. CONFLICT OF INTEREST

(a) In case of a conflict of interest between Secured Parties, the Trustee shall give priority to their respective interests in the order set out in the applicable Priority of Payments, provided that if there is a conflict of interest between holders of different Classes of Notes, based on conflicting resolutions of Noteholders of different Classes of Notes, or otherwise, the Trustee shall give priority to the holders of Class A Notes, then to the holders of Class B Notes and then to the holders of Class C Notes.

(b) For these purposes, the Trustee will disregard the individual interests of a Noteholder and the Trustee will determine the interests from the perspective of all holders of a Class of Notes.

5. CONTRACT FOR THE BENEFIT OF THE NOTEHOLDERS

This Agreement grants the Noteholders the right to demand that the Trustee performs the Trustee Services (contract for the benefit of a third party (*echter Vertrag zugunsten Dritter*)

pursuant to section 328 (1) BGB). For the avoidance of doubt, section 334 BGB shall be applicable.

6. TRUSTEE SERVICES, LIMITATIONS

6.1 The Trustee shall provide the following Trustee Services subject to and in accordance with this Agreement:

(a) The Trustee shall hold, collect, enforce and release in accordance with the terms and subject to the conditions of this Agreement, the English Security Deed, the Irish Security Deed and the other Transaction Documents, the Security Assets that are granted to it by way of:

(i) pledge (*Verpfändung*), security assignment (*Sicherungsabtretung*) or security transfer (*Sicherungsübereignung*) pursuant to clauses 12 (Pledge of Security Assets) and 13 (Assignment and Transfer of Security Assets for Security Purposes) as trustee (*Treuhänder*) for the benefit of the Secured Parties in accordance with the security purpose (*Sicherungszweck*) as set forth in clause 15 (Purpose of Security);

(ii) assignment and first floating charge pursuant to clause 3 (Grant of Security and Declaration of Trust) of the English Security Deed as trustee for the benefit of the Secured Parties in accordance with the security purpose as set forth in clause 3.1 of the English Security Deed; and

(iii) assignment by way of first fixed security and charge by way of a first fixed charge pursuant to clause 3 (Security) of the Irish Security Deed as trustee for the benefit of the Secured Parties in accordance with the security purpose as set forth in clause 3.1 of the Irish Security Deed.

(b) The Trustee shall hold the Security Assets at all times separate and distinguishable from any other assets the Trustee may have.

(c) The Trustee shall collect and enforce (as applicable) the Security Assets only in accordance with the German Legal Services Act (*Rechtsdienstleistungsgesetz*), if applicable, as may be amended from time to time.

(d) If, following the occurrence of an Issuer Event of Default, the Trustee becomes aware that the value of any Security Asset is at risk, the Trustee shall in its reasonable discretion take or cause to be taken all actions which in the opinion of the Trustee are necessary or desirable to preserve the value of the Security Assets. The Issuer and the Servicer will inform the Trustee without undue delay (*ohne schuldhaftes Zögern*) upon becoming aware that the value of the Security Assets is at risk.

6.2 **Limitations**

(a) No provision of this Agreement will require the Trustee to do anything which may be illegal or contrary to applicable law or regulations or extend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties, or in the exercise of any of its rights or powers or otherwise in connection with this Agreement, if the Trustee determines in its sole discretion that repayment of such funds or adequate indemnity against such risk or liability is not assured to it.

(b) If the Trustee deems it necessary or advisable, it may, at the expense of the Issuer, request any advice from third parties as it deems appropriate, provided that any such advisor is a Person the Trustee believes is reputable and suitable to advise it. The Trustee may fully rely on any such advice from a third party and shall not be liable for any Damages resulting from such reliance.

(c) The Trustee when performing any obligation on behalf of the Issuer, shall be entitled to request from the Issuer to provide the Trustee with any assistance as required by the Trustee in order to carry out the Issuer's obligation.

(d) The Trustee shall not be responsible for, and shall not be required to investigate, monitor, supervise or assess, the validity, suitability, fairness, value, sufficiency, existence and

enforceability of any or all of the Security Assets, the Notes or any Transaction Document or the occurrence of an Issuer Event of Default.

(e) The Trustee will not be precluded or in any way limited from entering into contracts with respect to other transactions.

(f) Unless explicitly stated otherwise in the Transaction Documents to which the Trustee is a party and subject to the principles of good faith (*Treu und Glauben*), reports, notices, documents and any other information received by the Trustee pursuant to the Transaction Documents are for information purposes only and the Trustee is not required to take any action as a consequence thereof or in connection therewith.

(g) In connection with the performance of its obligations hereunder or under any other Transaction Document to which it is a party, the Trustee may rely upon any document believed by it to be genuine and to have been signed or presented by the proper party or parties and, for the avoidance of doubt, the Trustee shall not be responsible for any loss, cost, Damages or expenses that may result from such reliance.

6.3 **Acknowledgement**

The Trustee has been provided with copies of the Transaction Documents and is aware of the contents thereof.

7. LIABILITY OF TRUSTEE

The Trustee shall be liable for breach of its obligations under this Agreement and the obligations of any of its directors or delegates only if and to the extent that it fails to meet the Standard of Care.

8. DELEGATION

8.1 **Delegation by the Trustee**

(a) Upon the Enforcement Conditions being fulfilled or in the Trustee's reasonable opinion the fulfilment of the Enforcement Conditions are imminent, the Trustee may at the Issuer's cost and without the Issuer's consent being required transfer, sub-contract or delegate the Trustee Services. The Trustee shall notify the Originator of any transfer, sub-contract or delegation of the Trustee Services.

(b) If any of the Trustee Services requires a registration under the German Legal Services Act (*Rechtsdienstleistungsgesetz*) the Trustee is not obliged to perform such Trustee Service if it is not registered itself. Immediately upon becoming aware (without the Trustee being obliged to verify this continuously) that it requires such registration for a particular Trustee Service the Trustee will inform the Issuer thereof.

(c) The Trustee shall remain liable for diligently selecting and providing initial instructions to any delegate appointed by it hereunder in accordance with the Standard of Care, provided that the Trustee shall remain fully liable for any actions of a delegate, unless

(i) the Trustee assigns (to the extent legally and contractually possible) to the Issuer any payment claims that the Trustee may have against any delegate referred to in this clause 8.1 arising from the performance of the Trustee Services by such delegate in connection with any matter contemplated by this Agreement in order to secure the claims of the Issuer against the Trustee;

(ii) the Trustee procures that the delegate shall be obliged to apply at all times the Standard of Care when performing the Trustee Services delegated to it;

(iii) the degree of creditworthiness and financial strength of such delegate is at all times comparable to the degree of creditworthiness and financial strength of the Trustee;

(iv) the delegate is, to the extent applicable with respect to the delegated Trustee Services, either (a) a merchant (*Kaufmann*) within the meaning of clauses 1 and 2 HGB or (b) an

entity incorporated under any law other than German law with a similar legal status as the status referred to under (a); and

(v) the agreement between the Trustee and the delegate qualifies as an agency agreement (*Geschäftsbesorgungsvertrag*) under German law and does not provide for any restrictions on the assignment of the claims thereunder.

8.2 **Delegation by the Issuer**

The Issuer shall at all times be entitled to perform its obligations hereunder through competent third parties.

9. TRUSTEE CLAIM

9.1 The Issuer hereby irrevocably and unconditionally, by way of an independent promise to perform obligations (*abstraktes Schuldversprechen*), promises to pay, whenever an Issuer Obligation that is payable by the Issuer to a Secured Party has become due (*fällig*), an equal amount to the Trustee.

9.2 The Trustee Claim shall rank with the same priority as the Issuer Obligations.

9.3 The Trustee Claim is separate and independent from any claims in respect of the Issuer Obligations, provided that:

(a) the Trustee Claim shall be reduced to the extent that any payment obligations under the Issuer Obligations have been discharged (*erfüllt*);

(b) the payment obligations under the Issuer Obligations shall be reduced to the extent that the Trustee Claim has been discharged (*erfüllt*); and

(c) the Trustee Claim shall correspond to the Issuer's payment obligations under the Issuer Obligations.

9.4 The Trustee Claim will become due (*fällig*), if and to the extent that the Issuer Obligations have become due (*fällig*).

10. TRUSTEE'S CONSENT TO REPURCHASES AND RE-ASSIGNMENTS

10.1 **Trustee's Consent in relation to Repurchases based on Repurchase Obligation**

The Trustee herewith consents (*Einwilligung* within the meaning of section 185 (1) BGB) to the re-assignment by the Issuer to the Originator of any Purchased Receivables (to the extent that such Purchased Receivables have been or will have been assigned by the Originator to the Issuer) and to the retransfer of the relevant Related Collateral (to the extent that such Related Collateral has been or will have been transferred by the Originator to the Issuer) in performance of a repurchase that is made in accordance with clause 18 (Repurchase Obligation of the Originator in case of Non-Eligible Receivables) of the Receivables Purchase Agreement.

10.2 **Trustee's Consent in relation to Transfer in connection with Deemed Collection**

The Trustee herewith consents (*Einwilligung* within the meaning of section 185 (1) BGB) to the re-assignment by the Issuer to the Originator of any Purchased Receivables (to the extent that such Purchased Receivables have been or will have been assigned by the Originator to the Issuer) and to the retransfer of the relevant Related Collateral (to the extent that such Related Collateral has been or will have been transferred by the Originator to the Issuer) in performance of clause 19 (Deemed Collections) of the Receivables Purchase Agreement upon payment of a Deemed Collection by the Originator.

10.3 **Trustee's Consent in relation to Repurchases based on Repurchase Options**

(a) The Trustee herewith consents (*Einwilligung* within the meaning of section 185 (1) BGB) to the re-assignment by the Issuer to the Originator of any Purchased Receivables (to the extent that such Purchased Receivables have been or will have been assigned by the Originator to the

Issuer) and to the retransfer of the relevant Related Collateral (to the extent that such Related Collateral has been or will have been transferred by the Originator to the Issuer) in performance of a repurchase that is made in accordance with clause 20 (Repurchase Options of the Originator) of the Receivables Purchase Agreement.

(b) The Trustee shall upon receipt of a Repurchase Notice with respect to an Illegality and Tax Call Event or a Clean-Up Call Event (as applicable) revoke its consent to the sale by the Issuer and repurchase by the Originator of the Purchased Receivables (including any Related Collateral), if:

(i) the Issuer does not have, after receipt of the Final Repurchase Price, sufficient funds available to redeem the Class A Notes and the Class B Notes in accordance with the applicable Priority of Payments; or

(ii) the Originator did not agree to reimburse the Issuer's costs and expenses (if any) in respect of such sale and repurchase of the Purchased Receivables.

In such case, the Issuer shall not be entitled to sell and the Originator shall not be entitled to repurchase the Purchased Receivables.

The Cash Administrator will deliver all information to the Trustee which is necessary to make the determinations as set out in this clause 10.3(b).

For the avoidance of doubt, the Trustee shall not be obliged to verify the compliance of the Repurchase Notice with the prerequisites set out in clause 10.3(a) of this Agreement, in particular whether the relevant repurchase complies with the prerequisites of clause 20 (Repurchase Options of the Originator) of the Receivables Purchase Agreement.

11. EXCHANGE OF ACCOUNT BANK UPON DOWNGRADE EVENT

11.1 Upon the occurrence of a Downgrade Event with respect to the Account Bank (of which, among others, the Trustee will be informed pursuant to clause 10.1 of the Account Bank Agreement), the Issuer shall replace the Account Bank in accordance with clause 10 (Exchange of Account Bank upon Downgrade Event) of the Account Bank Agreement. If the Issuer fails to do so, the Trustee shall replace the Account Bank on behalf of and at the expense of the Issuer after becoming aware of such failure.

11.2 As soon as the Issuer has opened new accounts replacing the existing Transaction Accounts with the Substitute Account Bank, the Issuer will charge under the terms of an Irish security deed substantially in the form of the Irish Security Deed:

(a) the new Operating Account;

(b) the new General Reserve Account;

(c) the new Swap Collateral Account;

(d) the new Commingling Reserve Account;

(e) the new Set-Off Reserve Account; and

(f) the new Maintenance Reserve Account,

to the Trustee as security for the Trustee Claim, provided that the new accounts are also located in the Republic of Ireland. If the new accounts are located in another jurisdiction, the Issuer will create a security over the new accounts in favour of the Trustee for the benefit of the Secured Parties in accordance with the market standard under the laws of such jurisdiction.

12. PLEDGE OF SECURITY ASSETS

12.1 Pledge

(a) The Issuer hereby pledges to the Trustee, in accordance with section 1204 *et seq.* BGB all its present and future claims which it has against each of:

(i) the Originator under the Receivables Purchase Agreement and under the Data Trust Agreement (except for the Set-Off Warranty Claim and any claims as regards the payment of Deemed Collections with respect to any Taxes payable by the Issuer under clause 19 (Deemed Collections) of the Receivables Purchase Agreement);

(ii) the Servicer under the Servicing Agreement;

(iii) the Data Trustee under the Data Trust Agreement;

(iv) the Funding Entity under the Reserves Funding Agreement;

(v) the Paying Agent and the Interest Determination Agent under the Agency Agreement;

(vi) the Account Bank under the Account Bank Agreement (except for any claims in respect of the Transaction Accounts and the Account Mandate);

(vii) the Cash Administrator under the Cash Administration Agreement; and

(viii) the Lender under the Subordinated Loan Agreement.

(b) The Trustee accepts such pledges.

12.2 Notification and Acknowledgement of Pledge

The Issuer gives notice to the Account Bank, the Originator, the Trustee and the other Secured Parties (which are a party to this Agreement) of the pledge pursuant to clause 12.1 (Pledge). The Trustee, the Originator and the other Secured Parties (which are a party to this Agreement) hereby acknowledge such pledge.

12.3 Waiver

(a) The Issuer expressly waives its defence pursuant to sections 1211, 770 (1) BGB that the Trustee Claim may be avoided (*Anfechtung*).

(b) The Issuer expressly waives its defence pursuant to section 1211 BGB in connection with section 770 (2) BGB that the Trustee may satisfy or discharge the Trustee Claim by way of set-off (*Aufrechnung*).

(c) To the extent legally possible, the Issuer expressly waives its defences pursuant to section 1211 (1) sentence 1 alternative 1 BGB that the principal debtor of the Trustee Claim has a defence against the Trustee Claim (*Einreden des Hauptschuldners*).

13. ASSIGNMENT AND TRANSFER OF SECURITY ASSETS FOR SECURITY PURPOSES

13.1 Assignments and Transfer

(a) The Issuer hereby offers to assign to the Trustee for security purposes with immediate effect:

(i) all its present and future, contingent and unconditional rights and claims under the Transaction Documents, including the claims against the Servicer under the Servicing Agreement; but excluding:

(A) the claims pledged under clauses 12.1(a); and

(B) the claims under the English Security Deed and the Irish Security Deed;

(C) the Transaction Accounts (including the Account Mandate);

(ii) all Purchased Receivables; and

(iii) any claims and rights that may be assigned by the Trustee to the Issuer pursuant to clause 8.1(c)(i),

in each case together with any claims for damages (*Schadensersatzansprüche*) or restitution (*Bereicherungsansprüche*) in connection therewith.

(b) The Trustee hereby accepts such assignments.

(c) The Issuer hereby offers to transfer or assign (as applicable) to the Trustee by way of security all Related Collateral transferred or assigned to the Issuer (as applicable) under clause 5 (Assignment and Transfer of Initial Related Collateral) and clause 9 (Assignment and Transfer of Additional Related Collateral) of the Receivables Purchase Agreement. The Trustee hereby accepts such assignments and transfers.

(d) The Issuer and the Trustee agree with respect to the transfers set out in clause 13.1(c) that the transfer of possession (*Übergabe*) necessary to transfer title or any other right in rem to the Vehicles shall be replaced as follows: the Issuer assigns to the Trustee all claims for delivery (*Herausgabeanspruch*) of the Vehicles against the relevant Persons which have been assigned to the Issuer under the Receivables Purchase Agreement. For the purposes of the principle of legal certainty (*Bestimmtheitsgrundsatz*), the Trustee and the Issuer agree that each Offer shall from an integral part of this Agreement.

13.2 **Notification and Acknowledgement of Assignment**

The Issuer gives notice to the Secured Parties which are a Party to this Agreement of the assignments pursuant to clause 13.1 hereof. The Secured Parties which are a Party to this Agreement acknowledge the assignment.

13.3 **English Security Deed; Irish Security Deed**

The Parties hereby acknowledge that the Issuer has:

(a) pursuant to the English Security Deed, assigned to the Trustee all its present and future rights, claims, title, benefits and interest in, to and under the Swap Agreement, excluding, however, the Issuer's present and future rights, claims, title and interest in and to the Swap Collateral and the Swap Collateral Account; and

(b) pursuant to the Irish Security Deed,

(i) charged by way of first fixed charge in favour of the Trustee (for its own account and as trustee for the Secured Parties) all of its rights, title, benefit and claims, present and future, in, to and in respect of (x) the Transaction Accounts, (y) the relevant account balances, and (z) all sums that ought to be credited to the Transaction Accounts, and the debt represented thereby by (x) to (y) (inclusive) and all rights of the Issuer to payment receipt or repayment of any of the foregoing;

(ii) assigned by way of first fixed security to the Trustee (for its own account and as trustee for the Secured Parties) all its rights and claims to which the Issuer is now or may hereafter become entitled in relation to x) the Transaction Accounts, (y) the relevant account balances, and (z) all sums that ought to be credited to the Transaction Accounts, and the debt represented thereby by (x) to (y) (inclusive) and all rights of the Issuer to payment receipt or repayment of any of the foregoing

(iii) charges by way of first fixed charge in favour of the Trustee (for its own account and trustee for the Secured Parties) all its rights, benefits and claims to which the Issuer is now or may hereafter become entitled in relation to the Account Mandate; and

(iv) assigns by way of first fixed security to the Trustee (for its own account and as trustee for the Secured Parties), all its rights and claims to which the Issuer is now or may hereafter become entitled in relation to the Account Mandate.

14. UNSUCCESSFUL PLEDGE OR ASSIGNMENT

14.1 Should any pledge, charge, assignment or transfer pursuant to clause 12 (Pledge of Security Assets) or clause 13 (Assignment and Transfer of Security Assets for Security Purposes), the English Security Deed or the Irish Security Deed not be recognised under any relevant applicable jurisdiction, the Issuer will immediately take all actions necessary to perfect such pledge, charge, assignment or transfer and will make all necessary declarations in connection thereof and shall endeavour to procure that the Secured Parties do likewise.

14.2 The Issuer and the Trustee will take all such steps and comply with all such formalities as may be required or desirable to perfect or more fully evidence or secure the Security Interest over, or (as applicable) title to, the Security Assets.

14.3 Insofar as additional declarations or actions are necessary for the perfection of any Security Interest in the Security Assets, the Issuer shall, and shall procure that the Secured Parties will, at the Trustee's request, make such declarations or undertake such actions which are required to perfect such Security Interest.

15. PURPOSE OF SECURITY

Each Security Interest over the Security Assets is granted for the purpose of securing the Trustee Claim. The Security Interest over the Related Collateral is subject to the security purpose agreement (*Sicherungszweckvereinbarung*) existing between the relevant Lessee and the Originator.

16. INDEPENDENT SECURITY INTERESTS

Each Security Interest created by this Agreement, the English Security Deed or the Irish Security Deed is independent of any other security or guarantee for or to the Secured Parties or any of them that has been granted for the benefit of the Trustee and/or any Secured Party with respect to any obligations of the Issuer. No such other security or guarantee shall have any effect on the existence or substance of the Security Interests granted under or within this Agreement, the English Security Deed or the Irish Security Deed.

17. ADMINISTRATION OF SECURITY ASSETS PRIOR TO AN ENFORCEMENT NOTICE

17.1 Prior to the delivery of an Enforcement Notice to the Issuer and subject to clause 17.3, the Issuer is authorised, in the course of its ordinary business (*gewöhnlicher Geschäftsbetrieb*) and in each case subject to and in accordance with the Transaction Documents, to:

(a) collect on its own behalf any payments to be made in respect of the Security Assets from the relevant debtors onto the Operating Account and to exercise any rights connected therewith;

(b) enforce claims arising under the Security Assets and exercising rights on its own behalf;

(c) dispose of the Security Assets in accordance with the Transaction Documents (including to resell and to reassign or retransfer them to the Originator in accordance with the Receivables Purchase Agreement);

(d) dispose of any amounts standing to the credit of the Transaction Accounts in accordance with the Transaction Documents and enforce any rights or claims in respect of the Transaction Accounts; and

(e) exercise any other rights and claims under the Transaction Accounts.

17.2 Subject to clause 17.3, the Issuer is authorised to delegate, and has delegated, its rights set out in clause 17.1 to the Servicer in order for the Servicer to collect and enforce the Purchased Receivables and the Related Collateral in accordance with the Servicing Agreement.

17.3 The Trustee may revoke, in whole or in part, its consent and authorisation pursuant to clause 17.1 at any time before the delivery of an Enforcement Notice to the Issuer if, in the Trustee's opinion, such revocation is necessary to protect material interests of the Secured Parties. After any such revocation, the Issuer shall without undue delay (*unverzüglich*) revoke the servicing authority granted to the Servicer pursuant to clause 17.2 above. The Issuer authorises the Trustee to declare such revocation on behalf of the Issuer.

18. ADMINISTRATION OF SECURITY ASSETS AFTER AN ENFORCEMENT NOTICE

18.1 After delivery of an Enforcement Notice only the Trustee is authorised to administer the Security Assets. The Trustee shall give notice to this effect to the relevant Secured Parties with a copy to the Issuer.

18.2 The Trustee shall delegate its rights pursuant to clause 18.1 above to the Servicer, the Back-Up Servicer or the Substitute Servicer, as the case may be.

19. ENFORCEMENT OF SECURITY INTERESTS IN SECURITY ASSETS

19.1 Enforceability

The Security Interests in the Security Assets shall become enforceable if the Trustee Claim has become due (*fällig*) in whole or in part (including, without limitation, upon the occurrence of an Issuer Event of Default and the Notes having become due pursuant to clause 11 (Early Redemption for Default) of the Terms and Conditions), in each case subject to and in accordance with the applicable security purposes.

19.2 Notification of the Issuer and the Secured Parties

(a) Upon receipt by the Issuer of a notice from a Noteholder to the effect that an Issuer Event of Default as set out in clause 11.1 of the Terms and Conditions has occurred and is continuing, the Issuer shall promptly (*unverzüglich*) notify the Trustee hereof in writing.

(b) Immediately upon the earlier of being informed of the occurrence of an Issuer Event of Default (i) in accordance with clause 19.2(a) above or (ii) in any other way, the Trustee shall, if the Trustee Claim has become due, serve an Enforcement Notice to the Issuer with a copy of such Enforcement Notice to each of the Secured Parties and the Rating Agencies.

19.3 Enforcement of the Security Interests in the Security Assets

(a) Upon the delivery of the Enforcement Notice, the Trustee shall in its sole discretion and subject to any restrictions applicable to enforcement proceedings initiated or to be initiated against the Issuer, institute such proceedings against the Issuer and take such action as the Trustee may think fit to enforce all or any part of the Security Interests over the Security Assets and, in particular, immediately avail itself of all rights and remedies of a pledgee upon default under the laws of the Federal Republic of Germany, in particular as set forth in sections 1204 *et seq.* BGB including, without limitation the right to collect any claims or credit balances (*Einziehung*) under the Security Assets pursuant to sections 1282 (1), 1288 (2) BGB.

(b) Unless not expedient in the Trustee's reasonable discretion, the enforcement shall be performed by way of exercising (*ausüben*) any right granted to the Trustee under this Agreement and subsequently collecting (*einziehen*) payments made on any such right into the Operating Account or, if the Trustee deems it necessary or advisable, to another account opened in the Trustee's name.

(c) The Issuer agrees that, in cases in which section 1277 BGB applies, no prior obtaining of an enforceable court order (*vollstreckbarer Titel*) will be required.

(d) The Issuer waives any right it may have of first requiring the Trustee to proceed against or enforce any other rights or security or claim for payment from any Person before enforcing the security created by this Agreement.

(e) Upon the delivery of an Enforcement Notice, the Trustee shall be entitled to withdraw any instructions made by the Issuer to a third party in respect of any Security Asset. In particular, the Trustee may in accordance with clause 18.3 (Termination) of the Servicing Agreement terminate the appointment of the Servicer under the Servicing Agreement and withdraw its collection authority and power granted therein.

(f) Upon receipt of a copy of an Enforcement Notice from the Trustee, the Parties (other than the Issuer and the Trustee) shall act solely in accordance with the instructions of the Trustee and shall comply with any direction expressed to be given by the Trustee in respect of such Parties' duties and obligations under the Transaction Documents.

19.4 **Application of Post-Enforcement Available Distribution Amount**

Upon fulfilment of the Enforcements Conditions, the Trustee shall apply the Post-Enforcement Available Distribution Amount in accordance with the Post-Enforcement Priority of Payments on each Payment Date.

19.5 **Binding Determinations**

All determinations and calculations made by the Trustee shall, in the absence of manifest error, be final and binding (*unwiderlegbare Vermutung*) in all respects and binding upon the Issuer and each of the Secured Parties. In making any determinations or calculations in accordance with this Agreement the Trustee may rely on any information given to it by the Issuer and the Secured Parties without being obliged to verify the accuracy of such information.

19.6 **Assistance**

The Issuer shall render at its own expense all necessary and lawful assistance in order to facilitate the enforcement of the Security Assets in accordance with this clause 19.

19.7 **Taxes**

If the Trustee is compelled by law to deduct or withhold any taxes, duties or charges under any applicable law or regulation the Trustee shall make such deductions or withholdings. The Trustee shall not be obliged to pay additional amounts as may be necessary in order that the net amounts after such withholding or deduction shall equal the amounts that would have been payable if no such withholding or deduction had been made.

20. RELEASE OF SECURITY INTERESTS OVER SECURITY ASSETS

The Trustee shall release and shall be entitled to release any Security Interest in the Security Assets in respect of which the Trustee is notified by the Issuer that the Issuer has disposed of such Security Asset in accordance with the Transaction Documents.

21. REPRESENTATIONS, WARRANTIES AND UNDERTAKINGS OF THE ISSUER OR THE COMPANY (AS APPLICABLE)

21.1 **Representations and Warranties**

The Issuer represents and warrants to the Trustee by way of an independent guarantee irrespective of fault within the meaning of section 311 BGB (*selbständiges verschuldensunabhängiges Garantieversprechen*) as of the date hereof that:

(a) the obligations of the Issuer under this Agreement and the other Transaction Documents to which it is a party constitute legally binding and valid obligations of the Issuer;

(b) the Issuer has as at the date hereof full title to the Security Assets and may freely dispose thereof and the Security Assets are not in any way encumbered nor subject to any rights of third parties (save for those rights created pursuant to this Agreement);

(c) the Issuer has taken all necessary steps to enable it to grant the Security Interest in the Security Assets and that it has taken no action or steps to prejudice its right, title and interest in and to the Security Assets; and

(d) by entering into, and assuming the obligations under the Transaction Documents, the Issuer incurs duties, liabilities and obligations in respect of individualised Compartments as set forth in the relevant Transaction Documents only and not in respect of any other non-specified Compartments or in respect of the Company generally. In accordance with article 62 of the Securitisation Law, all assets and liabilities relating to one specific Compartment of the Company are segregated from the assets and liabilities of all other Compartments and from the general assets and liabilities of the Company and there is nothing in the articles of association of the Company or otherwise that would lead to the effectiveness of such segregation of assets being adversely affected in any way whatsoever. However, as a consequence of but strictly in accordance with the contractual arrangements set out in the Transaction Documents, the assets of Compartment 3 are available to satisfy the claims of the Secured Parties in relation to the Transaction.

21.2 **General Undertakings**

The Issuer or the Company (as applicable) undertakes with the Trustee that as of the date hereof it does and, so long as any liabilities are outstanding under the Transaction Documents, it will:

(a) at all times carry on and conduct its affairs in a proper and efficient manner;

(b) carry on and conduct its business in its own name;

(c) hold itself out as a separate entity and correct any misunderstanding regarding its separate identity known to it;

(d) maintain an arm's length relationship with any of its Affiliates (if any);

(e) observe all corporate and other formalities required by its constitutional documents;

(f) have at least three Luxembourg resident independent directors;

(g) pay its liabilities out of its own funds;

(h) maintain books, records and accounts separate from those of any other Person or entity and keep substantially complete and up to date records of all amounts due under this Agreement;

(i) not maintain any bank accounts other than its share capital account and the accounts described in the Transaction Documents as being the Issuer's accounts;

(j) not lease or otherwise acquire any real property;

(k) maintain financial statements separate from those of any other Person or entity;

(l) use separate invoices, stationery and cheques;

(m) not enter into any reorganisation, amalgamation, demerger, merger, consolidation or corporate reconstruction;

(n) maintain its seat and its place of effective management (*effektiver Verwaltungssitz*) and its centre of main interest (for the purposes of Council Regulation (EC) No. 2015/848 of 20 May 2015 on insolvency proceedings, as amended) in the Grand Duchy of Luxembourg;

(o) not commingle its assets with those of any other Person;

(p) not acquire obligations or securities of its shareholders;

(q) not have any subsidiaries or employees;

(r) not have an interest in any bank account, save as contemplated by the Transaction Documents;

(s) at all times comply with and perform all its obligations under this Agreement, any law applicable to it and any judgments and orders to which it is subject;

(t) not make, incur, assume, buy or suffer to exist any loan, advance or guarantee (including any indemnity) to any Person except (i) as contemplated by the Transaction Documents or (ii) for any advances to be made to the auditors of the Issuer;

(u) not incur, create, assume or suffer to exist or otherwise become or be liable in respect of any indebtedness whether present or future other than:

(i) indebtedness in respect of taxes, assessments or governmental charges not yet overdue; and

(ii) indebtedness as expressly contemplated in or otherwise permitted by the Transaction Documents; and

(v) not engage in any business activity other than:

(i) entering into and performing its obligations under the Transaction Documents and any agreements and documents relating thereto, applying its funds and making payments in accordance with such agreements and engaging in any transaction incidental thereto; and

(ii) preserving and/or exercising and/or enforcing its rights and performing and observing its obligations under the Transaction Documents and any agreements and documents relating thereto.

21.3 **Specific Undertakings**

The Issuer undertakes with the Trustee that as of the date hereof it does and, so long as any liabilities are outstanding under the Transaction Documents, it will:

(a) provide the Trustee promptly at its request with all information and documents (at the Issuer's cost) which it has or which it can provide and which are necessary or desirable for the purpose of performing its duties under this Agreement and give the Trustee at any time such other information as it may reasonably demand;

(b) cause to be prepared and certified by the auditors in respect of each financial year, annual accounts after the end of the financial year in such form as will comply with the requirements of the laws of the Grand Duchy of Luxembourg as amended from time to time;

(c) at all times keep proper books of account and allow the Trustee and any Person appointed by the Trustee to whom the Issuer shall have no reasonable objection, upon prior notice, free access to such books of account at all reasonable times during normal business hours for purposes of verifying and enforcing the Security Assets and give any information necessary for such purpose, and make the relevant records available for inspection;

(d) submit to the Trustee at least once a year and in any event not later than 120 days after the end of its fiscal year and at any time upon demand within five Business Days a certificate signed by a director of the Issuer in which such director, in good faith and to the best of his/her knowledge based on the information available, represents that during the period between the date the preceding certificate was submitted (or, in the case of the first certificate, the date of this Agreement) and the date on which the relevant certificate is submitted, the Issuer has fulfilled its obligations under the Transaction Documents or (if this is not the case) specifies the details of any breach;

(e) take all reasonable steps to maintain its legal existence, comply with the provisions of its constitutional documents and obtain and maintain any license required to do business in any jurisdiction relevant in respect of the transaction contemplated by the Transaction Documents;

(f) procure that all payments to be made to the Issuer under this Transaction and the Transaction Documents are made to the relevant Transaction Account and immediately transfer any amounts paid otherwise to the Issuer to the relevant Transaction Account;

(g) forthwith upon becoming aware thereof give notice in writing to the Trustee of the occurrence of any condition, event or act which with the giving of notice and/or the lapse of time and/or the issue of a certificate might adversely affect the validity or enforceability of this Agreement or the occurrence of an Issuer Event of Default and any termination right thereunder being exercised;

(h) not take, or knowingly permit to be taken, any action which would amend, terminate or discharge or prejudice the validity or effectiveness of any of the Transaction Documents or which, subject to the performance of its obligations thereunder, could adversely affect the rating of the Class A Notes and/or the Class B Notes by the Rating Agencies, or permit any party to the Transaction Documents to be released from its obligations thereunder;

(i) not sell, assign, transfer, pledge or otherwise encumber (other than as ordered by court action) any of the Security Assets and refrain from all actions and failures to act which may result in a significant decrease in the aggregate value or in a loss of the Security Assets, except as expressly permitted by the Transaction Documents;

(j) to the extent that there are indications that any relevant party (other than the Issuer) does not properly fulfil its obligations under any of the Transaction Documents which form part of the Security Assets, to exercise the Issuer Standard of Care, and to take all necessary and reasonable actions to prevent the value or enforceability of the Security Assets from being jeopardised;

(k) notify the Trustee promptly upon becoming aware of any event or circumstance which might adversely affect the value of the Security Assets and, if the rights of the Trustee in such assets are impaired or jeopardised by way of an attachment or other actions of third parties, send to the Trustee a copy of the attachment or transfer order or of any other document on which the enforcement of the third party is based, as well as all further documents which are required or useful to enable the Trustee to file proceedings and take other actions in defense of its rights;

(l) in accordance with the Corporate Administration Agreement, execute any additional documents and take any further actions as the Trustee may reasonably consider necessary or appropriate to give effect to this Agreement, the Notes and the Security Assets;

(m) it will not opt for VAT with respect to the relevant Purchase Price paid to it under the Receivables Purchase Agreement; and

(n) in the context of the handling and processing of (i) this Transaction and (ii) any debtor-related data which is protected pursuant to the General Data Protection Regulation and the German Data Protection Act (*Bundesdatenschutzgesetz*), to only provide such personal data (i) to or (pursuant to clause 7 (Sub-Processing) of the data processing agreement (*Auftragsdatenverarbeitungsvereinbarung*) as set out in schedule 1 (Data Processing Agreement) to the order of the Trustee, (ii) the Corporate Administrator, (iii) the Servicer, (iv) the Back-Up Servicer or the Substitute Servicer (as applicable), in each case where and to the extent provided for in the Transaction Documents, or (v) any professional advisers or auditors being subject to professional secrecy, and that no such debtor-related data will at any time be provided to any other Transaction Party, in particular, to any Class A Noteholder or Class B Noteholder. By entering into this Agreement, the Issuer and the Trustee hereby enter into the data processing agreement (*Auftragsdatenverarbeitungsvereinbarung*) as set out in schedule 1 (Data Processing Agreement). The data processing agreement (*Auftragsdatenverarbeitungs-vereinbarung*) as set out in schedule 1 (Data Processing Agreement) forms an integral part of this Agreement.

22. RETENTION BY THE ORIGINATOR

22.1 The Originator covenants with the Issuer that it will, on an ongoing basis whilst any of the Class A Notes and the Class B Notes remain outstanding during the life of the Transaction, retain a first loss tranche, equivalent to net loss than five per cent. of the nominal value of the securitised

exposures (i.e. the Purchased Receivables), where such non-securitised exposure would otherwise have been securitised in the Transaction (i.e. meet the Eligibility Criteria). As at the Closing Date, this corresponds to the material net economic interest of not less than five per cent. within the meaning of article 6(3)(d) of the Securitisation Regulation. The level of retention may reduce over time in compliance with article 10(2) of the Commission Delegated Regulation (EU) 625/2014 or any successor delegated regulation.

22.2 The Originator further covenants with the Issuer that during the life of the Transaction it shall provide the Issuer with all information reasonably required with a view to complying with article 7(1)(e)(iii) of the Securitisation Regulation.

23. BASE RATE MODIFICATION

23.1 Notwithstanding clause 32.3, the Trustee shall be obliged, without any consent or sanction of the Noteholders and, subject to clause 23.2 and clause 23.3 below, any of the other Transaction Parties, to agree with the Issuer in making any modification to this Agreement, the Terms and Conditions, the Swap Agreement or any other Transaction Document to which it is a party that the Issuer considers necessary for the purpose of changing EURIBOR that then applies to the Class A Notes to an Alternative Base Rate and making a Base Rate Modification, provided that the Issuer (or the Servicer on its behalf) certifies to the Trustee in writing by issuing a Base Rate Modification Certificate that:

(a) such Base Rate Modification is being undertaken due to:

(i) a material disruption to EURIBOR, an adverse change in the methodology of calculating EURIBOR or EURIBOR ceasing to exist or be published;

(ii) a public statement by the EURIBOR administrator that it will cease publishing EURIBOR permanently or indefinitely (in circumstances where no successor EURIBOR administrator has been appointed that will continue publication of EURIBOR);

(iii) a public statement by the supervisor of the EURIBOR administrator that EURIBOR has been or will be permanently or indefinitely discontinued or will be changed in an adverse manner;

(iv) a public announcement of the permanent or indefinite discontinuation of EURIBOR that applies to the Class A Notes at such time;

(v) a public statement by the supervisor for the EURIBOR administrator that means EURIBOR may no longer be used or that its use is subject to restrictions or adverse consequences; or

(vi) the reasonable expectation of the Servicer that any of the events specified in items (i) to (v) above will occur or exist within six months of such Base Rate Modification,

and, in each case, such Base Rate Modification is required solely for such purpose; and

(b) such Alternative Base Rate is:

(i) a base rate published, endorsed, approved or recognised by the relevant regulatory authority or any stock exchange on which the Notes are listed or any relevant committee or other body established, sponsored or approved by any of the foregoing;

(ii) a base rate utilised in a material number of publicly-listed new issues of Euro denominated asset-backed floating rate notes prior to the effective date of such Base Rate Modification;

(iii) a base rate utilised in a publicly-listed new issue of Euro denominated asset-backed floating rate notes where the originator of the relevant assets is an affiliate of Société Générale S.A.; or

(iv) such other base rate as the Servicer reasonably determines;

and:

(v) in each case, the change to the Alternative Base Rate will not, in the Servicer's opinion, be materially prejudicial to the interest of the Noteholders; and

(vi) for the avoidance of doubt, the Servicer may propose an Alternative Base Rate on more than one occasion provided that the conditions set out in this clause 23 are satisfied,

provided that the Issuer shall set out in the Base Rate Modification Certificate the rationale for the determination of the Alternative Base Rate or its conclusion that a particular Alternative Base Rate is not a commercial and reasonable approach in relation to the Notes and the proposed Base Rate Modification. In the event that no Alternative Base Rate can be determined in a timely manner in accordance with the above, the Interest Determination Agent shall use the Reference Bank Rate (expressed as a percentage rate per annum) as determined by it in consultation with the Issuer for one-month deposits in euro at approximately 11:00 a.m. (Brussels time) on the relevant Interest Determination Date, where the "**Reference Bank Rate"** means the arithmetic mean of the rates (rounded upwards to four decimal places) as supplied to the Interest Determination Agent at its request by the Reference Banks selected by it in consultation with the Issuer as the rate at which such Reference Bank could borrow funds in the European interbank market in euro and for such Interest Period were it to do so by asking for and then accepting interbank offers for deposits in reasonable market size in euro and for such Interest Period. In the event that the Interest Determination Agent is unable to make such determination for the relevant Interest Period in accordance with the aforesaid, the Alternative Base Rate shall be EURIBOR as determined on the last Interest Determination Date on which EURIBOR was still available.

23.2 Any modification made pursuant to clause 23.1 above is subject to the following conditions:

(a) at least 10 calendar days' prior written notice of any the proposed Base Rate Modification has been given to the Trustee;

(b) the Base Rate Modification Certificate in relation to such modification is provided to the Trustee both at the time the Trustee is notified of the proposed modification in accordance with clause 23.2(a) above and on the date that such modification takes effect;

(c) the consent of each Transaction Party (other than the Noteholders) which is party to the relevant Transaction Document or which has a right to consent to such modification pursuant to the provisions of the relevant Transaction Document has been obtained;

(d) with respect to each Rating Agency, either:

(i) the Issuer obtains from such Rating Agency written confirmation that such modification would not result in (y) a downgrade, withdrawal or suspension of the then current ratings assigned to the Class A Notes and/or the Class B Notes by such Rating Agency or (z) such Rating Agency placing any Class A Notes and/or any Class B Notes on rating watch negative (or equivalent) and delivers a copy of each such confirmation to the Trustee; or

(ii) the Issuer certifies in writing to the Trustee that it has notified such Rating Agency of the proposed modification and, in its reasonable opinion, formed on the basis of due consideration and consultation with such Rating Agency (including, as applicable, upon receipt of confirmation from an appropriately authorised person at such Rating Agency), such modification would not result in (y) a downgrade, withdrawal or suspension of the then current ratings assigned to the Class A Notes and/or the Class B Notes by such Rating Agency or (z) such Rating Agency placing any Class A Notes and/or any Class B Notes on rating watch negative (or equivalent); and

(e) the Issuer has provided at least 30 days' prior written notice to the Noteholders of each Class of Notes of the proposed modification in accordance with clause 15 (Form of Notices) of the Terms and Conditions.

23.3 The Trustee will be obliged to consent to the Issuer making any modification referred to under this clause 23, if:

(a) in the sole opinion of the Trustee such modification would not have the effect of (y) exposing the Trustee to any liability against which it has not been indemnified and/or prefunded and/or secured to its satisfaction or (z) increasing the obligations or duties, or decreasing the protections, rights or indemnities, of the Trustee in the Transaction Documents and/or the Terms and Conditions;

(b) the Issuer certifies in writing to the Trustee (which certification may be in the relevant Modification Certificate) that in relation to such modification (y) the Issuer has provided at least 30 days' notice to the Noteholders of the proposed modification in accordance with clause 15 (Form of Notices) of the Terms and Conditions, in each case specifying the date and time by which Noteholders may object to the proposed modification, and has made available at such time the modification documents for inspection at the registered office of the Trustee for the time being during normal business hours, and (z) the Issuer has not been contacted by holders of the Most Senior Class of Notes representing at least 10 per cent. of the Aggregate Outstanding Note Principal Amount of the Most Senior Class of Notes in writing (or otherwise in accordance with the then current practice of any applicable clearing system through which such Notes may be held) within such notification period notifying the Issuer that the holders of the Class A Notes object to the proposed modification for the Most Senior Class of Notes.

If holders of the Most Senior Class of Notes representing at least 10 per cent. of the Aggregate Outstanding Note Principal Amount of the Most Senior Class of Notes have notified the Issuer in accordance with the notice provided above and the then current practice of any applicable clearing system through which the Most Senior Class of Notes may be held within the notification period referred to above that they object to the proposed Base Rate Modification, then such modification will not be made unless a resolution of all holders of the Most Senior Class of Notes is passed in favour of such modification, provided that objections made in writing to the Issuer other than through the applicable clearing system must be accompanied by evidence to the Issuer's and the Trustee's satisfaction (having regard to prevailing market practices) of the holders of the Most Senior Class of Notes.

23.4 Other than as provided for in this clause 23, when implementing any modification pursuant to this clause 23, the Trustee will not consider the interests of the Noteholders, any other Transaction Party or any other Person and will act and rely solely, and without further investigation, on any Base Rate Modification Certificate or evidence provided to it by the Issuer or the relevant Transaction Party, as the case may be, pursuant to this clause 23, and shall not be liable to the Noteholders, any other Transaction Party or any other Person for so acting or relying, irrespective of whether any such modification is or may be materially prejudicial to the interests of any such Person.

23.5 The Issuer will notify, or shall cause notice thereof to be given to, the Noteholders and the other Transaction Parties of any such effected modifications in accordance with clause 15 (Form of Notices) of the Terms and Conditions.

24. FEES, COSTS AND EXPENSES; TAXES

24.1 Trustee Fees

The Issuer shall pay to the Trustee the fees for the services provided under this Agreement, the English Security Deed and the Irish Security Deed and costs and expenses, plus any VAT as separately agreed between the Issuer and the Trustee in a side letter dated on or about the date hereof. The Trustee shall copy all invoices sent to the Issuer to the Cash Administrator.

24.2 Taxes

(a) The Issuer shall bear all transfer taxes and other similar taxes or charges which are imposed, among others, in the Grand Duchy of Luxembourg or the Federal Republic of Germany on or in connection with:

(i) the creation, holding or enforcement of security under this Agreement or any other agreement relating thereto;

(ii) any measure taken by the Trustee pursuant to the terms and conditions of this Agreement or any other Transaction Document; and

(iii) the execution of this Agreement or any other Transaction Document.

(b) All payments of fees and reimbursements of expenses to the Trustee shall include any turnover taxes, value-added taxes or similar taxes, other than taxes on the Trustee's overall income or gains.

25. TERM; TERMINATION

25.1 Term

This Agreement shall automatically terminate on the Final Discharge Date.

25.2 Termination

The Parties may only terminate this Agreement for good cause (*aus wichtigem Grund*).

25.3 Effect of Termination

(a) Upon a termination of this Agreement in accordance with clause 25.2, the Issuer, subject to the Secured Parties' (excluding the Noteholders) consent (not to be unreasonably withheld) shall appoint a Substitute Trustee substantially on the same terms as set out in this Agreement as soon as practicable.

(b) Such Substitute Trustee shall assume the rights, obligations and authorities of the Trustee and shall comply with all duties and obligations of the Trustee hereunder and have all rights, powers and authorities of the Trustee hereunder and any references to the Trustee shall in such case be deemed to be references to the Substitute Trustee.

(c) In the case of a substitution of the Trustee, the Trustee shall without undue delay assign or transfer the assets and other rights it holds as trustee under this Agreement to the Substitute Trustee and, without prejudice to this obligation, the Trustee authorises the Issuer, and the Secured Parties (other than the Noteholders) expressly consent to such authorisation, to effect such assignment or transfer on behalf of the Trustee to such Substitute Trustee.

(d) In the event of a termination of this Agreement by the Issuer due to good cause (*wichtiger Grund*) caused by the Trustee by violation of the standard of care set out in clause 7 (Liability of Trustee) hereof, the Trustee shall bear all costs and expenses reasonably and properly incurred and directly associated with the appointment of a Substitute Trustee up to a maximum amount of EUR 7,500. For the avoidance of doubt, the costs to be reimbursed will not include any difference in fees charged by the Substitute Trustee as compared to the fees charged by the old Trustee.

25.4 Post-Contractual Duties of the Trustee

(a) In case of any termination of this Agreement under this clause 25 and subject to any mandatory provision of German law, the Trustee shall continue to perform its duties under this Agreement until the Issuer has effectively appointed a Substitute Trustee.

(b) To the extent legally possible, all rights (including any rights to receive the fees set out in clause 24 (Fees, Costs and Expenses; Taxes) on a *pro rata temporis* basis for the period during which the Trustee continues to render its services hereunder) of the Trustee under this Agreement remain unaffected until a Substitute Trustee has been validly appointed.

(c) If the Issuer has not appointed a Substitute Trustee within three months after the termination of this Agreement in accordance with clause 25.2, the Trustee may itself propose to the Issuer a Substitute Trustee being a reputable and experienced firm (such proposal not to be unreasonably refused).

(d) Subject to mandatory provisions under German law, the Trustee shall co-operate with the Substitute Trustee and the Issuer in effecting the termination of the obligations and rights of the Trustee hereunder and the transfer of such obligations and rights to the Substitute Trustee.

26. CORPORATE OBLIGATIONS OF THE TRUSTEE

No recourse under any obligation, covenant, or agreement of the Trustee contained in this Agreement shall be had against any Senior Person of the Trustee. Any personal liability of a Senior Person of the Trustee is explicitly excluded, provided that such exclusion shall not release any Senior Person of the Trustee from any liability arising from wilful misconduct (*Vorsatz*) or gross negligence (*grobe Fahrlässigkeit*) by such Senior Person of the Trustee.

27. INDEMNITY

27.1 General Indemnity

(a) Subject to any mandatory provision of German law, the Issuer shall indemnify the Trustee against Damages resulting from the Issuer not applying the Issuer Standard of Care and arising out of or in connection with the performance of its obligations (*Pflichten*) in full or in part under this Agreement, provided that no indemnification shall be made to the extent such Damages result from the Trustee not applying the Standard of Care.

(b) The Issuer or its Senior Persons shall not be indemnified pursuant to this clause 27.1(a), if and to the extent the relevant Damage results from Credit Risk.

27.2 Notification

The Issuer will notify the Trustee without undue delay (*unverzüglich*) on becoming aware of any circumstances which could lead to a claim on the part of the Trustee under this clause 27.

28. NO OBLIGATION TO ACT

The Trustee is only obliged to perform its obligations under this Agreement if, and to the extent that, it is convinced that it will be indemnified for and secured to its satisfaction for all Damages, costs and expenses which it incurs and which are to be indemnified or paid pursuant to this Agreement.

29. NON-PETITION AND LIMITED RECOURSE AGAINST THE ISSUER

29.1 No Proceedings against the Issuer

(a) Until the date falling one year and one day after the Final Discharge Date, the Parties (other than the Issuer) or any person on their behalf shall not initiate, or join any Person in initiating, Insolvency Proceedings in respect of the Issuer, provided that any Party (other than the Issuer) may join any proceedings or action under any applicable insolvency law that is initiated by any Person other than such Party or one of such Party's Affiliates.

(b) None of the Parties (other than the Issuer) shall be entitled to take, or join in the taking of, any corporate action, legal proceedings or other procedure or step which would result in any applicable Priority of Payments not being complied with.

29.2 Limited Recourse

Each Party (other than the Issuer) agrees with and acknowledges to the Issuer that, notwithstanding any other provision of this Agreement, all obligations of the Issuer to the Parties (respectively), including, without limitation, the Issuer Obligations, are limited in recourse as set out below:

(a) each Party (other than the Issuer) agrees that it will have a claim only in respect of the Security Assets and will not have any claim, by operation of law or otherwise, against, or recourse to, any of the Issuer's other assets, the assets of any other Compartment created by the board of directors of the Company, or the share capital of the Company;

(b) sums payable to the Parties (other than the Issuer) (respectively) in respect of the Issuer's obligations to the relevant Party shall be limited to the lesser of (a) the aggregate amount of all sums due and payable to such Party and (b) the aggregate amounts received, realised or otherwise recovered by or for the account of the Issuer in respect of the Security Assets, whether pursuant to enforcement of the Security Assets or otherwise, net of any sums which are payable by the Issuer in accordance with the applicable Priority of Payments in priority to or *pari passu* with sums payable to such Party; and

(c) upon the giving written notice to the relevant Party (other than the Issuer) that the Trustee has determined (in reliance on the certification delivered to it by the Originator) that there is no reasonable likelihood of there being any further realisations in respect of the Security Assets (whether arising from an enforcement of the Security Assets or otherwise) which would be available pursuant to the applicable Priority of Payments to pay unpaid amounts outstanding under this Agreement, such Party shall have no further claim against the Issuer in respect of any such unpaid amounts and such unpaid amounts shall be discharged in full.

30. NOTICES

30.1 Form and Language of Communication

All communications under this Agreement shall be made (i) by letter, facsimile or email and (ii) in the English language.

30.2 Addresses

Any communication under this Agreement shall be directed to the addresses specified on the signature pages or to a substitute address, if the relevant Party has provided the other Party with such substitute address with at least 14 calendar days' prior notice.

31. DISCLOSURE OF INFORMATION AND CONFIDENTIALITY

31.1 No Party shall disclose this Agreement or any information, which that Party has acquired under or in connection with this Agreement, to any Person other than:

(a) a Person expressed to be a party to any Transaction Document to the extent required for purposes of performing its contractual obligations thereunder or the exercise of its rights thereunder (subject to such party agreeing or having agreed to confidentiality undertakings substantially in the form of this clause 31);

(b) a Person about to become a party to any Transaction Document in order to enable such Person to consider the entering into such Transaction Document (subject to such Person agreeing to confidentiality undertakings substantially in the form of this clause 31);

(c) any stock exchange on which the Notes may be listed to the extent necessary for purposes of this Transaction;

(d) the Rating Agencies to the extent necessary for purposes of this Transaction;

(e) in connection with any legal or administrative proceedings arising out of or in connection with this Agreement or any other Transaction Document or the preservation or maintenance of its rights thereunder;

(f) if required by applicable law, regulation (in particular, the Securitisation Regulation), directive, any order of a court of competent jurisdiction, or any competent supervisory authority, in particular the CSSF, the ECB, BaFin and the German Central Bank (*Deutsche Bundesbank*);

(g) SVI to the extent necessary for purposes of this Transaction;

(h) its Affiliates and its own officers, employees or agents and those of its Affiliates;

(i) its auditors or legal or other professional advisors; or

(j) to any person providing administration and settlement services in respect of one or more Transaction Documents.

31.2 Any other disclosure of this Agreement or any information acquired under or in connection therewith requires the prior written consent of each other Party.

31.3 This clause 31 shall survive the termination of this Agreement.

32. MISCELLANEOUS

32.1 Assignability

No Party shall assign any of its rights or claims under this Agreement except with the prior written consent of all other Parties, except as contemplated otherwise herein.

32.2 Right of Retention, Right to Refuse Performance, Set-Off

The Parties (other than the Issuer) shall make all payments under this Agreement to the Issuer notwithstanding any right of retention (*Zurückbehaltungsrecht*), right to refuse performance (*Leistungsverweigerungsrecht*) or similar right and they shall not exercise any right of set-off, unless, in each case, the counterclaim is undisputed (*unbestritten*) or has been confirmed in a final non-appealable judgment (*rechtskräftig festgestellt*).

32.3 Amendments

(a) Amendments to this Agreement (including this clause 32.3) require the prior written consent of all Parties.

(b) Notwithstanding clause 23 (Base Rate Modification) and clause 32.3(a), the Trustee is obliged to concur with the Issuer in making any modification to the Terms and Conditions and any other Transaction Document to which the Trustee is a party or in relation to which it holds security that the Issuer considers necessary to:

(i) correct a manifest error or of a formal, minor or technical nature;

(ii) comply with the General Data Protection Regulation, the Securitisation Regulation (also with respect to the requirements as to simplicity, transparency and standardisation set out articles 18 through 22), EMIR and/or any other laws, regulations or directives or directions of any governmental or regulatory authority;

(iii) (y) reflect the then current published rating criteria of a Rating Agency and which does not conflict with the then current published rating criteria of any other Rating Agency or (z) avoid a downgrade, withdrawal or suspension of the then current ratings assigned by a Rating Agency to the Class A Notes and/or the Class B Notes;

(iv) enable the Class A Notes and the Class B Notes to be (or to remain) listed on the Luxembourg Stock Exchange; or

(v) enable the appointment of any additional or replacement account bank and/or the opening of any additional or replacement account in the name of the Issuer in accordance with the Transaction Documents,

provided that with respect to paragraphs (ii) through (v):

(A) at least 30 days' prior written notice of any such proposed modification has been given to the relevant Transaction Parties (in case of the Noteholders in accordance with clause 15 (Form of Notices) of the Terms and Conditions); and

(B) the consent of each Transaction Party (other than the Noteholders) which (y) is party to the relevant Transaction Document (with respect to a Base Rate Modification, any Transaction Document proposed to be amended by such Base Rate Modification (in particular the Swap Agreement)) or (z) has a right to

consent to such modification pursuant to the provisions of the relevant Transaction Document has been obtained.

32.4 **Remedies and Waivers**

(a) A Party's failure to exercise, or any delay in exercising of, a right or remedy shall not operate as a waiver thereof. A partial exercise of any right or remedy shall not prevent any further or other exercise thereof or the exercise of any other right or remedy.

(b) Except as otherwise provided herein, the rights and remedies provided in this Agreement are cumulative to, and not exclusive of, any rights or remedies provided by law or any other Transaction Document.

32.5 **Partial Invalidity**

If any provision contained in this Agreement is or becomes invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not be affected. Such invalid, illegal or unenforceable provision shall be replaced by means of supplementary interpretation (*ergänzende Vertragsauslegung*) by a valid, legal and enforceable provision, which most closely approximates the Parties' commercial intention. This shall also apply *mutatis mutandis* to any gaps (*Vertragslücken*) in this Agreement.

32.6 **Separate Agreement**

The validity or the invalidity of this Agreement shall have no effect on the other Transaction Documents.

32.7 **Merger of Entities**

Any corporation into which the Cash Administrator, Paying Agent, Interest Determination Agent or Account Bank may be merged or converted, or any corporation with which the Cash Administrator, Paying Agent, Interest Determination Agent or Account Bank may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Cash Administrator, Paying Agent, Interest Determination Agent or Account Bank (as applicable) shall be a party, or any corporation, including affiliated corporations, to which the Cash Administrator, Paying Agent, Interest Determination Agent or Account Bank (as applicable) shall sell or otherwise transfer: (a) all or substantially all of its assets or (b) all or substantially all of its corporate trust business shall, on the date when the merger, conversion, consolidation or transfer becomes effective and to the extent permitted by any applicable laws and subject to any credit rating requirements set out in this Agreement become the successor Cash Administrator, Paying Agent, Interest Determination Agent or Account Bank (as applicable) under this Agreement without the execution or filing of any paper or any further act on the part of the parties to this Agreement, unless otherwise required by the Issuer, and after the said effective date all references in this Agreement to the Cash Administrator, Paying Agent, Interest Determination Agent or Account Bank (as applicable) shall be deemed to be references to such successor corporation. Written notice of any such merger, conversion, consolidation or transfer shall immediately be given to the Issuer by the Cash Administrator, Paying Agent, Interest Determination Agent or Account Bank (as applicable).

The above shall not apply to German entities which are subject to the German Reorganisation Act (*Umwandlungsgesetz*).

33. **GOVERNING LAW; JURISDICTION**

33.1 **Governing Law**

(a) This Agreement is governed by the laws of the Federal Republic of Germany.

(b) Any non-contractual rights and obligations arising out of or in connection with this Agreement shall also be governed by the laws of the Federal Republic of Germany.

33.2 **Jurisdiction**

The competent courts in Frankfurt am Main shall have non-exclusive jurisdiction (*nicht-ausschließlicher Gerichtsstand*) over any action or other legal proceedings arising out of or in connection with this Agreement.

OVERVIEW OF TRANSACTION DOCUMENTS

The following is an overview of certain provisions of the principal Transaction Documents relating to the Notes. The overview is qualified in its entirety by reference to the detailed provisions of such Transaction Documents. The Transaction Documents are governed by the laws of the Federal Republic of Germany, except for the Swap Agreement and the Security Deed which are governed by English law, the Account Mandates and the Irish Security Deed which are governed by Irish law, and the Corporate Administration Agreement which is governed by Luxembourg law.

Terms used in this section shall, unless the context requires otherwise, bear the meaning ascribed to them in the Transaction Definitions Agreement.

1. The Receivables Purchase Agreement

Revolving Purchase of Receivables

Pursuant to the Receivables Purchase Agreement, the Originator and the Issuer have agreed that the Originator sells the Initial Receivables (including Related Claims and Rights) to the Issuer on the Closing Date with economic effect as of the Initial Cut-Off Date (excluding). Accordingly, the Issuer shall be entitled to any Collections received on the Initial Receivables by the Originator in its capacity as Servicer as of the Cut-Off Date (excluding). On the Closing Date, the Issuer shall pay to the Originator the Initial Purchase Price as well as the Upfront Amount and the Originator will assign all Purchased Receivables and assign or transfer (as applicable) the Related Collateral to the Issuer.

During the Revolving Period, on each Offer Date, the Originator may offer to sell Additional Receivables (including the Related Claims and Rights) to the Issuer with economic effect as of the relevant Additional Cut-Off Date. Accordingly, the Issuer shall be entitled to any Collections received on such Additional Receivables by the Servicer as of the relevant Additional Cut-Off Date (excluding). The Originator will only offer Additional Receivables in respect of which all Purchase Requirements are complied with. On the relevant Purchase Date, the Issuer shall pay to the Originator the corresponding Additional Purchase Price, and the Originator will assign all Additional Purchased Receivables to the Issuer.

Assignment of Receivables; Assignment/Transfer of Related Collateral

The Originator has agreed in the Receivables Purchase Agreement to, on the Closing Date, (i) assign to the Issuer the Initial Purchased Receivables, (ii) transfer title to the Vehicles relating to the Initial Purchased Receivables by way of security (*Sicherungsübereignung*), (iii) assigns or transfers (as applicable) claims against property insurers (*Kaskoversicherung* or any other theft and/or destruction insurance) taken with respect to the relevant specified Vehicles, (iv) damage compensation claims based on contracts and tort against the respective Lessees or against third parties (including insurers) due to damage to, or loss of, the Vehicle (if any), (v) salary claims, present and future, as well as claims, present and future, under an accident insurance and a pension insurance to the extent such claims are subject to attachment (*pfändbar*) (if any), and (vi) any further claims under any guarantees, residual debt insurances (*Restschuldversicherungen*), GAP insurances or other claims against insurance companies (to the extent not covered by (iii) to (v)) or other third Persons. The (i) assignment of the Initial Receivables and (ii) the assignment or transfer (as applicable) of the Related Collateral relating to the Initial Purchased Receivables is subject to the condition precedent (*aufschiebende Bedingung*) of full payment of the Initial Purchase Price by the Issuer to the Originator.

Further, the Originator has agreed in the Receivables Purchase Agreement (*vorweggenommene Einigung über die Abtretung/Übereignung*) to, on the relevant Purchase Date following the Closing Date, (i) assign to the Issuer the Additional Purchased Receivables, (ii) transfer title to the Vehicles relating to the Additional Purchased Receivables by way of security (*Sicherungsübereignung*) (iii) assigns or transfers (as applicable) claims against property insurers (*Kaskoversicherung* or any other theft and/or destruction insurance) taken with respect to the relevant specified Vehicles, (iv) damage compensation claims based on contracts and tort against the respective Lessees or against third parties (including insurers) due to damage to, or loss of, the Vehicle (if any), (v) salary claims, present and future, as well as claims, present and future, under an accident insurance and a pension insurance to the extent such claims are subject to attachment (*pfändbar*) (if any), and (vi) any further claims under any guarantees, residual debt insurances

(*Restschuldversicherungen*), GAP insurances or other claims against insurance companies (to the extent not covered by (iii) to (v)) or other third Persons. The (i) assignment of the Additional Receivables and (ii) the assignment or transfer (as applicable) of the Related Collateral relating to the Additional Purchased Receivables is subject to the condition precedent (*aufschiebende Bedingung*) of full payment of the Additional Purchase Price by the Issuer to the Originator.

Costs and Expenses

Pursuant to the Receivables Purchase Agreement, the Originator has agreed to indemnify the Issuer against Increased Costs and all costs and expenses reasonably incurred by the Issuer for legal or enforcement proceedings against Lessees. However, if the Originator can demonstrate to the Issuer that such legal or enforcement proceedings are based on non-payment by the respective Lessee resulting from the Credit Risk of the respective Lessee any such expenses or fees shall not be owed by the Originator, or, if already paid to the Issuer, be reimbursed by the Issuer to the Originator.

Representations and Warranties of the Originator, Repurchase Obligation for Non-Eligible Receivables

The Originator, *inter alia*, represents and warrants in the Receivables Purchase Agreement to the Issuer as at the date of the Receivables Purchase Agreement that each of the Purchased Receivables complies with the Eligibility Criteria on the relevant Cut-Off Date.

If any Purchased Receivable did not meet the Eligibility Criteria in whole or in part on the relevant Cut-Off Date, and either such breach of the Eligibility Criteria has been published in a Servicer Report or the Originator has otherwise obtained knowledge of such breach, the Originator may (at its sole discretion) remedy any non-compliance with the Eligibility Criteria at no cost to the Issuer so that, following such remedy, the relevant Purchased Receivable meets the Eligibility Criteria. If such remedy is not possible or not made within ten Business Days after (i) the related breach has been published in a Servicer Report or (ii) the Originator has otherwise obtained knowledge thereof, the Originator will repurchase (in whole but not in part) each such Non-Eligible Receivable (including the Related Claims and Rights) at the Repurchase Price. Such repurchase shall be made at the latest on the Payment Date immediately following such event referred to under items (i) or (ii) above by entering into a Repurchase Agreement. If a repurchase of a Non-Eligible Receivable is not possible for any reason (e.g. because a Non-Eligible Receivable is void), the Originator shall pay to the Issuer any Damages which the Issuer has suffered or incurred due to such non-compliance with the Eligibility Criteria.

Subject to the condition precedent (*aufschiebende Bedingung*) of receipt by the Issuer of the relevant Repurchase Price with discharging effect (*Erfüllungswirkung*) or, in case of Non-Eligible Receivables the relevant Damages referred to above, the Issuer will in the Repurchase Agreement assign or transfer, as applicable, (i) the relevant Purchased Receivable or (ii) to the extent the relevant Non-Eligible Receivable is void, any restitution claims (*Bereicherungsansprüche*), and, in each case of items (i) and (ii), the existing (iii) Related Claims and Rights and (iv) the Related Collateral to the Originator at the Originator's cost.

The Trustee has consented in the Trust Agreement to the re-assignment of Purchased Receivables and the re-assignment or re-transfer of the Related Collateral by the Issuer to the Originator in accordance with clause 18 (Repurchase Obligations of the Originator in case of Non-Eligible Receivables) of the Receivables Purchase Agreement.

Payment of Deemed Collections

The Receivables Purchase Agreement provides that the Originator shall, not later than 11.00 a.m. on each Payment Date, if required in accordance with the provisions of the Servicing Agreement, more frequently, pay any Deemed Collections to the Operating Account, provided that the Originator has not repurchased the relevant Receivable as a Non-Eligible Receivable. Such payment of Deemed Collections shall not apply if the Lessee fails to make due payments solely as a result of Credit Risk.

Subject to the condition precedent (*aufschiebende Bedingung*) of the receipt of any Deemed Collection by the Issuer, the Issuer already offers to (if and to the extent legally possible, in whole if the Deemed Collection equals the amount owed under the relevant Purchased Receivable, or *pro rata* in the amount of the Deemed Collection) (i) reassign (*rückabtreten*) the relevant Purchased Receivable and (ii) reassign (*rückabtreten*) and retransfer (*rückübereignen*) the related Lease Collateral to the Originator (without

recourse or warranty on the part of the Issuer and at the Originator's cost). The Originator already accepted such reassignments and retransfers under the Receivables Purchase Agreement.

Repurchase Options of the Originator

Pursuant to clause 20 (Repurchase Options of the Originator) of the Receivables Purchase Agreement, if a Illegality and Tax Call Event or a Clean-Up Call Event has occurred, the Originator may repurchase the entire Portfolio on a Payment Date upon at least five Business Days prior written notice to the Issuer, provided that (i) the sum of the Repurchase Prices together with the other items (as relevant) of the Available Distribution Amount shall at least be sufficient to redeem the Class A Notes and the Class B Notes and to pay any items ranking senior to the Class B in accordance with the applicable Priority of Payments); and (ii) the Originator has agreed to reimburse the Issuer for any costs and expenses in respect of the repurchase of the Portfolio and the reassignment or retransfer of the Purchased Receivables and the Related Collateral.

Any such repurchase mentioned above shall be made at the respective Repurchase Price on the Payment Date immediately following receipt of the Repurchase Notice by the Issuer. If such Repurchase Notice is delivered to the Issuer less than five Business Days prior to a Payment Date, such repurchase shall be made on the next following Payment Date.

Conditionally upon the receipt by the Issuer of the aggregate respective Repurchase Price on the Operating Account with discharging effect (*Erfüllungswirkung*), the Issuer shall assign the relevant Purchased Receivables and transfer the Related Collateral to the Originator at the Originator's cost.

The Trustee has consented in the Trust Agreement to the repurchase and re-assignment of the Purchased Receivables and the re-assignment or re-transfer of the Related Collateral by the Issuer to the Originator in connection with the occurrence of an Illegality and Tax Call Event or a Clean-Up Call Event.

Indemnity

Subject to any mandatory provision of German law, the Originator has agreed in the Receivables Purchase Agreement to indemnify the Issuer and each of its Senior Persons for Damages resulting from (i) any of its representations and warranties listed in the Receivables Purchase Agreement being incorrect or not being adhered to in whole or in part (provided that, in case of any breach of the representations in respect of compliance with the Eligibility Criteria, the Originator shall, pursuant to the Receivables Purchase Agreement, either repurchase the relevant Purchased Receivables or, if a repurchase is impossible, pay Damages to the Issuer which the Issuer has suffered or incurred due to such non-compliance with the Eligibility Criteria), or (ii) the Originator fails to perform any of its obligations (*Pflichten*) in full or in part under the Receivables Purchase Agreement, provided that, with respect to (ii), no indemnification shall be made to the extent such Damages result from the Issuer or any of the Issuer's Senior Persons not applying the Issuer Standard of Care, and, with respect to (i) and (ii), the Issuer or its Senior Persons shall not be indemnified if and to the extent the relevant Damages result from Credit Risk.

Term; Termination

The Receivables Purchase Agreement shall automatically terminate on the Final Discharge Date. The Parties may only terminate the Receivables Purchase Agreement for good cause (*aus wichtigem Grund*). The occurrence of an Originator Event of Default shall constitute good cause (*wichtiger Grund*) for the Issuer to terminate the Receivables Purchase Agreement.

2. The Servicing Agreement

Appointment of the Servicer and Authority

The Issuer has entered into the Servicing Agreement with ALD AutoLeasing D GmbH as Servicer. Under the Servicing Agreement, the Issuer has, subject to certain limitations, granted the Servicer (i) the Collection Mandate and (ii) the authority (*Vollmacht und Ermächtigung*) to do or cause to be done any and all acts which it reasonably considers necessary or convenient in connection with the servicing of the Purchased Receivables and the Related Collateral in accordance with the Servicing Agreement, the Credit and Collection Policy and the relevant Lease Agreement. Such authority automatically terminates if ALD AutoLeasing D GmbH no longer acts as Servicer or if the Servicer becomes Insolvent.

Services and Duties of the Servicer

Pursuant to the Servicing Agreement, the Servicer has agreed to, *inter alia*, (i) collect any amounts due and payable under a Purchased Receivable by making use of the arrangement set out in the relevant Lease Agreement (including, without limitation, by way of a Single Euro Payments Area (SEPA) direct debit mandate (*SEPA-Lastschriftmandat*)) onto the Collection Account; (ii) to the extent that the Servicer receives any Collections or any other amounts due under a Purchased Receivable, immediately (*unverzüglich*) transfer such Collections or other amounts to the Collection Account; (iii) identify, set aside and hold on trust (*Treuhand*) for the Issuer all Collections received by it on behalf of the Issuer; (iv) further administer, enforce and recover amounts payable by any obligor in relation to the Purchased Receivables in accordance with the Credit and Collection Policy and the relevant Lease Agreement, in particular: (A) exercise the Related Claims and Rights and other rights (including termination rights or waivers) related to the Purchased Receivables and any rights with respect to the Related Collateral; (B) remind (*mahnen*) any Lessee, if and to the extent the relevant claims have not been discharged when due; (C) enforce the Related Collateral (in particular the relating Vehicle) upon a Purchased Receivable becoming a Defaulted Receivable and apply the enforcement proceeds to the relevant secured obligations; and (D) prematurely terminate a Lease Agreement in line with the respective terms of such agreement; (v) assist the Issuer in complying with its obligations under the Transaction Documents to the extent that the obligations refer to the Purchased Receivables and the Related Collateral; (vi) until it receives notice to the contrary by the Trustee (also acting on behalf of the Issuer): (A) hold on behalf of the Issuer the original registration documents (*Zulassungsbescheinigungen II*) of the Vehicles; and (B) keep such original registration documents (*Zulassungsbescheinigungen II*) of the Vehicles in such manner that they are identifiable and distinguishable from the registration documents and other documents which are held by the Servicer for itself or on behalf of other parties; and (vii) service the Lease Service Receivables applying at least the same standard of care (*Sorgfalt*) as with respect to the Purchased Receivables.

Further, pursuant to the Servicing Agreement (i) in order to allow the Issuer to monitor the Servicer's performance of the Services, the Servicer has agreed to keep the Issuer informed about any enforcement procedures and court proceedings which are ongoing or about to be initiated upon request by the Issuer; (ii) in addition to paragraph (i), the Issuer may request the Servicer in writing to initiate enforcement procedures with respect to a Purchased Receivable. If the Servicer does not comply with such a request of the Issuer although the Issuer has unsuccessfully repeated such request in writing, the Issuer may collect (and in particular enforce) such Purchased Receivable by itself or appoint a substitute servicer for the collection (and in particular enforcement) of such Purchased Receivable; (iii) the Servicer shall also be obliged towards the Trustee to provide the Services for the benefit of the Trustee. To this extent the Servicing Agreement shall constitute a contract for the benefit of a third party (*echter Vertrag zugunsten Dritter*) pursuant to section 328 (1) BGB.

Notification of Lessees

Upon the occurrence of a Lessee Notification Event, (i) the Collection Mandate of the Servicer shall be automatically revoked and (ii) the Servicer shall immediately notify each Lessee of a Purchased Receivable of the sale and assignment of the relevant Purchased Receivable and the assignment or transfer of the Related Collateral to the Issuer by sending to each such Lessee a notification letter substantially in the form of the notification letter attached as schedule 4 Part 1 (Form of Lessee Notification) to the Servicing Agreement. In such notification, the Servicer shall instruct the relevant Lessee to make any future payments in respect of the relevant Purchased Receivable directly to the Operating Account.

If (a) a Back-Up Servicer or Substitute Servicer (as applicable) has been appointed, such Back-Up Servicer or Substitute Servicer (as applicable) shall notify the Lessees on behalf of the Issuer; and (b) (i) no Back-Up Servicer or Substitute Servicer (as applicable) has been appointed, and (ii) the Servicer has not notified the Lessees within a period of 10 Business Days as of the occurrence of a Lessee Notification Event, the Corporate Administrator shall notify the Lessees on behalf of the Issuer of the assignment of the Purchased Receivables to the Issuer by sending a notification letter substantially in the form of the notification letter attached as schedule 4 Part 1 (Form of Lessee Notification) to the Servicing Agreement.

Standard of Care; Delegation

The Servicer shall perform its duties and obligations pursuant to the Servicing Agreement in accordance with the Standard of Care and shall at all times take into account the Issuer's interests.

The Servicer may delegate the Services to a third party. The Servicer shall remain liable for any such delegation in accordance with section 278 BGB.

Payment of Collections

The Servicer shall pay or cause to be paid all sums received into or otherwise standing to the credit of the Collection Account during a Collection Period and in relation to Purchased Receivables and the Related Collateral to the Operating Account not later than 11.00 a.m. on each Payment Date following such Collection Period.

Reporting Requirements

The Servicer shall pursuant to the Servicing Agreement with respect to all Purchased Receivables and the Related Collateral in particular, (i) provide the Issuer on each Reporting Date with an updated portfolio list which contains as of each Determination Date all up to date information regarding the Portfolio; (ii) prepare in respect of each Collection Period an electronic Servicer Report and provide the Servicer Report to the Cash Administrator and the Issuer on each Reporting Date; and (iv) commit the information required pursuant to article 7 of the Securitisation Regulation for the Issuer, including by way of the Transparency Reports.

Fees, Costs and Expenses

Pursuant to the Servicing Agreement the Issuer shall pay to the Servicer a fee for the services provided under the Servicing Agreement. Such fee shall cover all costs, expenses and charges relating to the Services, including all costs incurred in connection with the appointment of a delegate by the Servicer and shall be paid in accordance with the relevant Priority of Payments.

Appointment of Back-Up Servicer or Substitute Servicer

Within 90 calendar days following the occurrence of a Downgrade Event with respect to the Servicer, the Issuer shall appoint at the Servicer's cost a suitable Back-Up Servicer under a back-up servicing agreement on substantially the same terms as set out in this Agreement as regards the servicing of the Purchased Receivables, provided that such person shall stand by until it is notified by the Issuer of a termination of the Servicing Agreement.

For this purposes, the Issuer instructed the Back-Up Servicer Facilitator under the Servicing Agreement to nominate (i) a Back-Up Servicer upon the occurrence of a Downgrade Event with respect to the Servicer or (ii) if no Back-Up Servicer has been appointed after the occurrence of a Downgrade Event with respect to the Servicer, a Substitute Servicer upon the occurrence of a Servicer Termination Event. In this respect, the Back-Up Servicer Facilitator shall:

(a) identify and approach Suitable Entities;

(b) request each Suitable Entity identified to provide a written fee quote; and

(c) select the most suited Suitable Entities as Back-Up Servicer or Substitute Servicer (as applicable) upon receipt of each such fee quote and use reasonable endeavours to nominate such credit institution as back-up servicer or substitute servicer (as applicable).

If such nominee is acceptable to the Issuer, the Issuer shall appoint such nominee on substantially the same terms as set out in the Servicing Agreement without undue delay (*ohne schuldhaftes Zögern*).

If (i) no Back-Up Servicer has been appointed within 90 calendar days as of the occurrence of a Downgrade Event with respect to the Servicer, or (ii) no Substitute Servicer has been appointed within 90 calendar days as of the occurrence of a Servicer Termination Event, the Back-Up Servicer Facilitator shall notify the Rating Agencies thereof.

Appointment of Back-Up Maintenance Coordinator or Substitute Maintenance Coordinator

Within 90 calendar days following the occurrence of a Downgrade Event with respect to the Servicer, the Issuer shall appoint at the Servicer's cost a suitable Back-Up Maintenance Coordinator under a back-up maintenance coordination agreement, provided that such person shall, if required, assist a potential insolvency administrator of the Originator in rendering the Lease Services.

For this purpose, the Issuer instructed the Back-Up Maintenance Coordinator Facilitator under the Servicing Agreement to nominate (i) a Back-Up Maintenance Coordinator upon the occurrence of a Downgrade Event with respect to the Servicer or (ii) if no Back-Up Maintenance Coordinator has been appointed after the occurrence of a Downgrade Event with respect to the Servicer, a Substitute Maintenance Coordinator upon the occurrence of a Servicer Termination Event. In this respect, the Back-Up Maintenance Coordinator Facilitator shall:

(a) identify and approach Suitable Entities;

(b) request each Suitable Entity identified to provide a written fee quote; and

(c) select the most suited Suitable Entity as Back-Up Maintenance Coordinator or Substitute Maintenance Coordinator (as applicable) upon receipt of each such fee quote and use reasonable endeavours to nominate such entity as back-up maintenance coordinator or substitute maintenance coordinator (as applicable).

If such nominee is acceptable to the Issuer, the Issuer shall appoint such nominee on substantially the same terms as set out in this Agreement without undue delay (*ohne schuldhaftes Zögern*).

If (i) no Back-Up Maintenance Coordinator has been appointed within 90 calendar days as of the occurrence of a Downgrade Event with respect to the Servicer, or (ii) no Substitute Maintenance Coordinator has been appointed within 90 calendar days as of the occurrence of a Servicer Termination Event, the Back-Up Maintenance Coordinator Facilitator shall notify the Rating Agencies thereof.

Term; Termination

The Servicing Agreement shall automatically terminate on the date on which all Purchased Receivables have been fully and finally discharged, finally written-off or repurchased by the Originator. The Parties may only terminate the Servicing Agreement for good cause (*aus wichtigem Grund*). The occurrence of a Servicer Termination Event which is continuing shall constitute good cause (*wichtiger Grund*) for the Issuer to terminate the appointment of the Servicer under the Servicing Agreement.

Upon termination of the Servicing Agreement, the Issuer shall:

(a) if a Back-Up Servicer or Substitute Servicer (as applicable) has been appointed, (a) procure that the Back-Up Servicer or Substitute Servicer (as applicable) immediately upon the termination taking effect becomes active and assumes the role of the Servicer (excluding the Lease Services), and (b) inform the Trustee of the Back-Up Servicer or Substitute Servicer (as applicable) becoming active;

(b) if no Back-Up Servicer or Substitute Servicer (as applicable) has been appointed, use all reasonable endeavours to arrange for a Substitute Servicer (which shall be a Suitable Entity) to be appointed on substantially the same terms as those in this Agreement (excluding the Lease Services) as soon as practicable thereafter;

(c) if a Back-Up Maintenance Coordinator has been appointed, (a) procure that the Back-Up Maintenance Coordinator immediately upon the termination taking effect becomes active and assumes the role of the Servicer in relation to the Lease Services, and (b) inform the Trustee of the Back-Up Maintenance Coordinator becoming active; or

(d) if no Back-Up Maintenance Coordinator or Substitute Maintenance Coordinator (as applicable), use all reasonable endeavours to arrange for a Substitute Maintenance Coordinator to be appointed on substantially the same terms as those in this Agreement with respect to the Lease Services as soon as practicable thereafter.

Upon termination of the appointment of the Servicer, the Servicer shall (subject to any mandatory provision under German law) (i) immediately pay to the Operating Account all monies held by the Servicer on behalf of the Issuer, (ii) to the extent permitted under the Data Protection Provisions, forthwith deliver to the Back-Up Servicer or Substitute Servicer (as applicable) the records and information (in contemporary computer-readable format) in its possession or under its control relating to the Purchased Receivables and the Related Collateral); (iii) if so requested, to the extent legally possible and on a non-exclusive basis, grant or assign or sub-licence such licences in respect of its intellectual property as may be necessary to enable the Back-Up Servicer or Substitute Servicer (as applicable) to perform the Services; and (iv) return any and all issued powers of attorney (*Vollmachtsurkunden*); and (v) remit any amount received by it in respect of the Purchased Receivables and the Related Collateral directly to the Operating Account.

In case of any termination of the Servicing Agreement and subject to any mandatory provision of German law, (i) the Servicer will continue to perform its duties under the Servicing Agreement and all rights of the Servicer under the Servicing Agreement remain unaffected until (a) the Back-Up Servicer and the Back-Up Maintenance Coordinator has become active as described above or (b) the Issuer has effectively appointed a Substitute Servicer and a Substitute Maintenance Coordinator; and (ii) the Servicer shall co-operate with the Back-Up Servicer or Substitute Servicer (as applicable) and the Back-Up Maintenance Coordinator or Substitute Maintenance Coordinator (as applicable) and the Issuer in effecting the termination of the obligations and rights of the Servicer hereunder and the transfer of such obligations and rights to the Back-Up Servicer or Substitute Servicer (as applicable) and the Back-Up Maintenance Coordinator or Substitute Maintenance Coordinator (as applicable).

3. The Data Trust Agreement

Appointment of Data Trustee, Services

The Issuer, the Originator and the Data Trustee have entered into the Data Trust Agreement. In order to ensure compliance with the Data Protection Rules, the Issuer has appointed the Data Trustee to hold the Decoding Key on trust (*treuhänderisch*) for the Issuer and the Trustee.

The Originator has undertaken to provide the Data Trustee with the Decoding Key with respect to (i) the Initial Receivables (including the Related Claims and Rights), the Related Collateral, and (ii) the Additional Receivables (including the Related Claims and Rights) and the Related Collateral.

The Data Trustee shall pursuant to the Data Trust Agreement, *inter alia*, (i) hold the Decoding Key on trust and (ii) safeguard the Decoding Key (and any backup copy thereof) and protect it from unauthorised access by third parties, in each case in compliance with the applicable Data Protection Provisions.

Pursuant to the Data Trust Agreement, the Data Trustee may only release the Decoding Key upon the occurrence of a Data Release Event. In such case, the Data Trustee shall deliver the Decoding Key to (i) the Back-Up Servicer or Substitute Servicer (as applicable), or (ii) if no Back-Up Servicer or Substitute Servicer has been appointed, the Issuer.

The Data Trustee shall perform its duties and obligations pursuant to the Data Trust Agreement in accordance with the Standard of Care and shall at all times take into account the Issuer's interests. The Data Trustee shall not be entitled to delegate the performance of any of its obligations under the Data Trust Agreement.

Fees, Costs and Expenses

The Issuer has agreed in the Data Trust Agreement to pay, in accordance with the relevant Priority of Payments, to the Data Trustee a fee for the services provided under the Data Trust Agreement and costs and expenses, plus any VAT.

Term, Termination

The Data Trust Agreement shall automatically terminate on the Final Discharge Date. The Parties may only terminate the Data Trust Agreement for good cause (*aus wichtigem Grund*).

In case of any termination of the Data Trustee and subject to any mandatory provision of German law, the Data Trustee will nonetheless perform its duties under the Data Trust Agreement until the Issuer has

effectively appointed a Substitute Data Trustee and such Substitute Data Trustee has agreed to substitute the Data Trustee in accordance with the terms and conditions of the Data Trust Agreement.

4. The Account Bank Agreement

Appointment of Account Bank, Services and Duties

The Issuer has appointed Elavon Financial Services DAC to act as account bank (*kontoführende Bank*) in respect of the Transaction Accounts and to perform the services set out in the Account Bank Agreement. Pursuant to the Account Bank Agreement, the Account Bank shall maintain the Operating Account, the General Reserve Account, the Swap Collateral Account, the Commingling Reserve Account, the Set-Off Reserve Account and the Maintenance Reserve Account until the Legal Maturity Date (or any other earlier date of termination of the Account Bank Agreement).

The Account Bank has agreed in the Account Bank Agreement to (i) comply with any payment instruction of the Cash Administrator to effect a payment by debiting a Transaction Account, and (ii) debit any Transaction Account only upon and in accordance with a specific payment instruction by the Cash Administrator.

Pursuant to the Account Bank Agreement all amounts included in the Pre-Available Distribution Amount shall be credited to the Operating Account no later than on each Payment Date, as instructed by the Cash Administrator. The Account Bank shall comply with the applicable Data Protection Provisions and shall provide the Issuer, the Cash Administrator, the Corporate Administrator and, upon receipt of an Enforcement Notice, the Trustee with bank statements on a monthly basis.

Exchange of Account Bank upon Downgrade Event

Upon the occurrence of a Downgrade Event with respect to the Account Bank, the Account Bank shall pursuant to the Account Bank Agreement give notice thereof to the Originator, the Issuer, the Cash Administrator, the Servicer and the Trustee without undue delay (*unverzüglich*). The Issuer shall within 30 calendar days upon the occurrence of such Downgrade Event (i) appoint a Substitute Account Bank (which has at least the Required Rating with respect to the Account Bank) or whose obligations are guaranteed by an entity having at least the Required Rating with respect to the Account Bank) on substantially the same terms as set out in the Account Bank Agreement; (ii) open new accounts replacing each of the existing Transaction Accounts with the Substitute Account Bank; (iii) pledge or charge such new Transaction Accounts to the Trustee and where applicable, to other parties to the Transaction in accordance with the Trust Agreement; (iv) transfer any amounts standing to the credit of each existing Transaction Account to the respective new Transaction Account; (v) close the old Transaction Accounts with the old Account Bank; and (vi) terminate the Account Bank Agreement (including any Account Mandate). No Substitute Account Bank has to be appointed if the then current rating of the Notes is not negatively affected.

Fees, Costs and Expenses

The Issuer has agreed in the Account Bank Agreement to pay, in accordance with the relevant Priority of Payments, to the Account Bank a fee for the services provided under the Account Bank Agreement together with costs and expenses, plus any VAT.

Term and Termination

The Account Bank Agreement shall automatically terminate on the Final Discharge Date. Each party to the Account Bank Agreement may terminate the Account Bank Agreement upon giving the other party to the Account Bank Agreement (with a copy to the Cash Administrator) not less than three months' prior written notice.

The right of termination for good cause (*wichtiger Grund*) shall remain unaffected. The occurrence of a Downgrade Event with respect to the Account Bank shall constitute a good cause (*wichtiger Grund*) for the Issuer to terminate the Account Bank Agreement.

5. The Cash Administration Agreement

Appointment of the Cash Administrator, Services and Duties

Under the Cash Administration Agreement, the Issuer has appointed US Bank Global Corporate Trust Limited to act as cash administrator in respect of the Transaction Accounts and to perform in the name and on behalf of the Issuer the Cash Administration Services, in particular but not limited to: (i) monitor and manage the Transaction Accounts; (ii) on each Calculation Date (a) calculate, *inter alia*, the relevant Available Distribution Amount and any other amounts available to the Issuer, and (b) determine the relevant amounts due and payable to each payee in accordance with the applicable Priority of Payments; and (c) give payment instructions to the Account Bank in respect of such amounts; (iii) on each Calculation Date notify the Paying Agent of the Notified Amount and provide the Paying Agent with a copy of the payment instructions to the Account Bank in relation to the Notified Amount; (iv) prepare the Investor Report (a) on the basis of, among other information, the relevant Servicer Report which it receives from the Servicer in accordance with the Servicing Agreement on each Reporting Date; and (b) including information in relation to the then existing Transaction Accounts; (v) publish the Investor Report, and (vi) provide upon request of the Issuer such information on the credits and debits to the Transaction Accounts to the Issuer which is necessary for accounting purposes.

Standard of Care, Delegation

The Cash Administrator shall perform the Cash Administration Services and its duties and obligations pursuant to the Cash Administration Agreement in accordance with the Standard of Care and shall at all times take into account the Issuer's interests.

The Cash Administrator may delegate the Cash Administration Services to a third party. The Cash Administrator shall remain liable, to the extent provided for in the Cash Administration Agreement, for any such delegation in accordance with section 278 BGB.

Fees, Costs and Expenses

The Issuer has agreed in the Cash Administration Agreement to pay, in accordance with the relevant Priority of Payments, to the Cash Administrator a fee for its services provided under the Cash Administration Agreement and costs and expenses, plus any VAT.

Term, Termination

The Cash Administration Agreement shall automatically terminate on the Final Discharge Date. Each party to the Cash Administration Agreement may terminate the Cash Administration Agreement upon giving the other party to the Cash Administration Agreement (with a copy to the Account Bank) not less than three months' prior written notice. The right of termination for good cause (*wichtiger Grund*) shall remain unaffected.

In case of any termination of the Cash Administration Agreement and subject to any mandatory provision of German law, the Cash Administrator will nonetheless perform its duties until the Issuer has effectively appointed a Substitute Cash Administrator.

6. The Agency Agreement

Appointment of Agents, Services and Duties

Under the Agency Agreement, the Issuer has appointed Elavon Financial Services DAC to act as Paying Agent (*Zahlstelle*) and US Bank Global Corporate Trust Limited to act as Interest Determination Agent in respect of the Notes, and to perform the services set out in the Terms and Conditions and in the Agency Agreement.

Further, the Issuer has authorised and instructed the Paying Agent to elect (i) one of the ICSDs as Common Safekeeper for the Class A Notes; and (ii) Elavon Financial Services DAC as Common Safekeeper for the Class B Notes and the Class C Notes. From time to time, the Issuer and the Paying Agent may agree to vary this election.

The Paying Agent has agreed under the Agency Agreement to make such arrangements for payments as assigned to it in accordance with the Terms and Conditions. The Issuer shall further transfer or shall procure the transfer to the Paying Agent no later than 10.00 a.m. on each Payment Date, such amount in EUR as shall be sufficient to make the payment of the Notified Amount, to an account of the Paying Agent which the Paying Agent shall specify by written notice to the Issuer (with a copy to the Cash Administrator) on the Calculation Date prior to the relevant Payment Date. Subject to having received in full the amounts due and payable in respect of the Notes on such Payment Date, the Paying Agent shall pay or cause to be paid on behalf of the Issuer to the Noteholders on each Payment Date the amounts payable in respect of the Notes. All payments in respect of the Notes shall be made to, or to the order of, the relevant ICSD, subject to and in accordance with the provisions of the Terms and Conditions. If the Paying Agent has not received in full the amounts due and payable in respect of the Notes on such Payment Date the Paying Agent shall (i) immediately notify the Issuer, the Cash Administrator and the Servicer; and (ii) not be bound to make any payment in respect of the Notes to any Noteholder until the Paying Agent has received in full the amounts due and payable in respect of the Notes on such Payment Date.

The Interest Determination Agent has agreed under the Agency Agreement to make such calculations and determinations and notifications as assigned to it in accordance with clause 4 (Interest) of the Terms and Conditions. The Interest Determination Agent has further agreed to notify the Swap Counterparty of the applicable EURIBOR as determined by the Interest Determination Agent in accordance with clause 4 (*Interest*) of the Terms and Conditions if the rate for deposits in EUR for a period of one month does not appear on Reuters Screen EURIBOR01 on the relevant EURIBOR Determination Date.

Standard of Care, Delegation

Each Agent shall perform its duties and obligations pursuant to the Agency Agreement in accordance with the Standard of Care and shall at all times take into account the Issuer's interests. Each Agent, with the prior written consent of the Issuer, may delegate the fulfilment of its duties under the Agency Agreement and the Terms and Conditions to a third party as agent (*Erfüllungsgehilfe*). The relevant Agent shall remain liable, to the extent provided for in the Agency Agreement, for any such delegation in accordance with section 278 BGB.

Fees, Costs and Expenses

The Issuer has agreed in the Agency Agreement to pay, in accordance with the relevant Priority of Payments, to the Agents a fee for the services provided under the Agency Agreement and costs and expenses, plus any VAT.

Term, Termination

The Agency Agreement shall automatically terminate on the Final Discharge Date. Each party to the Agency Agreement may terminate the Agency Agreement upon giving the other parties to the Agency Agreement (with a copy to the Cash Administrator) not less than three months prior written notice.

The right of termination for good cause (*wichtiger Grund*) shall remain unaffected. Any termination of the appointment of any Agent under the Agency Agreement shall automatically lead to the termination of the appointment of the other Agent.

In case of any termination of the Agency Agreement and subject to any mandatory provision of German law, each Agent will nonetheless perform its duties under the Agency Agreement until the Issuer has effectively appointed the Substitute Agents.

7. The Corporate Administration Agreement

Services under the Corporate Administration Agreement

Pursuant to the Corporate Administration Agreement entered into between the Issuer and the Corporate Administrator, the Corporate Administrator provides the Issuer with the Corporate Administration Services against payment of a fee. Such services shall include, but not be limited to (i) proposal of at least three Luxembourg resident directors; (ii) preparation and filing of audited annual financial statements and the tax returns of the Issuer; (iii) providing a place at which the Issuer's registered office is situated and make available telephone, facsimile, post-box and other reasonable facilities required for

the operation of the Issuer at the Issuer's registered address; (iv) preparation and organisation of the shareholders' meetings and the meetings of the board of directors of the Issuer; and (v) arranging of all general Issuer secretarial, registrar and administration services required by the Issuer.

The Corporate Administrator shall perform the Corporate Administration Services, its duties and obligations pursuant to the Corporate Administration Agreement in accordance with the Standard of Care and shall at all times take into account the Issuer's interests.

Fees, Costs and Expenses

The Issuer has agreed in the Corporate Administration Agreement to pay, in accordance with the relevant Priority of Payments, to the Corporate Administrator a fee for the services provided under the Corporate Administration Agreement and costs and expenses, plus any VAT.

Termination

The Corporate Administration Agreement shall terminate automatically on the date on which the liquidation or dissolution of the Issuer has been completed. The Issuer may terminate the Corporate Administration Agreement upon 30 calendar days' prior written notice to the Corporate Administrator. Each of the Corporate Administrator and the Issuer may terminate the Corporate Administration Agreement in the event of a serious breach (*faut grave*) of the Corporate Administration Agreement by the Corporate Administrator or the Issuer (as applicable).

In case of any termination of the Corporate Administration Agreement and subject to any mandatory provision of Luxembourg law, the Corporate Administrator will nonetheless perform its duties under Corporate Administration Agreement until Red & Black Auto Lease Germany S.A. has effectively appointed a Substitute Corporate Administrator and such Substitute Corporate Administrator has agreed to substitute the Corporate Administrator in accordance with the terms and conditions of the Corporate Administration Agreement.

8. The Reserves Funding Agreement

Pursuant to the Reserves Funding Agreement, the Funding Entity has agreed to fund the Commingling Reserve Account, the Set-Off Reserve Account and/or the Maintenance Reserve Account on behalf of ALD in order to mitigate certain structure-inherent risks in certain events.

ALD therefore has agreed to pay a fee that shall be agreed separately between the Funding Entity and the ALD.

Payments to the Commingling Reserve Account and the Set-Off Reserve Account

Upon the earlier of (y) the occurrence of a Downgrade Event with respect to the Funding Entity or (z) ALD becoming Insolvent, the Funding Entity will pay the Required Commingling Reserve Amount and the Required Set-Off Reserve Amount directly into the Commingling Reserve Account and the Set-Off Reserve Account (respectively) within 31 calendar days from the occurrence of the relevant event.

If on a Payment Date, after the occurrence of a Downgrade Event with respect to the Funding Entity, the amount standing to the credit of the Commingling Reserve Account is less than the Required Commingling Reserve Amount and/or the Set-Off Reserve Account is less than the Required Set-Off Reserve Amount calculated in respect of such Payment Date, the Funding Entity will pay to the Commingling Reserve Account and/or the Set-Off Reserve Account an amount equal to such shortfall, provided that:

(a) a Downgrade Event with respect to the Funding Entity is subsisting;

(b) ALD is not Insolvent; and

(c) the Issuer has not effected any transfers from the Commingling Reserve Account pursuant to clause 4 (Transfer to the Operating Account) of the Reserves Funding Agreement.

Payments to the Maintenance Reserve Account

Upon the earlier of (y) the occurrence of a Downgrade Event with respect to the Funding Entity or (z) ALD becoming Insolvent, the Funding Entity will pay the Required Maintenance Reserve Amount directly into the Maintenance Account, either:

(a) if a Downgrade Event with respect to the Funding Entity has occurred, within 31 calendar days; or

(b) upon ALD becoming Insolvent, promptly.

If on a Payment Date, after the occurrence of a Downgrade Event with respect to the Funding Entity, the amount standing to the credit of the Maintenance Reserve Account is less than the Required Maintenance Reserve Amount calculated in respect of such Payment Date, the Funding Entity will pay to the Maintenance Reserve Account an amount equal to such shortfall, provided that:

(a) a Downgrade Event with respect to the Funding Entity is subsisting;

(b) ALD is not Insolvent; and

(c) the Issuer has not effected any transfers from the Maintenance Reserve Account pursuant to clause 4 (Transfer to the Operating Account) of the Reserves Funding Agreement.

Notification

The Funding Entity will, promptly upon becoming aware of the occurrence of a Downgrade Event with respect to the Funding Entity, notify the Issuer and the Trustee thereof. The Funding Entity will also, promptly upon becoming aware of the end of the continuation of a Downgrade Event with respect to the Funding Entity, notify the Issuer and the Trustee. ALD will notify the parties to the Reserves Funding Agreement and the Trustee of the occurrence of ALD becoming Insolvent.

Abstractness of Appointment; Waiver of Defences

If any discharge, release or arrangement is made by the Issuer in whole or in part on the basis of any payment by ALD which is avoided or must be restored as ALD becoming Insolvent, the liability of the Funding Entity under appointment under the Reserves Funding Agreement will continue or be reinstated as an independent obligation as if the discharge, release or arrangement had not occurred. The obligations of the Funding Entity under the Reserves Funding Agreement will not be affected by any act or omission which, but for clause 7 (Abstractness of Appointment; Waiver of Defences) of the Reserves Funding Agreement, would reduce, release or prejudice any of its obligations under the Reserves Funding Agreement including (i) any deferral (*Stundung*), waiver (*Verzicht*) or consent granted to, or composition with ALD; (ii) the taking, variation, compromise, exchange, renewal or release of, or refusal or failure to perfect, take up or enforce, any rights against, or security over assets of, ALD or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security; (iii) any incapacity or lack of power, authority or legal personality of or dissolution or change in the status of ALD; or (iv) any unenforceability, illegality or invalidity of any obligation of ALD under any Transaction Document. The Funding Entity waives (i) any set-off right (*Aufrechenbarkeit*), unless the counterclaim is undisputed (*unbestritten*) or has been confirmed in a final non-appealable judgment (*rechtskräftig festgestellt*) and (ii) any right it may have to request the Issuer to proceed against or to enforce any other rights or security or to claim payment from any other person before claiming from it under the Reserves Funding Agreement (*Verzicht auf Einrede der Vorausklage*).

Compensation

ALD shall reimburse the Funding Entity upon demand for any amount paid under the Reserves Funding Agreement. The Funding Entity, having been reimbursed by ALD in accordance with clause 5.1 (Compensation) of the Reserves Funding Agreement, shall pay upon demand any amount received from the Issuer.

Term, Termination

The Reserves Funding Agreement shall automatically terminate on the Final Discharge Day. The Reserves Funding Agreement shall automatically terminate if (i) the Issuer has appointed an eligible substitute funding entity (a) having at least the Required Rating with respect to the Funding Entity; (b) having agreed to fund the Commingling Reserve Account, the Set-Off Reserve Account and the Maintenance Reserve Account to the extent required promptly upon the termination of the Reserves Funding Agreement; (c) being appointed on substantially the same terms as set out in the Reserves Funding Agreement; and (ii) it is established to the satisfaction of the Issuer that the current rating of the Class A Notes and the Class B Notes is not affected by the termination of the Reserves Funding Agreement. The right for termination for good cause (*Kündigung aus wichtigem Grund*) remains unaffected.

9. The Subordinated Loan Agreement

Under the Subordinated Loan Agreement, the Originator as Lender has agreed to grant the Subordinated Loan to the Issuer as Borrower in the Subordinated Loan Disbursement Amount and, on the Closing Date, to disburse the Subordinated Loan to the Borrower. The Lender will credit the Subordinated Loan Disbursement Amount pursuant to the order of the Borrower to the General Reserve Account. The Borrower agrees to use the amounts standing to the credit of the General Reserve Account in accordance with the Transaction Documents. The amounts standing to the credit of the Liquidity Reserve Account from time to time will serve as liquidity support for the Class A Notes and the Class B Notes throughout the life of the Transaction and will serve as credit enhancement to the Class A Notes and the Class B Notes at the end of the Transaction. The Borrower will pay the relevant interest amount based on an interest rate of 2.00 per cent. *per annum* on the outstanding Subordinated Loan for each Interest Period in arrear on the related Payment Date.

Repayment; Early Repayment; Termination

On each Payment Date, the Borrower will repay principal of the outstanding Subordinated Loan to the Lender until the Subordinated Loan is reduced to zero, in accordance with the relevant Priority of Payments. Any amount outstanding under the Subordinated Loan on the Subordinated Loan Maturity Date shall be repaid on such Subordinated Loan Maturity Date. The Borrower is not entitled to an early repayment of the Subordinated Loan. The Parties may only terminate the Subordinated Loan Agreement for good cause (*Kündigung aus wichtigem Grund*). The occurrence of an Issuer Event of Default shall constitute good cause (*wichtiger Grund*) for the Lender to terminate the Subordinated Loan Agreement. The Borrower may not re-borrow any part of the Subordinated Loan which is repaid.

10. The Swap Agreement

The Issuer has entered into the Swap Agreement. The purpose of the Swap Agreement is to mitigate the interest rate risk of the Issuer arising in connection with the issuance of the Class A Notes. The Swap Agreement consists of an ISDA Master Agreement, the related schedule, a confirmation in respect of each of the Class A Notes and a credit support annex.

Under the Swap, the Issuer undertakes to pay to the Swap Counterparty on each Payment Date a fixed rate equal to the product of (i) the relevant Swap Notional Amount, (ii) the relevant Swap Fix Rate and (iii) the Day Count Fraction.

In return, the Swap Counterparty undertakes to pay to the Issuer on each Payment Date a floating rate equal to the product of (i) the relevant Swap Notional Amount, (ii) EURIBOR plus 0.70 per cent., and (iii) the relevant Day Count Fraction, provided that if, in respect of a particular Payment Date under the Swap Agreement, the relevant floating amount payable by the Swap Counterparty in each case is a negative number, then the floating amount under the Swap Agreement will be deemed to be zero.

The amount to be paid by the Issuer to the Swap Counterparty under the Swap Agreement is netted with the amount due by the Swap Counterparty to the Issuer under the Swap Agreement, subject always to the applicable Priority of Payments. On each Payment Date, a Net Swap Payment will be due by the Issuer to the Swap Counterparty or a Net Swap Receipt will be due by the Swap Counterparty to the Issuer.

The recourse of the Swap Counterparty against the Issuer under the Swap Agreement is limited to payments allocated to the Swap Counterparty pursuant to the Pre-Enforcement Available Distribution Amount or Post-Enforcement Available Distribution Amount (as applicable) and subject to the applicable Priority of Payments.

The Swap Agreement provides for certain rating triggers which require the Swap Counterparty to take certain actions. Upon breach of the relevant first rating trigger, the Swap Counterparty will either have to post collateral or take other actions such as providing a guarantee in accordance with the relevant Swap Agreement and upon breach of the second rating trigger, the Swap Counterparty will be either replaced by an entity with the relevant required rating or the Swap Counterparty has to take actions such as providing a guarantee in accordance with the relevant Swap Agreement.

11. English Security Deed

As continuing security for the payment or discharge of the Trustee Claim, the Issuer has assigned under the English Security Deed the English Security Assets in favour of the Trustee as German law trustee (*Treuhänder*) for the benefit of the Secured Parties.

Under the Security Deed, the Trustee has acknowledged that it shall administer and enforce the English Security Assets subject to and in accordance with the Trust Agreement. The parties to the English Security Deed agree and acknowledge that the English Security Assets shall not form part of the Trustee's estate irrespective of which jurisdiction's insolvency proceedings apply.

12. Irish Security Deed

As continuing security for the payment or discharge of the Trustee Claim, the Issuer has granted fixed and floating charges under the Irish Security Deed over the Irish Security Assets in favour of the Trustee.

Under the Irish Security Deed, the Trustee has acknowledged that it shall administer and enforce the Irish Security Assets subject to and in accordance with the Trust Agreement. The parties to the Irish Security Deed agree and acknowledge that the Irish Security Assets shall not form part of the Trustee's estate irrespective of which jurisdiction's insolvency proceedings apply.

DESCRIPTION OF THE PORTFOLIO

1. Overview over the Key Terms of the Purchased Receivables

The following text summarises the key terms of the Purchased Receivables and the related Lease Agreements.

The Purchased Receivables are receivables under auto lease agreements entered into between ALD AutoLeasing D GmbH and either (i) Consumers resident in the Federal Republic of Germany, (ii) merchants (*Kaufmann/Unternehmer*) having its registered office within the Federal Republic of Germany or (ii) Public Debtors registered within the Federal Republic of Germany. The agreements are governed by German law and are denominated in EUR. The lease agreements are based on a standardised set of documentation.

The Portfolio consists of the Purchased Receivables arising under the Lease Agreements, the Related Claims and Rights and the Related Collateral, originated by the Originator pursuant to the Credit and Collection Policy.

The Portfolio will not be actively managed.

2. Information Tables Regarding the Portfolio

The following statistical information sets out certain characteristics of the Portfolio as of 30 September 2020. After the Cut-Off Date, the Portfolio will change from time to time as a result of repayment, prepayments or repurchase of Purchased Receivables.

Pursuant to article 22(2) of the Securitisation Regulation and the "Guidelines on the STS criteria for non-ABCP securitisation" published by the European Banking Authority, an external verification applying a confidence level of 99 per cent. has been made in respect of the Receivables to be sold and assigned to the Issuer under the Receivables Purchase Agreement prior to the Closing Date by an appropriate and independent party, including verification that the data disclosed in any formal offering document in respect of the Receivables is accurate (external verification), and, in this respect, no significant adverse findings have been found. The external verification included the review of certain Eligibility Criteria including among others the remaining term and the seasoning.

2.1 Portfolio Overview

PORTFOLIO OVERVIEW

Cut-off Date	**30-Sep-2020**
Aggregate Outstanding Portfolio Principal Amount (EUR)	411,798,574.68
Number of Lease Contracts	72,196
Number of Lessees	33,412
Number of Lessee Groups	30,751
Average Balance per Lease Contract (EUR)	5,703.90
Average Balance per Lessee (EUR)	12,324.87
Average Balance per Lessee Group (EUR)	13,391.39
Commercial / Private	91.1% / 8.9%
Weighted Average Original Term (months)	42.58
Weighted Average Remaining Term (months)	27.29
Weighted Average Seasoning (months)	15.29
Weighted Average Discount Rate (%)	3.28

2.2 **Distribution by Outstanding Principal Amount (EUR)**

Distribution by Outstanding Principal Amount (EUR)	Number of Contracts	% of Total Number of Contracts	Outstanding Principal Amount (EUR)	% of Outstanding Principal Amount
[0 , 5000[	38,069	52.73%	90,602,676	22.00%
[5000 , 10000[	22,402	31.03%	160,976,421	39.09%
[10000 , 15000[	8,680	12.02%	104,545,297	25.39%
[15000 , 20000[	2,411	3.34%	40,701,256	9.88%
[20000 , 25000[	476	0.66%	10,411,917	2.53%
[25000 , 30000[	117	0.16%	3,150,624	0.77%
[30000 , 35000[	26	0.04%	830,821	0.20%
[35000 , 40000[	11	0.02%	403,024	0.10%
[40000 , 45000[	3	0.00%	125,330	0.03%
>=45000	1	0.00%	51,208	0.01%
Total	**72,196**	**100.00%**	**411,798,575**	**100.00%**

Max	51,208.49
Min	2.28
Average	5,703.90
Weighted average	9,279.29

2.3 **Distribution by Lease Instalment (EUR)**

Lease Instalment (EUR)	Number of Contracts	% of Total Number of Contracts	Outstanding Principal Amount (EUR)	% of Outstanding Principal Amount
[0 , 100[	3,829	5.30%	5,531,215	1.34%
[100 , 200[	17,362	24.05%	51,257,968	12.45%
[200 , 300[	21,039	29.14%	107,899,693	26.20%
[300 , 400[	15,727	21.78%	108,590,840	26.37%
[400 , 500[	8,503	11.78%	73,728,103	17.90%
[500 , 600[	3,574	4.95%	36,507,412	8.87%
[600 , 700[	1,286	1.78%	15,331,777	3.72%
[700 , 800[	524	0.73%	7,197,925	1.75%
[800 , 900[	235	0.33%	3,548,018	0.86%
>=900	117	0.16%	2,205,623	0.54%
Total	**72,196**	**100.00%**	**411,798,575**	**100.00%**

Max	999.72
Min	50.00
Average	289.16
Weighted average	356.12

2.4 **Distribution by Original Term (months)**

Original Term (months)	Number of Contracts	% of Total Number of Contracts	Outstanding Principal Amount (EUR)	% of Outstanding Principal Amount
[0 , 12[	75	0.10%	117,401	0.03%
[12 , 24[	40	0.06%	122,510	0.03%
[24 , 36[	3,962	5.49%	13,501,025	3.28%
[36 , 48[	38,267	53.00%	194,362,320	47.20%
[48 , 60[	27,209	37.69%	186,230,332	45.22%
[60 , 72[	2,352	3.26%	16,269,304	3.95%
>=72	291	0.40%	1,195,683	0.29%
Total	**72,196**	**100.00%**	**411,798,575**	**100.00%**
Max	72.00			
Min	9.00			
Average	41.21			
Weighted average	42.58			

2.5 **Distribution by Seasoning (months)**

Seasoning (months)	Number of Contracts	% of Total Number of Contracts	Outstanding Principal Amount (EUR)	% of Outstanding Principal Amount
[0 , 12[	18,954	26.25%	176,296,020	42.81%
[12 , 24[	26,890	37.25%	164,343,486	39.91%
[24 , 36[	18,609	25.78%	55,096,579	13.38%
[36 , 48[	6,496	9.00%	13,777,303	3.35%
[48 , 60[	1,039	1.44%	2,072,589	0.50%
>=60	208	0.29%	212,597	0.05%
Total	**72,196**	**100.00%**	**411,798,575**	**100.00%**
Max		71.81		
Min		1.00		
Average		20.89		
Weighted average		15.29		

2.6 **Distribution by Remaining Term (months)**

Remaining Term (months)	Number of Contracts	% of Total Number of Contracts	Outstanding Principal Amount (EUR)	% of Outstanding Principal Amount
[0 , 12[	21,128	29.26%	37,405,369	9.08%
[12 , 24[	23,458	32.49%	121,017,204	29.39%
[24 , 36[	19,208	26.61%	161,345,199	39.18%
[36 , 48[	7,906	10.95%	85,332,068	20.72%
[48 , 60[	495	0.69%	6,682,644	1.62%
> 60	1	0.00%	16,091	0.00%
Total	**72,196**	**100.00%**	**411,798,575**	**100.00%**

Max	62.55
Min	0.03
Average	20.32
Weighted average	27.29

2.7 **Distribution by Origination Year**

Origination Year	Number of Contracts	% of Total Number of Contracts	Outstanding Principal Amount (EUR)	% of Outstanding Principal Amount
2014	22	0.03%	9,303	0.00%
2015	357	0.49%	337,431	0.08%
2016	2,307	3.20%	3,346,836	0.81%
2017	9,620	13.32%	20,559,361	4.99%
2018	19,955	27.64%	74,312,974	18.05%
2019	27,492	38.08%	190,126,453	46.17%
2020	12,443	17.24%	123,106,216	29.89%
Total	**72,196**	**100.00%**	**411,798,575**	**100.00%**

2.8 **Distribution by Maturity Year**

Maturity Year	Number of Contracts	% of Total Number of Contracts	Outstanding Principal Amount (EUR)	% of Outstanding Principal Amount
2020	5,118	7.09%	2,565,916	0.62%
2021	21,913	30.35%	57,184,106	13.89%
2022	22,870	31.68%	137,312,157	33.34%
2023	16,583	22.97%	148,960,732	36.17%
2024	5,444	7.54%	62,071,860	15.07%
2025	268	0.37%	3,703,803	0.90%
Total	**72,196**	**100.00%**	**411,798,575**	**100.00%**

2.9 **Distribution by Interest Rate Type**

Interest Rate Type	Number of Contracts	% of Total Number of Contracts	Outstanding Principal Amount (EUR)	% of Outstanding Principal Amount
Fixed	72,196	100.00%	411,798,575	100.00%
Total	**72,196**	**100.00%**	**411,798,575**	**100.00%**

2.10 Distribution by Discount Rate

Discount Rate (%)	Number of Contracts	% of Total Number of Contracts	Outstanding Principal Amount (EUR)	% of Outstanding Principal Amount
[0 , 1[	738	1.02%	2,908,887	0.71%
[1 , 2[	8,114	11.24%	42,773,802	10.39%
[2 , 3[	16,210	22.45%	106,638,735	25.90%
[3 , 4[	27,039	37.45%	161,997,040	39.34%
[4 , 5[	16,997	23.54%	83,082,653	20.18%
[5 , 6[	2,330	3.23%	10,499,308	2.55%
[6 , 7[	443	0.61%	2,317,257	0.56%
[7 , 8[	234	0.32%	1,041,856	0.25%
[8 , 9[	46	0.06%	223,516	0.05%
[9 , 10[	23	0.03%	122,255	0.03%
[10 , 11[	9	0.01%	84,694	0.02%
[11 , 12[	9	0.01%	83,950	0.02%
>= 12	4	0.01%	24,620	0.01%
Total	**72,196**	**100.00%**	**411,798,575**	**100.00%**

Max	13.00
Min	0.50
Average	3.34
Weighted average	3.28

2.11 **Distribution by Vehicle Category**

Vehicle Category	Number of Contracts	% of Total Number of Contracts	Outstanding Principal Amount (EUR)	% of Outstanding Principal Amount
Passenger Car	57,965	80.29%	332,429,108	80.73%
Light Commercial Vehicle	14,231	19.71%	79,369,467	19.27%
Total	**72,196**	**100.00%**	**411,798,575**	**100.00%**

2.12 **Distribution by Vehicle Brand**

Vehicle Brand	Number of Contracts	% of Total Number of Contracts	Outstanding Principal Amount (EUR)	% of Outstanding Principal Amount
FORD	27,756	38.45%	146,876,981	35.67%
KIA	9,126	12.64%	55,747,432	13.54%
HYUNDAI	9,596	13.29%	47,415,600	11.51%
VW	4,351	6.03%	30,290,748	7.36%
RENAULT	6,494	8.99%	23,549,167	5.72%
MERCEDES-BENZ	2,141	2.97%	18,935,139	4.60%
AUDI	1,618	2.24%	14,047,004	3.41%
BMW	1,565	2.17%	13,309,658	3.23%
OPEL	3,267	4.53%	12,282,859	2.98%
LAND ROVER	1,072	1.48%	12,064,455	2.93%
JAGUAR	1,312	1.82%	11,429,053	2.78%
SKODA	1,098	1.52%	8,697,716	2.11%
VOLVO	649	0.90%	6,390,292	1.55%
NISSAN	735	1.02%	3,235,306	0.79%
PEUGEOT	358	0.50%	1,777,600	0.43%
SEAT	232	0.32%	1,597,537	0.39%
DACIA	251	0.35%	862,039	0.21%
MAZDA	107	0.15%	634,911	0.15%
FIAT	140	0.19%	371,503	0.09%
UAZ	31	0.04%	352,375	0.09%
ALFA ROMEO	42	0.06%	348,044	0.08%
MITSUBISHI	27	0.04%	312,308	0.08%

JEEP	37	0.05%	294,194	0.07%
CITROEN	47	0.07%	275,256	0.07%
MINI (BMW)	53	0.07%	259,435	0.06%
INFINITI	47	0.07%	207,660	0.05%
TOYOTA	15	0.02%	61,791	0.02%
MASERATI	2	0.00%	54,969	0.01%
SMART	11	0.02%	33,257	0.01%
IVECO	5	0.01%	20,031	0.00%
SUZUKI	2	0.00%	17,525	0.00%
LEXUS	2	0.00%	16,448	0.00%
PORSCHE	4	0.01%	12,279	0.00%
CUPRA	1	0.00%	11,654	0.00%
HONDA	2	0.00%	6,349	0.00%
Total	**72,196**	**100.00%**	**411,798,575**	**100.00%**

2.13 Distribution by Maintenance Calculation Type

Maintenance Calculation Type	Number of Contracts	% of Total Number of Contracts	Outstanding Principal Amount (EUR)	% of Outstanding Principal Amount
Closed Calculation	48,021	66.51%	271,152,280	65.85%
NONE	23,237	32.19%	133,194,548	32.34%
Open Calculation	938	1.30%	7,451,746	1.81%
Total	**72,196**	**100.00%**	**411,798,575**	**100.00%**

2.14 **Distribution by Payment Frequency**

Payment Frequency	Number of Contracts	% of Total Number of Contracts	Outstanding Principal Amount (EUR)	% of Outstanding Principal Amount
Monthly	72,196	100.00%	411,798,575	100.00%
Total	**72,196**	**100.00%**	**411,798,575**	**100.00%**

2.15 **Distribution by Country**

Country	Number of Contracts	% of Total Number of Contracts	Outstanding Principal Amount (EUR)	% of Outstanding Principal Amount
DE	72,196	100.00%	411,798,575	100.00%
Total	**72,196**	**100.00%**	**411,798,575**	**100.00%**

2.16 **Distribution by Federal State**

Federal State	Number of Contracts	% of Total Number of Contracts	Outstanding Principal Amount (EUR)	% of Outstanding Principal Amount
Nordrhein-Westfalen	20,052	27.77%	111,577,088	27.10%
Baden-Wuerttemberg	9,937	13.76%	60,706,505	14.74%
Bayern	9,730	13.48%	57,491,449	13.96%
Hessen	6,528	9.04%	42,034,638	10.21%
Niedersachsen	6,576	9.11%	37,643,403	9.14%
Rheinland-Pfalz	3,577	4.95%	19,776,500	4.80%
Schleswig-Holstein	2,792	3.87%	14,471,129	3.51%
Berlin	2,047	2.84%	11,228,396	2.73%
Hamburg	1,908	2.64%	11,126,399	2.70%
Sachsen	1,964	2.72%	9,929,894	2.41%
Bremen	1,272	1.76%	7,961,595	1.93%
Sachsen-Anhalt	1,543	2.14%	6,652,446	1.62%
Brandenburg	1,250	1.73%	6,311,368	1.53%
Thueringen	1,054	1.46%	6,018,304	1.46%
Mecklenburg-Vorpommern	1,201	1.66%	4,602,767	1.12%
Saarland	765	1.06%	4,266,693	1.04%
Total	**72,196**	**100.00%**	**411,798,575**	**100.00%**

2.17 **Distribution by Top 20 Lessee Groups**

Top 20 Lessee Groups	Number of Contracts	% of Total Number of Contracts	Outstanding Principal Amount (EUR)	% of Outstanding Principal Amount
1	721	1.00%	4,613,742	1.12%
2	932	1.29%	4,534,243	1.10%
3	322	0.45%	3,472,167	0.84%
4	483	0.67%	3,338,239	0.81%
5	371	0.51%	3,318,601	0.81%
6	472	0.65%	3,164,920	0.77%
7	507	0.70%	2,814,965	0.68%
8	260	0.36%	2,631,857	0.64%
9	216	0.30%	2,290,414	0.56%
10	201	0.28%	2,082,402	0.51%
11	318	0.44%	1,907,772	0.46%
12	279	0.39%	1,759,701	0.43%
13	168	0.23%	1,712,430	0.42%
14	145	0.20%	1,609,924	0.39%
15	159	0.22%	1,538,855	0.37%
16	100	0.14%	1,521,967	0.37%
17	204	0.28%	1,499,905	0.36%
18	140	0.19%	1,469,800	0.36%
19	128	0.18%	1,426,178	0.35%
20	195	0.27%	1,393,637	0.34%
Total	**6,321**	**8.76%**	**48,101,719**	**11.68%**

2.18 **Distribution by Top 10 Industry Divisions**

Top 10 Industry Divisions	Number of Contracts	% of Total Number of Contracts	Outstanding Principal Amount (EUR)	% of Outstanding Principal Amount
Wholesale trade, except of motor vehicles and motorcycles	8,048	11.15%	51,984,649	12.62%
Specialised construction activities	6,878	9.53%	37,867,518	9.20%
Retail trade, except of motor vehicles and motorcycles	3,728	5.16%	20,176,656	4.90%
Activities of head offices; management consultancy activities	2,663	3.69%	16,996,281	4.13%
Architectural and engineering activities; technical testing and analysis	2,114	2.93%	12,958,203	3.15%
Manufacture of machinery and equipment n.e.c.	1,779	2.46%	12,117,701	2.94%
Computer programming, consultancy and related activities	1,940	2.69%	11,677,957	2.84%
Other personal service activities	2,189	3.03%	11,588,941	2.81%
Social work activities without accommodation	3,661	5.07%	10,598,423	2.57%
Land transport and transport via pipelines	1,405	1.95%	10,465,102	2.54%
Total	**34,405**	**47.65%**	**196,431,430**	**47.70%**

2.19 **Distribution by Engine Type**

Engine Type	Number of Contracts	% of Total Number of Contracts	Outstanding Principal Amount (EUR)	% of Outstanding Principal Amount
Diesel	48,459	67.12%	307,911,773	74.77%
Petrol	23,737	32.88%	103,886,801	25.23%
Total	**72,196**	**100.00%**	**411,798,575**	**100.00%**

2.20 **Distribution by Emission Class**

Emission Class	Number of Contracts	% of Total Number of Contracts	Outstanding Principal Amount (EUR)	% of Outstanding Principal Amount
Euro 6	71,713	99.33%	410,748,367	99.74%
Euro 5	452	0.63%	697,833	0.17%
n.a.	31	0.04%	352,375	0.09%
Total	**72,196**	**100.00%**	**411,798,575**	**100.00%**

3. **Amortisation Profile of the Portfolio as per 30 September 2020 (0% CPR)**

Period	Aggregate Outstanding Portfolio Principal Amount - Lease Installments (EoP)	Principal Amortisation	Amortisation Vector	Pool Factor	WAL
0	411,798,574.68	-	-	100.00%	1.19
1	388,992,691.27	22,805,883.41	5.54%	94.46%	
2	369,790,588.60	19,202,102.68	4.94%	89.80%	
3	351,128,329.84	18,662,258.76	5.05%	85.27%	
4	332,882,362.09	18,245,967.75	5.20%	80.84%	
5	315,083,099.15	17,799,262.94	5.35%	76.51%	
6	297,729,373.63	17,353,725.53	5.51%	72.30%	
7	280,867,520.80	16,861,852.83	5.66%	68.21%	
8	264,489,337.85	16,378,182.95	5.83%	64.23%	
9	248,584,699.75	15,904,638.10	6.01%	60.37%	
10	233,201,973.40	15,382,726.35	6.19%	56.63%	
11	218,305,460.61	14,896,512.80	6.39%	53.01%	
12	203,839,829.50	14,465,631.11	6.63%	49.50%	
13	189,818,905.82	14,020,923.67	6.88%	46.10%	
14	176,321,054.92	13,497,850.90	7.11%	42.82%	
15	163,419,877.80	12,901,177.12	7.32%	39.68%	
16	150,977,775.88	12,442,101.92	7.61%	36.66%	
17	139,071,428.33	11,906,347.55	7.89%	33.77%	
18	127,705,895.06	11,365,533.27	8.17%	31.01%	
19	116,912,717.48	10,793,177.58	8.45%	28.39%	
20	106,631,006.04	10,281,711.44	8.79%	25.89%	
21	96,891,384.44	9,739,621.61	9.13%	23.53%	
22	87,749,973.13	9,141,411.31	9.43%	21.31%	
23	79,176,598.12	8,573,375.01	9.77%	19.23%	
24	71,146,754.30	8,029,843.82	10.14%	17.28%	
25	63,576,373.71	7,570,380.59	10.64%	15.44%	
26	56,508,873.45	7,067,500.26	11.12%	13.72%	
27	50,019,705.09	6,489,168.36	11.48%	12.15%	
28	44,003,779.79	6,015,925.30	12.03%	10.69%	
29	38,537,696.99	5,466,082.79	12.42%	9.36%	
30	33,600,942.17	4,936,754.82	12.81%	8.16%	
31	29,091,850.48	4,509,091.69	13.42%	7.06%	
32	24,967,992.44	4,123,858.04	14.18%	6.06%	
33	21,260,911.34	3,707,081.10	14.85%	5.16%	
34	18,011,749.14	3,249,162.21	15.28%	4.37%	
35	15,248,125.57	2,763,623.56	15.34%	3.70%	
36	12,834,122.87	2,414,002.70	15.83%	3.12%	
37	10,646,302.45	2,187,820.41	17.05%	2.59%	
38	8,699,405.47	1,946,896.99	18.29%	2.11%	
39	7,023,459.34	1,675,946.13	19.27%	1.71%	
40	5,552,109.43	1,471,349.91	20.95%	1.35%	

41	4,326,795.40	1,225,314.03	22.07%	1.05%
42	3,347,000.03	979,795.36	22.64%	0.81%
43	2,524,780.62	822,219.41	24.57%	0.61%
44	1,842,704.28	682,076.34	27.02%	0.45%
45	1,297,277.79	545,426.49	29.60%	0.32%
46	907,595.24	389,682.55	30.04%	0.22%
47	690,242.22	217,353.02	23.95%	0.17%
48	546,903.15	143,339.07	20.77%	0.13%
49	417,996.13	128,907.02	23.57%	0.10%
50	306,793.71	111,202.42	26.60%	0.07%
51	220,265.44	86,528.27	28.20%	0.05%
52	155,520.12	64,745.33	29.39%	0.04%
53	110,137.30	45,382.82	29.18%	0.03%
54	78,642.04	31,495.26	28.60%	0.02%
55	50,845.14	27,796.91	35.35%	0.01%
56	28,656.44	22,188.70	43.64%	0.01%
57	12,962.89	15,693.55	54.76%	0.00%
58	3,607.48	9,355.41	72.17%	0.00%
59	1,041.13	2,566.35	71.14%	0.00%
60	749.43	291.70	28.02%	0.00%
61	456.39	293.04	39.10%	0.00%
62	162.01	294.38	64.50%	0.00%
63	0.00	162.01	100.00%	0.00%

HISTORICAL PERFORMANCE DATA

ALD AutoLeasing D GmbH ("**ALD**") has extracted data on the historical performance of the entire German auto lease portfolio. The tables below show historical data on (i) the portfolio outstanding amount for the period between January 2006 and June 2020, (ii) the gross default rates for the period between February 2008 and June 2020 (quarterly), (iii) the recovery rates for the period between February 2008 and June 2020 (quarterly), (iv) the delinquency rate for the period between January 2006 and June 2020, and (v) the annualised early termination rate between January 2006 and June 2020.

The portfolio outstanding data shows the total amount of the portfolio of ALD over time.

The default rate data displayed below is in static format and shows the cumulative defaults after the specified quarter since origination, for each portfolio of leases originated in a particular quarter, expressed as a percentage of the original principal balance of that portfolio of leases originated in that particular quarter.

Recoveries displayed below are in static format and show the cumulative recoveries (including net sales proceeds from the vehicle) after the specified number of quarters since default, for each portfolio of leases defaulted in a particular quarter, expressed as a percentage of the net book value at default (including any delinquencies) of these leases defaulted in that particular quarter.

The arrears data displayed below shows for a specific month the net book value for leases in arrear in the respective delinquency bucket as a percentage of the total net book value of the performing portfolio in that month. The arrears data does not include Defaulted Lease Agreements. The leases in the "Arrears 91-120 Days" and ">120 Days Arrears" buckets are not in default. In general, these are arrears due to commercial disputes between the lessee and the lessor and where the lessor sees a reasonable chance that the lessee is able to pay and that the outstanding amounts will be collected.

The annualised early termination rate shows for a specific month the ratio of the number of leases terminated prior to its contractual maturity date over the total number of outstanding leases in that month.

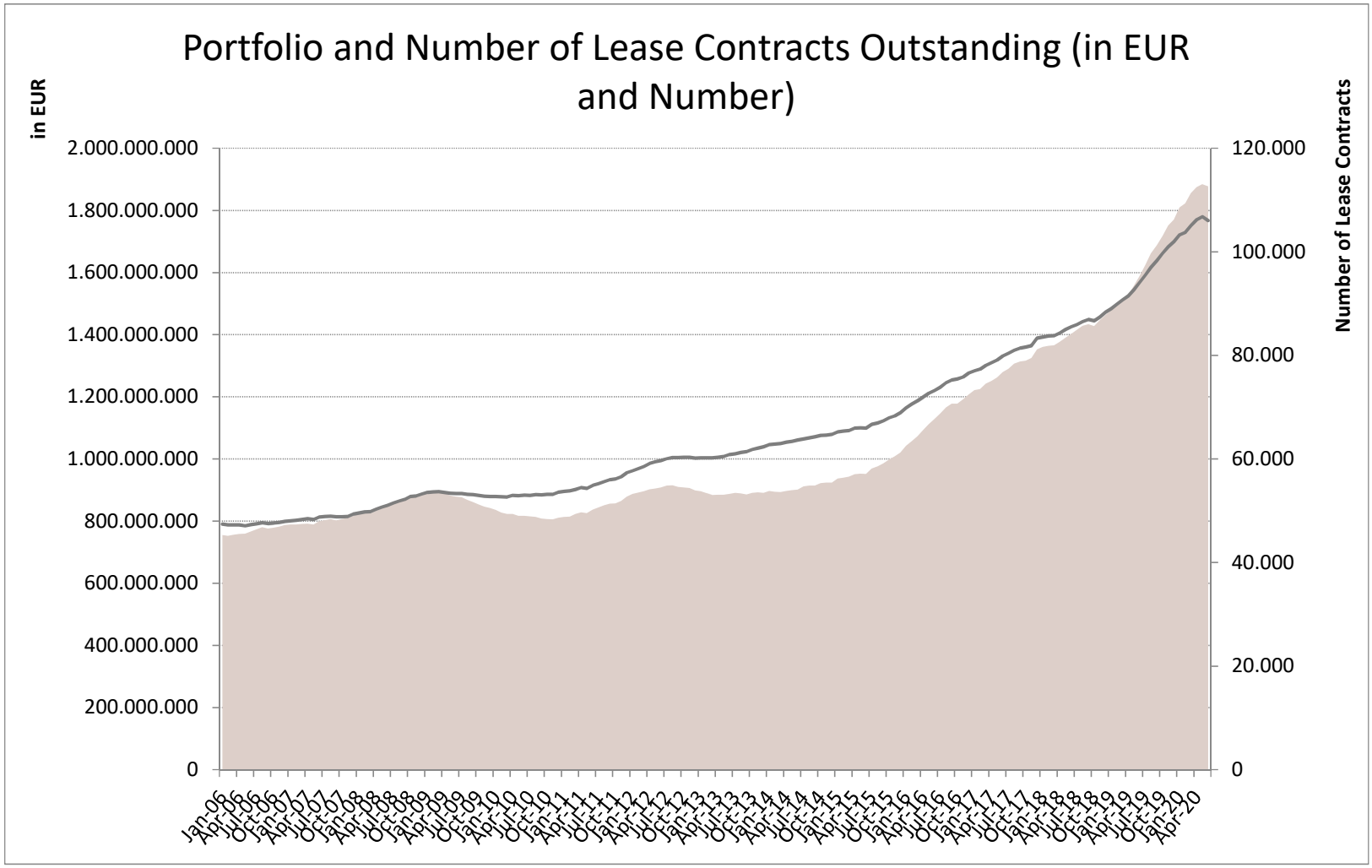
1. Portfolio Outstanding Amount

Month	Number of Lease Contracts	Portfolio Outstanding (EUR)
Jan-06	47,438	754,550,151
Feb-06	47,249	752,457,549
Mar-06	47,294	755,570,477
Apr-06	47,270	758,174,007
May-06	47,080	759,450,160
Jun-06	47,314	766,359,558
Jul-06	47,494	772,737,267
Aug-06	47,682	780,516,198
Sep-06	47,521	775,812,704
Oct-06	47,636	778,019,814
Nov-06	47,722	781,964,562
Dec-06	47,969	787,100,194
Jan-07	48,078	789,147,979
Feb-07	48,151	788,585,287
Mar-07	48,325	790,222,884
Apr-07	48,464	791,615,423
May-07	48,317	788,504,173
Jun-07	48,786	799,279,154
Jul-07	48,891	802,907,918
Aug-07	48,959	806,264,734
Sep-07	48,819	801,681,342
Oct-07	48,852	806,053,437
Nov-07	48,905	809,527,410
Dec-07	49,347	816,781,486
Jan-08	49,566	822,602,281
Feb-08	49,758	825,307,211
Mar-08	49,826	824,126,824
Apr-08	50,310	833,250,097
May-08	50,710	840,380,017
Jun-08	51,059	847,985,121
Jul-08	51,482	859,495,348
Aug-08	51,866	865,248,664
Sep-08	52,206	870,548,708
Oct-08	52,747	883,028,574
Nov-08	52,856	884,912,904
Dec-08	53,220	890,600,848
Jan-09	53,514	894,227,522
Feb-09	53,638	895,562,944
Mar-09	53,680	894,940,634
Apr-09	53,549	890,158,340
May-09	53,378	882,175,266
Jun-09	53,326	878,228,290
Jul-09	53,319	876,522,657

Aug-09	53,167	867,943,827
Sep-09	53,121	860,686,478
Oct-09	52,966	853,211,675
Nov-09	52,814	846,164,609
Dec-09	52,767	841,567,144
Jan-10	52,775	835,492,661
Feb-10	52,695	827,072,779
Mar-10	52,663	823,049,979
Apr-10	52,941	822,862,651
May-10	52,892	816,749,625
Jun-10	53,012	816,552,740
Jul-10	52,981	815,136,143
Aug-10	53,110	813,155,473
Sep-10	53,064	807,713,091
Oct-10	53,154	806,429,288
Nov-10	53,191	805,453,698
Dec-10	53,580	810,636,064
Jan-11	53,757	813,418,893
Feb-11	53,845	814,034,553
Mar-11	54,092	822,304,594
Apr-11	54,467	827,606,408
May-11	54,328	825,262,173
Jun-11	54,920	836,226,725
Jul-11	55,235	843,219,816
Aug-11	55,616	850,291,609
Sep-11	55,982	855,479,533
Oct-11	56,150	856,684,691
Nov-11	56,573	864,396,780
Dec-11	57,339	878,233,356
Jan-12	57,736	886,688,083
Feb-12	58,142	891,196,795
Mar-12	58,564	896,164,555
Apr-12	59,136	901,831,700
May-12	59,412	904,130,798
Jun-12	59,703	908,066,350
Jul-12	60,079	913,643,315
Aug-12	60,275	914,511,268
Sep-12	60,298	909,549,077
Oct-12	60,333	907,687,361
Nov-12	60,311	905,796,371
Dec-12	60,147	898,038,453
Jan-13	60,230	896,141,816
Feb-13	60,207	889,297,170
Mar-13	60,220	883,865,669
Apr-13	60,310	884,391,439
May-13	60,504	884,270,368

Jun-13	60,821	887,365,729
Jul-13	61,021	890,311,406
Aug-13	61,265	889,030,518
Sep-13	61,412	885,223,054
Oct-13	61,840	890,234,350
Nov-13	62,094	892,129,495
Dec-13	62,353	890,600,965
Jan-14	62,760	896,357,920
Feb-14	62,896	893,971,278
Mar-14	62,996	893,505,674
Apr-14	63,234	896,770,294
May-14	63,400	899,698,422
Jun-14	63,658	901,111,526
Jul-14	63,899	911,107,118
Aug-14	64,073	913,685,868
Sep-14	64,293	914,426,130
Oct-14	64,548	921,596,960
Nov-14	64,579	924,059,358
Dec-14	64,752	923,797,989
Jan-15	65,232	937,007,741
Feb-15	65,401	939,450,464
Mar-15	65,475	942,684,057
Apr-15	65,969	950,925,857
May-15	66,031	952,616,464
Jun-15	65,962	951,710,275
Jul-15	66,672	968,891,442
Aug-15	66,972	976,182,473
Sep-15	67,397	985,569,120
Oct-15	67,920	997,917,838
Nov-15	68,331	1,007,959,995
Dec-15	68,920	1,019,825,182
Jan-16	69,863	1,041,519,520
Feb-16	70,608	1,057,062,108
Mar-16	71,222	1,072,577,184
Apr-16	71,970	1,092,564,721
May-16	72,703	1,111,490,367
Jun-16	73,201	1,128,168,315
Jul-16	73,870	1,145,619,756
Aug-16	74,734	1,165,735,329
Sep-16	75,239	1,177,289,732
Oct-16	75,440	1,177,736,457
Nov-16	75,821	1,191,796,282
Dec-16	76,618	1,207,269,283
Jan-17	77,046	1,221,468,125
Feb-17	77,349	1,225,025,942
Mar-17	78,092	1,241,945,979

Apr-17	78,600	1,250,622,491
May-17	79,117	1,261,697,312
Jun-17	79,906	1,279,472,317
Jul-17	80,423	1,289,736,182
Aug-17	80,985	1,306,569,763
Sep-17	81,408	1,313,249,666
Oct-17	81,642	1,315,717,308
Nov-17	81,875	1,324,884,389
Dec-17	83,329	1,352,540,427
Jan-18	83,538	1,359,946,233
Feb-18	83,755	1,364,197,603
Mar-18	83,792	1,365,351,285
Apr-18	84,344	1,376,575,619
May-18	85,008	1,389,738,165
Jun-18	85,524	1,402,054,490
Jul-18	85,938	1,415,341,534
Aug-18	86,520	1,427,935,047
Sep-18	86,932	1,433,014,089
Oct-18	86,695	1,427,327,156
Nov-18	87,413	1,446,110,172
Dec-18	88,342	1,462,606,251
Jan-19	89,057	1,477,950,872
Feb-19	89,875	1,493,240,791
Mar-19	90,692	1,512,026,709
Apr-19	91,463	1,527,082,263
May-19	92,695	1,556,941,322
Jun-19	94,116	1,588,615,583
Jul-19	95,491	1,623,280,291
Aug-19	97,039	1,661,652,446
Sep-19	98,312	1,687,566,853
Oct-19	99,715	1,717,314,169
Nov-19	100,995	1,751,007,327
Dec-19	101,972	1,770,162,333
Jan-20	103,265	1,808,946,999
Feb-20	103,738	1,822,194,031
Mar-20	105,065	1,855,489,894
Apr-20	106,201	1,874,340,207
May-20	106,795	1,884,935,590
Jun-20	106,068	1,877,217,328


Portfolio and Number of Lease Contracts Outstanding (in EUR and Number)
in EUR
Number of Lease Contracts
2.000.000.000
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1.400.000.000
1.200.000.000
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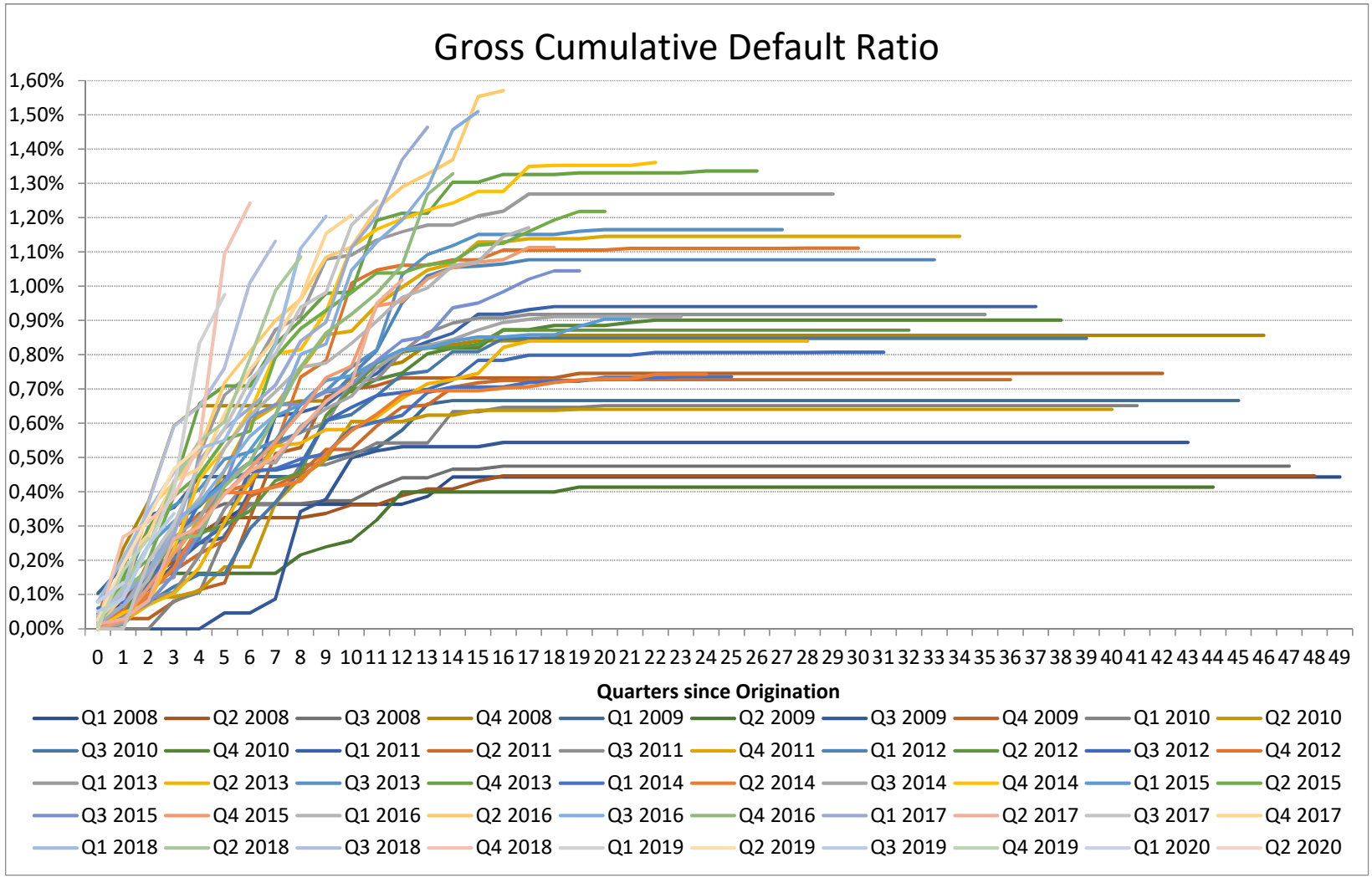
Apr-20

2. Cumulative Defaults

Cumulative Default rates *Quarters since Origination*

Origination Quarter	Origination Amount (€)	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49
Q1 2008	51,368,845.99	0.00%	0.09%	0.18%	0.20%	0.28%	0.32%	0.36%	0.36%	0.36%	0.36%	0.36%	0.36%	0.36%	0.39%	0.44%	0.44%	0.44%	0.44%	0.44%	0.44%	0.44%	0.44%	0.44%	0.44%	0.44%	0.44%	0.44%	0.44%	0.44%	0.44%	0.44%	0.44%	0.44%	0.44%	0.44%	0.44%	0.44%	0.44%	0.44%	0.44%	0.44%	0.44%	0.44%	0.44%	0.44%	0.44%	0.44%	0.44%	0.44%
Q2 2008	107,954,641.14	0.04%	0.09%	0.15%	0.20%	0.27%	0.32%	0.32%	0.32%	0.32%	0.34%	0.36%	0.36%	0.39%	0.41%	0.41%	0.43%	0.45%	0.45%	0.45%	0.45%	0.45%	0.45%	0.45%	0.45%	0.45%	0.45%	0.45%	0.45%	0.45%	0.45%	0.45%	0.45%	0.45%	0.45%	0.45%	0.45%	0.45%	0.45%	0.45%	0.45%	0.45%	0.45%	0.45%	0.45%	0.45%	0.45%	0.45%	0.45%	
Q3 2008	107,894,513.38	0.00%	0.12%	0.17%	0.26%	0.34%	0.37%	0.37%	0.37%	0.37%	0.37%	0.37%	0.41%	0.44%	0.44%	0.47%	0.47%	0.48%	0.48%	0.48%	0.48%	0.48%	0.48%	0.48%	0.48%	0.48%	0.48%	0.48%	0.48%	0.48%	0.48%	0.48%	0.48%	0.48%	0.48%	0.48%	0.48%	0.48%	0.48%	0.48%	0.48%	0.48%	0.48%	0.48%	0.48%	0.48%	0.48%	0.48%		
Q4 2008	109,124,397.23	0.04%	0.23%	0.37%	0.59%	0.65%	0.65%	0.65%	0.65%	0.66%	0.66%	0.73%	0.76%	0.78%	0.83%	0.83%	0.84%	0.84%	0.84%	0.86%	0.86%	0.86%	0.86%	0.86%	0.86%	0.86%	0.86%	0.86%	0.86%	0.86%	0.86%	0.86%	0.86%	0.86%	0.86%	0.86%	0.86%	0.86%	0.86%	0.86%	0.86%	0.86%	0.86%	0.86%	0.86%	0.86%	0.86%			
Q1 2009	85,038,038.51	0.10%	0.18%	0.33%	0.35%	0.44%	0.44%	0.44%	0.44%	0.44%	0.49%	0.51%	0.53%	0.58%	0.66%	0.67%	0.67%	0.67%	0.67%	0.67%	0.67%	0.67%	0.67%	0.67%	0.67%	0.67%	0.67%	0.67%	0.67%	0.67%	0.67%	0.67%	0.67%	0.67%	0.67%	0.67%	0.67%	0.67%	0.67%	0.67%	0.67%	0.67%	0.67%	0.67%	0.67%	0.67%				
Q2 2009	69,562,729.31	0.08%	0.12%	0.16%	0.16%	0.16%	0.16%	0.16%	0.16%	0.22%	0.24%	0.26%	0.32%	0.40%	0.40%	0.40%	0.40%	0.40%	0.40%	0.40%	0.41%	0.41%	0.41%	0.41%	0.41%	0.41%	0.41%	0.41%	0.41%	0.41%	0.41%	0.41%	0.41%	0.41%	0.41%	0.41%	0.41%	0.41%	0.41%	0.41%	0.41%	0.41%	0.41%	0.41%	0.41%					
Q3 2009	71,244,261.39	0.00%	0.00%	0.00%	0.00%	0.00%	0.05%	0.05%	0.09%	0.34%	0.38%	0.50%	0.52%	0.53%	0.53%	0.53%	0.53%	0.54%	0.54%	0.54%	0.54%	0.54%	0.54%	0.54%	0.54%	0.54%	0.54%	0.54%	0.54%	0.54%	0.54%	0.54%	0.54%	0.54%	0.54%	0.54%	0.54%	0.54%	0.54%	0.54%	0.54%	0.54%	0.54%	0.54%	0.54%					
Q4 2009	67,596,333.99	0.00%	0.03%	0.03%	0.08%	0.11%	0.13%	0.32%	0.51%	0.53%	0.68%	0.70%	0.71%	0.73%	0.73%	0.73%	0.73%	0.73%	0.73%	0.73%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%					
Q1 2010	62,196,997.97	0.00%	0.00%	0.00%	0.08%	0.11%	0.27%	0.36%	0.36%	0.48%	0.48%	0.50%	0.54%	0.54%	0.54%	0.63%	0.63%	0.65%	0.65%	0.65%	0.65%	0.65%	0.65%	0.65%	0.65%	0.65%	0.65%	0.65%	0.65%	0.65%	0.65%	0.65%	0.65%	0.65%	0.65%	0.65%	0.65%	0.65%	0.65%	0.65%	0.65%	0.65%	0.65%	0.65%						
Q2 2010	78,819,420.86	0.00%	0.04%	0.09%	0.09%	0.11%	0.18%	0.18%	0.37%	0.44%	0.50%	0.61%	0.61%	0.61%	0.62%	0.62%	0.64%	0.64%	0.64%	0.64%	0.64%	0.64%	0.64%	0.64%	0.64%	0.64%	0.64%	0.64%	0.64%	0.64%	0.64%	0.64%	0.64%	0.64%	0.64%	0.64%	0.64%	0.64%	0.64%	0.64%	0.64%	0.64%	0.64%	0.64%						
Q3 2010	77,122,717.80	0.00%	0.05%	0.08%	0.12%	0.16%	0.16%	0.29%	0.37%	0.46%	0.61%	0.63%	0.68%	0.74%	0.75%	0.81%	0.81%	0.85%	0.85%	0.85%	0.85%	0.85%	0.85%	0.85%	0.85%	0.85%	0.85%	0.85%	0.85%	0.85%	0.85%	0.85%	0.85%	0.85%	0.85%	0.85%	0.85%	0.85%	0.85%	0.85%	0.85%	0.85%	0.85%	0.85%						
Q4 2010	92,591,210.88	0.02%	0.02%	0.12%	0.31%	0.36%	0.43%	0.49%	0.53%	0.66%	0.69%	0.69%	0.73%	0.75%	0.80%	0.82%	0.82%	0.87%	0.87%	0.89%	0.89%	0.89%	0.89%	0.90%	0.90%	0.90%	0.90%	0.90%	0.90%	0.90%	0.90%	0.90%	0.90%	0.90%	0.90%	0.90%	0.90%	0.90%	0.90%	0.90%	0.90%	0.90%	0.90%							
Q1 2011	107,617,247.01	0.02%	0.07%	0.12%	0.19%	0.25%	0.27%	0.40%	0.62%	0.63%	0.65%	0.71%	0.74%	0.81%	0.84%	0.86%	0.92%	0.92%	0.93%	0.94%	0.94%	0.94%	0.94%	0.94%	0.94%	0.94%	0.94%	0.94%	0.94%	0.94%	0.94%	0.94%	0.94%	0.94%	0.94%	0.94%	0.94%	0.94%	0.94%	0.94%	0.94%	0.94%	0.94%							
Q2 2011	109,239,531.92	0.00%	0.02%	0.12%	0.17%	0.22%	0.26%	0.39%	0.42%	0.45%	0.52%	0.52%	0.59%	0.65%	0.65%	0.71%	0.72%	0.73%	0.73%	0.73%	0.73%	0.73%	0.73%	0.73%	0.73%	0.73%	0.73%	0.73%	0.73%	0.73%	0.73%	0.73%	0.73%	0.73%	0.73%	0.73%	0.73%	0.73%	0.73%	0.73%	0.73%	0.73%	0.73%							
Q3 2011	114,003,269.44	0.00%	0.01%	0.09%	0.11%	0.21%	0.35%	0.44%	0.54%	0.57%	0.60%	0.72%	0.73%	0.81%	0.86%	0.89%	0.91%	0.91%	0.92%	0.92%	0.92%	0.92%	0.92%	0.92%	0.92%	0.92%	0.92%	0.92%	0.92%	0.92%	0.92%	0.92%	0.92%	0.92%	0.92%	0.92%	0.92%	0.92%	0.92%	0.92%	0.92%	0.92%	0.92%							
Q4 2011	117,315,941.04	0.00%	0.06%	0.13%	0.21%	0.32%	0.46%	0.60%	0.65%	0.76%	0.86%	0.87%	0.94%	1.00%	1.05%	1.07%	1.13%	1.13%	1.14%	1.14%	1.14%	1.15%	1.15%	1.15%	1.15%	1.15%	1.15%	1.15%	1.15%	1.15%	1.15%	1.15%	1.15%	1.15%	1.15%	1.15%	1.15%	1.15%	1.15%	1.15%	1.15%	1.15%								
Q1 2012	112,241,239.89	0.00%	0.02%	0.19%	0.20%	0.26%	0.44%	0.48%	0.55%	0.57%	0.66%	0.74%	0.81%	0.95%	1.03%	1.05%	1.06%	1.06%	1.08%	1.08%	1.08%	1.08%	1.08%	1.08%	1.08%	1.08%	1.08%	1.08%	1.08%	1.08%	1.08%	1.08%	1.08%	1.08%	1.08%	1.08%	1.08%	1.08%	1.08%	1.08%	1.08%	1.08%								
Q2 2012	102,173,969.48	0.03%	0.05%	0.14%	0.27%	0.28%	0.30%	0.34%	0.43%	0.46%	0.62%	0.70%	0.78%	0.81%	0.82%	0.82%	0.83%	0.87%	0.87%	0.87%	0.87%	0.87%	0.87%	0.87%	0.87%	0.87%	0.87%	0.87%	0.87%	0.87%	0.87%	0.87%	0.87%	0.87%	0.87%	0.87%	0.87%	0.87%	0.87%	0.87%	0.87%	0.87%								
Q3 2012	88,853,989.49	0.04%	0.06%	0.16%	0.22%	0.25%	0.30%	0.46%	0.46%	0.48%	0.61%	0.65%	0.68%	0.69%	0.70%	0.73%	0.78%	0.78%	0.80%	0.80%	0.80%	0.80%	0.80%	0.80%	0.81%	0.81%	0.81%	0.81%	0.81%	0.81%	0.81%	0.81%	0.81%	0.81%	0.81%	0.81%	0.81%	0.81%	0.81%	0.81%	0.81%									
Q4 2012	79,860,851.87	0.02%	0.05%	0.20%	0.30%	0.33%	0.40%	0.42%	0.53%	0.73%	0.78%	1.01%	1.05%	1.06%	1.06%	1.08%	1.08%	1.11%	1.11%	1.11%	1.11%	1.11%	1.11%	1.11%	1.11%	1.11%	1.11%	1.11%	1.11%	1.11%	1.11%	1.11%	1.11%	1.11%	1.11%	1.11%	1.11%	1.11%	1.11%	1.11%	1.11%									
Q1 2013	69,285,855.31	0.00%	0.02%	0.12%	0.15%	0.51%	0.68%	0.74%	0.87%	0.91%	1.08%	1.09%	1.13%	1.16%	1.18%	1.18%	1.21%	1.22%	1.27%	1.27%	1.27%	1.27%	1.27%	1.27%	1.27%	1.27%	1.27%	1.27%	1.27%	1.27%	1.27%	1.27%	1.27%	1.27%	1.27%	1.27%	1.27%	1.27%	1.27%	1.27%	1.27%									
Q2 2013	90,006,668.57	0.00%	0.02%	0.07%	0.10%	0.18%	0.31%	0.43%	0.53%	0.54%	0.58%	0.58%	0.62%	0.67%	0.72%	0.73%	0.75%	0.82%	0.84%	0.84%	0.84%	0.84%	0.84%	0.84%	0.84%	0.84%	0.84%	0.84%	0.84%	0.84%	0.84%	0.84%	0.84%	0.84%	0.84%	0.84%	0.84%	0.84%	0.84%	0.84%										
Q3 2013	82,482,995.15	0.02%	0.12%	0.30%	0.36%	0.41%	0.49%	0.52%	0.55%	0.65%	0.70%	0.76%	0.81%	1.03%	1.09%	1.12%	1.15%	1.15%	1.15%	1.15%	1.16%	1.17%	1.17%	1.17%	1.17%	1.17%	1.17%	1.17%	1.17%	1.17%	1.17%	1.17%	1.17%	1.17%	1.17%	1.17%	1.17%	1.17%	1.17%											
Q4 2013	94,901,920.42	0.00%	0.15%	0.29%	0.42%	0.66%	0.71%	0.71%	0.83%	0.90%	0.98%	0.98%	1.19%	1.21%	1.21%	1.30%	1.30%	1.33%	1.33%	1.33%	1.33%	1.33%	1.33%	1.33%	1.33%	1.34%	1.34%	1.34%																					
Q1 2014	90,976,764.73	0.06%	0.08%	0.13%	0.23%	0.37%	0.43%	0.46%	0.47%	0.50%	0.51%	0.59%	0.60%	0.62%	0.69%	0.71%	0.71%	0.71%	0.72%	0.72%	0.72%	0.73%	0.73%	0.73%	0.74%	0.74%	0.74%																						
Q2 2014	99,827,071.50	0.00%	0.02%	0.10%	0.18%	0.30%	0.40%	0.40%	0.41%	0.43%	0.51%	0.58%	0.63%	0.68%	0.70%	0.70%	0.70%	0.70%	0.71%	0.72%	0.73%	0.73%	0.73%	0.74%	0.74%	0.74%																							
Q3 2014	107,399,497.73	0.00%	0.02%	0.15%	0.27%	0.32%	0.43%	0.48%	0.48%	0.59%	0.64%	0.68%	0.76%	0.81%	0.83%	0.84%	0.87%	0.89%	0.90%	0.91%	0.91%	0.91%	0.91%	0.91%	0.91%																								
Q4 2014	101,511,819.30	0.00%	0.05%	0.07%	0.23%	0.44%	0.53%	0.63%	0.80%	0.81%	0.93%	1.11%	1.17%	1.20%	1.22%	1.24%	1.28%	1.28%	1.35%	1.35%	1.35%	1.35%	1.35%	1.36%																									
Q1 2015	121,262,482.54	0.02%	0.12%	0.24%	0.31%	0.36%	0.43%	0.52%	0.62%	0.65%	0.73%	0.74%	0.78%	0.82%	0.82%	0.84%	0.85%	0.85%	0.86%	0.86%	0.88%	0.90%	0.90%																										
Q2 2015	102,559,425.76	0.02%	0.14%	0.20%	0.39%	0.45%	0.55%	0.58%	0.79%	0.88%	0.93%	0.98%	1.04%	1.04%	1.06%	1.07%	1.12%	1.13%	1.16%	1.19%	1.22%	1.22%																											
Q3 2015	135,890,594.13	0.00%	0.03%	0.07%	0.16%	0.28%	0.42%	0.62%	0.65%	0.65%	0.69%	0.71%	0.78%	0.84%	0.85%	0.94%	0.95%	0.98%	1.02%	1.04%	1.04%																												
Q4 2015	128,638,869.63	0.00%	0.02%	0.12%	0.22%	0.31%	0.39%	0.47%	0.55%	0.63%	0.73%	0.77%	0.94%	0.96%	1.02%	1.05%	1.07%	1.08%	1.11%	1.11%																														
Q1 2016	153,276,107.67	0.02%	0.07%	0.14%	0.29%	0.38%	0.53%	0.62%	0.69%	0.76%	0.78%	0.83%	0.90%	0.97%	0.99%	1.06%	1.07%	1.14%	1.17%																															
Q2 2016	152,447,086.49	0.01%	0.09%	0.35%	0.43%	0.52%	0.72%	0.81%	0.90%	0.96%	1.08%	1.11%	1.23%	1.29%	1.33%	1.37%	1.55%	1.57%																															
Q3 2016	149,221,823.65	0.03%	0.10%	0.17%	0.31%	0.37%	0.46%	0.56%	0.63%	0.80%	0.83%	1.05%	1.13%	1.19%	1.29%	1.46%	1.51%																															
Q4 2016	135,992,869.63	0.02%	0.11%	0.17%	0.26%	0.27%	0.42%	0.49%	0.62%	0.76%	0.86%	0.92%	0.98%	1.06%	1.27%	1.33%																															
Q1 2017	148,252,148.74	0.01%	0.07%	0.17%	0.27%	0.49%	0.58%	0.64%	0.71%	0.84%	0.89%	1.11%	1.20%	1.37%	1.46%																															
Q2 2017	143,694,917.94	0.01%	0.03%	0.08%	0.26%	0.30%	0.39%	0.46%	0.50%	0.58%	0.66%	0.72%	0.95%	1.02%																															
Q3 2017	140,474,651.30	0.00%	0.00%	0.20%	0.30%	0.48%	0.58%	0.73%	0.80%	0.94%	0.98%	1.18%	1.25%																															
Q4 2017	155,268,210.71	0.00%	0.20%	0.27%	0.43%	0.47%	0.63%	0.76%	0.85%	0.97%	1.15%	1.21%																															
Q1 2018	137,185,224.25	0.08%	0.21%	0.34%	0.46%	0.53%	0.55%	0.69%	0.83%	1.11%	1.20%																															
Q2 2018	152,379,493.96	0.02%	0.12%	0.24%	0.43%	0.55%	0.60%	0.79%	0.99%	1.09%																															
Q3 2018	147,401,724.76	0.04%	0.11%	0.37%	0.59%	0.65%	0.76%	1.01%	1.13%																															
Q4 2018	155,565,508.42	0.01%	0.27%	0.31%	0.38%	0.54%	1.10%	1.24%																															
Q1 2019	179,464,143.95	0.03%	0.09%	0.24%	0.41%	0.83%	0.98%																															
Q2 2019	214,989,614.35	0.03%	0.19%	0.33%	0.47%	0.53%																															
Q3 2019	235,344,558.74	0.05%	0.09%	0.24%	0.34%																																
Q4 2019	219,431,145.78	0.01%	0.17%	0.26%																																	
Q1 2020	239,833,403.91	0.08%	0.13%																																		
Q2 2020	158,819,767.57	0.06%																																			

** Q1 2008 data available for February and March only*

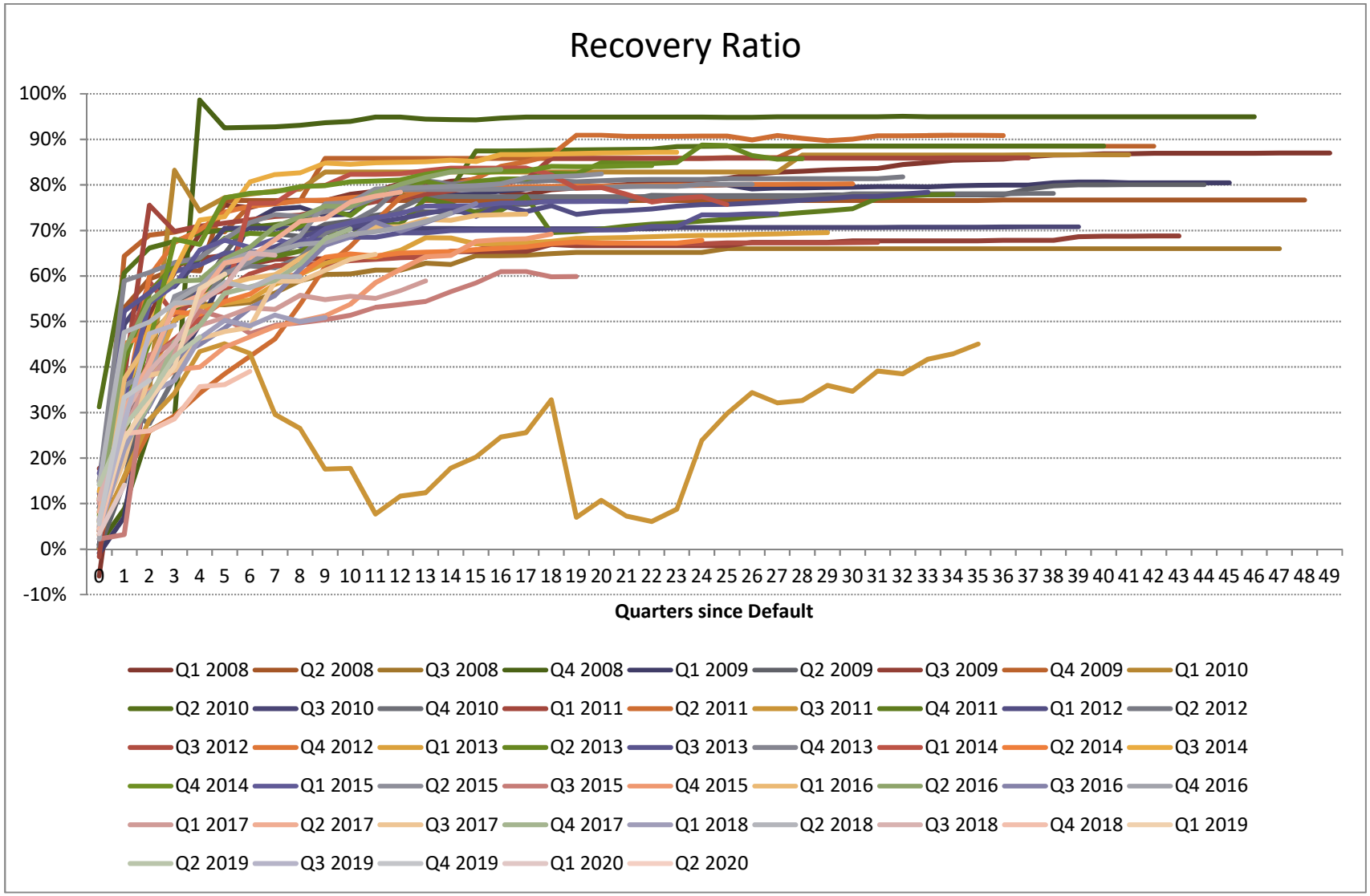

Gross Cumulative Default Ratio
1,60%
1,50%
1,40%
1,30%
1,20%
1,10%
1,00%
0,90%
0,80%
0,70%
0,60%
0,50%
0,40%
0,30%
0,20%
0,10%
0,00%
0 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49
Quarters since Origination
Q1 2008 Q2 2008 Q3 2008 Q4 2008 Q1 2009 Q2 2009 Q3 2009 Q4 2009 Q1 2010 Q2 2010
Q3 2010 Q4 2010 Q1 2011 Q2 2011 Q3 2011 Q4 2011 Q1 2012 Q2 2012 Q3 2012 Q4 2012
Q1 2013 Q2 2013 Q3 2013 Q4 2013 Q1 2014 Q2 2014 Q3 2014 Q4 2014 Q1 2015 Q2 2015
Q3 2015 Q4 2015 Q1 2016 Q2 2016 Q3 2016 Q4 2016 Q1 2017 Q2 2017 Q3 2017 Q4 2017
Q1 2018 Q2 2018 Q3 2018 Q4 2018 Q1 2019 Q2 2019 Q3 2019 Q4 2019 Q1 2020 Q2 2020

3. Cumulative Recoveries

Cumulative Recovery rates *Quarters since Default*

Default Quarter	Defaulted Amount (€)	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49
Q1 2008	4,137,198.32	-5.92%	33.85%	51.54%	60.67%	69.23%	75.57%	75.05%	76.53%	76.64%	76.51%	77.94%	78.60%	80.34%	79.68%	80.82%	81.22%	78.51%	77.84%	78.94%	79.35%	79.72%	80.08%	80.62%	80.81%	81.10%	81.45%	82.35%	82.78%	83.00%	83.27%	83.46%	83.64%	84.44%	84.93%	85.41%	85.56%	85.64%	86.22%	86.57%	86.60%	86.83%	86.83%	86.96%	86.96%	86.96%	86.96%	86.96%	86.99%	86.99%	86.99%
Q2 2008	174,083.79	0.03%	52.92%	59.33%	61.47%	61.11%	76.58%	76.58%	76.58%	76.58%	76.58%	76.58%	76.58%	76.58%	76.58%	76.58%	76.58%	76.58%	76.58%	76.59%	76.59%	76.59%	76.59%	76.59%	76.59%	76.59%	76.59%	76.59%	76.59%	76.59%	76.59%	76.59%	76.59%	76.59%	76.59%	76.59%	76.59%	76.67%	76.67%	76.67%	76.67%	76.67%	76.67%	76.67%	76.67%	76.67%	76.67%	76.67%	76.67%	76.67%	
Q3 2008	466,243.67	15.05%	28.63%	45.70%	53.06%	53.85%	53.67%	54.18%	56.28%	59.00%	60.31%	60.47%	61.29%	61.27%	62.80%	62.55%	64.44%	64.42%	64.55%	64.87%	65.19%	65.19%	65.18%	65.18%	65.18%	65.17%	65.99%	65.99%	65.99%	65.99%	65.99%	65.99%	65.99%	65.99%	65.99%	65.99%	65.99%	65.99%	65.99%	65.99%	65.99%	65.99%	65.99%	65.99%	65.99%	65.99%	65.99%	65.99%	65.99%		
Q4 2008	623,071.46	0.98%	8.80%	25.96%	29.04%	98.66%	92.56%	92.67%	92.75%	93.07%	93.65%	93.92%	94.88%	94.92%	94.43%	94.34%	94.27%	94.69%	94.88%	94.93%	94.88%	94.88%	94.88%	94.88%	94.88%	94.88%	94.83%	94.83%	94.93%	94.93%	94.93%	94.94%	94.97%	95.05%	94.97%	94.97%	94.97%	94.97%	94.97%	94.97%	94.97%	94.97%	94.97%	94.97%	94.97%	94.97%	94.97%	94.97%			
Q1 2009	3,168,158.96	-0.94%	7.05%	38.87%	40.19%	49.44%	60.58%	71.74%	74.69%	75.10%	73.33%	73.60%	78.10%	77.36%	77.58%	77.80%	77.96%	78.64%	79.12%	79.55%	79.60%	79.63%	79.70%	79.79%	79.86%	79.92%	80.01%	79.11%	79.35%	79.33%	79.43%	79.53%	79.59%	79.64%	79.56%	79.78%	79.88%	79.95%	79.97%	80.46%	80.63%	80.63%	80.46%	80.46%	80.46%	80.46%	80.46%				
Q2 2009	1,849,105.28	0.19%	14.57%	41.02%	54.09%	56.58%	64.89%	72.14%	69.29%	68.68%	71.34%	72.05%	73.32%	74.03%	74.07%	74.11%	74.15%	75.70%	75.72%	76.65%	76.65%	76.76%	76.74%	77.68%	77.62%	77.63%	77.63%	77.63%	77.63%	77.63%	77.79%	77.79%	77.79%	77.79%	77.79%	77.79%	77.79%	77.79%	79.12%	79.78%	80.00%	80.00%	80.04%	80.04%	80.04%	80.04%					
Q3 2009	1,384,430.92	17.71%	23.10%	56.62%	62.12%	63.81%	64.52%	62.59%	63.65%	63.78%	63.79%	63.92%	64.00%	64.09%	64.18%	65.35%	65.35%	65.40%	65.40%	66.91%	66.67%	66.66%	66.66%	66.66%	66.66%	66.66%	66.66%	67.35%	67.35%	67.36%	67.36%	67.69%	67.69%	67.69%	67.69%	67.69%	67.69%	67.84%	67.84%	67.84%	68.63%	68.75%	68.75%	68.77%	68.77%						
Q4 2009	257,675.35	3.95%	64.36%	68.95%	69.63%	71.01%	69.68%	75.53%	75.91%	76.50%	85.84%	85.84%	85.84%	85.84%	85.84%	85.84%	85.84%	85.84%	85.84%	85.84%	85.84%	85.84%	85.84%	85.84%	85.84%	85.84%	86.01%	86.01%	86.01%	88.50%	88.50%	88.50%	88.50%	88.50%	88.50%	88.50%	88.50%	88.50%	88.50%	88.50%	88.50%	88.50%	88.50%	88.50%							
Q1 2010	266,758.33	0.19%	27.02%	35.15%	83.23%	74.25%	77.20%	77.98%	78.67%	79.03%	82.85%	82.85%	82.85%	82.85%	82.85%	82.85%	82.85%	82.85%	82.85%	82.85%	82.85%	82.85%	82.85%	82.85%	82.85%	82.85%	82.85%	82.85%	82.85%	86.56%	86.56%	86.56%	86.56%	86.56%	86.56%	86.56%	86.56%	86.56%	86.62%	86.62%	86.62%	86.62%	86.62%								
Q2 2010	249,684.37	31.24%	60.68%	66.15%	67.61%	69.51%	70.11%	70.71%	71.29%	71.89%	75.38%	77.01%	77.71%	78.35%	78.99%	79.05%	87.46%	87.47%	87.53%	87.61%	87.67%	87.73%	87.80%	87.88%	88.41%	88.47%	88.53%	88.54%	88.54%	88.54%	88.54%	88.54%	88.54%	88.54%	88.54%	88.54%	88.54%	88.54%	88.54%	88.54%	88.54%	88.54%									
Q3 2010	190,474.78	0.88%	49.30%	56.93%	57.69%	63.74%	70.48%	70.48%	70.46%	70.46%	70.45%	70.45%	70.45%	70.45%	70.42%	70.41%	70.38%	70.37%	70.37%	70.37%	70.37%	70.37%	70.37%	70.37%	70.68%	70.68%	70.68%	70.68%	70.68%	70.68%	70.68%	70.68%	70.68%	70.70%	70.70%	70.70%	70.70%	70.78%	70.79%	70.79%	70.79%										
Q4 2010	337,974.01	0.60%	30.66%	27.54%	37.78%	54.96%	62.19%	63.12%	64.66%	67.01%	67.98%	68.96%	71.33%	74.86%	77.45%	77.45%	77.43%	77.43%	77.43%	77.43%	77.43%	77.43%	77.43%	77.43%	77.43%	77.43%	77.43%	77.43%	77.43%	77.43%	77.43%	78.04%	78.04%	78.04%	78.04%	78.04%	78.04%	78.04%	78.12%	78.12%											
Q1 2011	142,795.17	-1.66%	37.85%	75.58%	69.80%	70.92%	71.63%	72.34%	73.07%	73.38%	74.54%	75.30%	76.36%	77.13%	77.91%	78.70%	79.50%	80.32%	81.14%	85.81%	85.81%	85.81%	85.81%	85.81%	85.81%	85.81%	85.90%	85.90%	85.90%	85.90%	85.90%	85.90%	85.90%	85.90%	85.90%	85.94%	85.94%	85.94%	85.94%												
Q2 2011	798,026.03	3.97%	15.62%	25.91%	29.24%	34.19%	38.50%	42.31%	46.15%	53.76%	62.01%	66.46%	72.04%	77.23%	78.94%	79.94%	81.43%	84.08%	85.07%	86.58%	90.93%	90.93%	90.70%	90.70%	90.67%	90.73%	90.73%	89.87%	90.82%	90.23%	89.73%	90.07%	90.79%	90.79%	90.84%	90.92%	90.92%	90.83%													
Q3 2011	1,124,022.89	3.24%	16.00%	28.47%	34.28%	43.39%	45.10%	43.01%	29.56%	26.47%	17.59%	17.74%	7.70%	11.64%	12.38%	17.81%	20.23%	24.61%	25.56%	32.78%	6.94%	10.74%	7.26%	6.04%	8.77%	23.88%	29.73%	34.40%	32.14%	32.64%	35.94%	34.65%	39.09%	38.49%	41.70%	42.92%	45.03%														
Q4 2011	386,083.49	9.06%	24.02%	46.88%	52.61%	55.02%	60.17%	62.85%	64.25%	65.44%	69.52%	69.00%	70.97%	71.38%	76.97%	75.71%	73.97%	74.43%	77.49%	69.53%	69.77%	70.33%	70.96%	71.36%	71.64%	72.05%	72.47%	73.05%	73.47%	73.90%	74.33%	74.78%	77.11%	77.53%	77.83%	77.95%															
Q1 2012	1,174,132.23	9.08%	28.21%	39.13%	50.16%	56.77%	60.87%	64.57%	66.44%	68.46%	70.19%	70.89%	71.74%	72.60%	73.69%	74.77%	73.09%	75.50%	74.15%	75.43%	73.51%	74.17%	74.40%	74.71%	75.32%	75.66%	75.73%	76.00%	76.30%	76.64%	76.94%	77.43%	77.50%	77.98%	78.39%																
Q2 2012	660,928.83	14.75%	27.45%	36.95%	44.96%	53.57%	60.78%	62.18%	61.77%	64.04%	69.35%	71.65%	74.69%	79.65%	80.92%	80.17%	80.44%	80.96%	80.68%	80.96%	80.69%	80.89%	81.16%	81.19%	81.19%	81.19%	81.36%	81.36%	81.36%	81.36%	81.36%	81.36%	81.36%	81.75%																	
Q3 2012	1,070,326.78	6.43%	42.21%	58.81%	51.42%	55.54%	56.90%	60.43%	62.24%	62.45%	62.72%	63.35%	63.68%	63.97%	64.18%	65.42%	65.69%	66.87%	67.13%	67.13%	67.13%	67.13%	67.12%	67.02%	67.02%	67.02%	67.27%	67.27%	67.28%	67.28%	67.28%	67.32%	67.35%																		
Q4 2012	1,649,009.41	7.92%	30.24%	59.95%	67.39%	70.16%	74.03%	75.31%	75.86%	76.54%	76.67%	77.22%	77.63%	78.53%	79.33%	79.25%	79.36%	79.40%	79.60%	79.68%	79.71%	79.75%	79.80%	79.89%	79.93%	79.98%	80.05%	80.10%	80.14%	80.18%	80.18%	80.22%																			
Q1 2013	745,651.56	5.12%	34.73%	37.34%	50.34%	53.10%	54.03%	54.72%	58.13%	60.31%	62.73%	64.33%	64.19%	65.65%	68.39%	68.31%	67.03%	67.07%	67.27%	67.62%	68.22%	68.34%	68.45%	68.65%	68.77%	68.89%	68.97%	69.13%	69.26%	69.39%	69.51%																				
Q2 2013	1,071,503.94	11.20%	41.07%	56.21%	62.53%	63.84%	68.25%	69.38%	69.14%	70.88%	74.80%	73.22%	77.60%	78.65%	80.78%	79.47%	80.76%	81.29%	81.30%	82.54%	82.46%	84.87%	84.75%	84.67%	84.94%	88.76%	88.63%	86.46%	85.63%	85.75%																					
Q3 2013	772,408.00	12.15%	52.28%	56.34%	61.01%	62.40%	64.98%	65.21%	65.42%	67.82%	67.87%	68.53%	68.53%	69.48%	69.48%	69.99%	70.02%	70.04%	70.04%	70.11%	70.11%	70.11%	70.12%	70.88%	70.89%	73.41%	73.41%	73.65%	73.65%																						
Q4 2013	688,663.32	14.99%	58.92%	60.78%	62.91%	63.98%	68.06%	71.71%	73.49%	73.07%	74.12%	75.06%	77.12%	78.94%	79.00%	79.00%	79.00%	79.06%	79.22%	79.22%	79.27%	79.40%	79.67%	79.67%	79.67%	80.14%	80.14%	80.14%																							
Q1 2014	1,636,624.53	10.62%	28.46%	41.48%	46.13%	50.65%	54.71%	75.96%	76.01%	79.61%	79.87%	82.33%	82.30%	82.42%	83.14%	83.69%	83.69%	83.70%	83.72%	82.21%	79.28%	79.48%	77.91%	76.22%	77.04%	77.41%	75.69%																								
Q2 2014	758,874.10	10.80%	45.23%	46.97%	52.09%	51.56%	54.36%	56.01%	59.63%	60.32%	64.12%	64.86%	64.39%	65.02%	65.26%	65.34%	65.82%	66.11%	66.34%	67.11%	67.42%	67.22%	67.22%	67.22%	67.22%	67.83%																									
Q3 2014	1,131,675.97	12.66%	32.55%	49.00%	61.29%	72.28%	73.04%	80.61%	82.28%	82.66%	84.79%	84.54%	84.88%	84.96%	85.11%	85.42%	85.15%	86.66%	86.69%	86.78%	86.90%	87.00%	87.06%	87.17%	87.18%																										
Q4 2014	1,778,405.57	7.38%	30.65%	45.32%	68.06%	66.90%	77.11%	78.15%	78.50%	79.61%	79.87%	80.70%	80.87%	81.10%	82.31%	83.15%	82.72%	82.93%	83.08%	84.08%	84.04%	84.04%	84.18%	84.21%																											
Q1 2015	1,173,671.39	16.61%	32.75%	53.96%	58.00%	65.71%	67.82%	66.25%	68.10%	66.52%	70.36%	71.70%	72.79%	73.72%	75.31%	75.40%	75.45%	76.00%	76.06%	76.34%	76.34%	76.38%	76.35%																												
Q2 2015	1,160,434.37	6.03%	35.78%	39.11%	55.52%	57.82%	60.38%	63.15%	65.60%	68.77%	75.85%	76.13%	79.10%	79.26%	79.53%	79.66%	79.87%	80.25%	81.57%	81.82%	81.99%	82.41%																													
Q3 2015	1,078,632.42	2.22%	3.17%	42.54%	45.43%	52.32%	50.75%	47.34%	49.14%	49.72%	50.40%	51.35%	53.12%	53.74%	54.38%	56.54%	58.45%	60.93%	60.98%	59.83%	59.87%																														
Q4 2015	709,190.52	2.97%	31.70%	34.71%	39.38%	39.94%	44.39%	46.62%	48.88%	50.09%	51.26%	53.77%	58.50%	61.46%	64.20%	64.53%	67.59%	68.00%	68.16%	69.19%																															
Q1 2016	872,392.86	4.41%	37.38%	45.72%	53.44%	54.85%	58.09%	59.47%	60.27%	63.89%	66.88%	68.64%	70.74%	70.84%	72.37%	72.20%	73.32%	73.46%	73.60%																																
Q2 2016	917,515.37	8.19%	43.58%	54.47%	58.85%	59.07%	63.69%	66.28%	70.83%	72.97%	75.35%	75.23%	78.24%	80.14%	81.63%	82.86%	83.15%	83.39%																																	
Q3 2016	1,801,579.53	4.79%	22.62%	31.41%	41.97%	44.97%	48.55%	52.92%	55.70%	61.54%	66.68%	68.49%	71.84%	69.83%	71.73%	73.78%	75.90%																																		
Q4 2016	1,533,372.81	2.21%	31.99%	37.84%	54.37%	57.75%	62.96%	65.04%	65.35%	66.93%	67.40%	69.15%	69.76%	70.60%	71.97%	73.84%																																			
Q1 2017	1,487,997.82	10.05%	26.37%	37.37%	43.52%	49.11%	50.92%	52.98%	52.65%	55.75%	54.78%	55.51%	55.09%	56.76%	58.90%																																				
Q2 2017	1,795,609.20	8.25%	30.72%	40.62%	53.35%	55.77%	62.81%	63.98%	67.95%	71.99%	72.61%	76.22%	77.54%	78.41%																																					
Q3 2017	1,227,874.75	5.96%	19.28%	38.20%	39.31%	46.20%	47.72%	48.69%	58.85%	58.84%	61.26%	63.68%	64.77%																																						
Q4 2017	1,078,681.99	5.98%	22.27%	32.02%	45.63%	49.18%	56.21%	57.56%	59.03%	62.63%	68.15%	70.34%																																							
Q1 2018	2,466,347.94	4.19%	21.77%	34.30%	37.05%	46.32%	50.22%	49.04%	51.40%	49.96%	50.85%																																								
Q2 2018	1,313,423.05	14.21%	47.64%	49.89%	54.09%	54.21%	58.65%	57.35%	59.86%	59.87%																																									
Q3 2018	2,453,018.14	10.96%	29.51%	39.13%	45.05%	54.24%	57.80%	65.01%	64.58%																																										
Q4 2018	1,405,134.92	4.39%	25.34%	25.96%	28.61%	35.69%	36.13%	39.03%																																											
Q1 2019	3,122,744.47	6.78%	24.23%	32.64%	40.21%	57.15%	60.43%																																												
Q2 2019	1,797,458.05	14.15%	26.93%	33.84%	42.31%	46.59%																																													
Q3 2019	2,493,158.58	6.33%	27.67%	47.35%	49.18%																																														
Q4 2019	2,740,393.24	5.53%	33.30%	37.06%																																															
Q1 2020	6,523,956.56	3.38%	14.07%																																																
Q2 2020	2,511,985.09	7.83%																																																	

* Q1 2008 data available for February and March only


Recovery Ratio
100%
90%
80%
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0 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49
Quarters since Default
Q1 2008 Q2 2008 Q3 2008 Q4 2008 Q1 2009 Q2 2009 Q3 2009 Q4 2009 Q1 2010
Q2 2010 Q3 2010 Q4 2010 Q1 2011 Q2 2011 Q3 2011 Q4 2011 Q1 2012 Q2 2012
Q3 2012 Q4 2012 Q1 2013 Q2 2013 Q3 2013 Q4 2013 Q1 2014 Q2 2014 Q3 2014
Q4 2014 Q1 2015 Q2 2015 Q3 2015 Q4 2015 Q1 2016 Q2 2016 Q3 2016 Q4 2016
Q1 2017 Q2 2017 Q3 2017 Q4 2017 Q1 2018 Q2 2018 Q3 2018 Q4 2018 Q1 2019
Q2 2019 Q3 2019 Q4 2019 Q1 2020 Q2 2020

4. **Delinquencies**

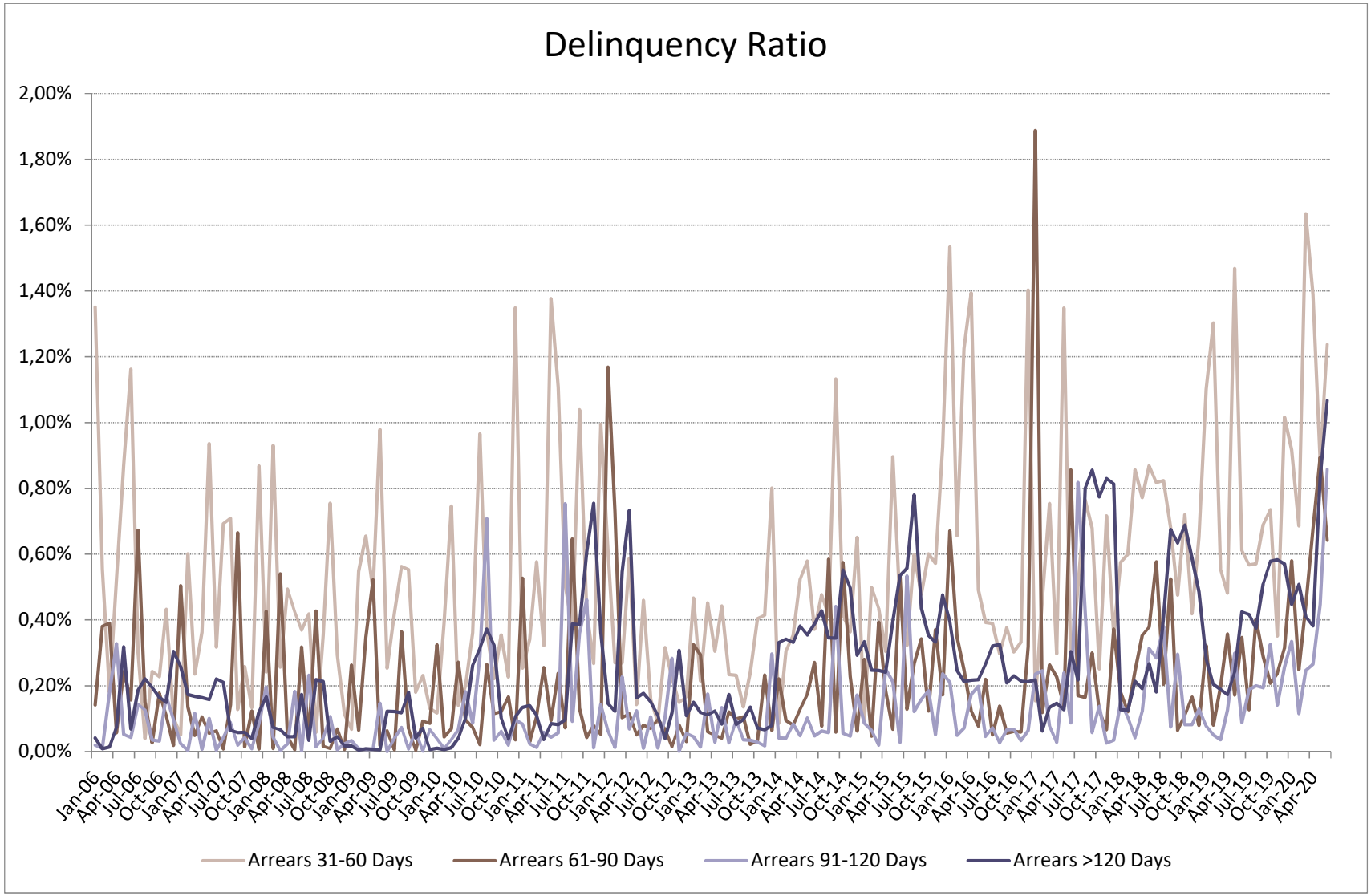
Month	0-30 Days	Arrears 31-60 Days	Arrears 61-90 Days	Arrears 91-120 Days	Arrears >120 Days
Jan-06	98.45%	1.35%	0.14%	0.02%	0.04%
Feb-06	99.05%	0.56%	0.38%	0.01%	0.01%
Mar-06	99.23%	0.18%	0.39%	0.18%	0.01%
Apr-06	99.02%	0.52%	0.06%	0.33%	0.07%
May-06	98.52%	0.87%	0.24%	0.05%	0.32%
Jun-06	98.57%	1.16%	0.16%	0.04%	0.07%
Jul-06	98.70%	0.30%	0.67%	0.14%	0.19%
Aug-06	99.46%	0.04%	0.15%	0.13%	0.22%
Sep-06	99.50%	0.24%	0.03%	0.04%	0.19%
Oct-06	99.40%	0.23%	0.18%	0.03%	0.16%
Nov-06	99.14%	0.43%	0.11%	0.17%	0.15%
Dec-06	99.48%	0.10%	0.02%	0.10%	0.30%
Jan-07	99.16%	0.05%	0.50%	0.02%	0.26%
Feb-07	99.09%	0.60%	0.14%	0.00%	0.17%
Mar-07	99.43%	0.24%	0.05%	0.12%	0.17%
Apr-07	99.36%	0.36%	0.11%	0.01%	0.16%
May-07	98.75%	0.94%	0.06%	0.10%	0.16%
Jun-07	99.40%	0.32%	0.06%	0.00%	0.22%
Jul-07	99.05%	0.69%	0.01%	0.04%	0.21%
Aug-07	99.00%	0.71%	0.14%	0.09%	0.06%
Sep-07	99.13%	0.13%	0.66%	0.02%	0.06%
Oct-07	99.63%	0.26%	0.01%	0.04%	0.06%
Nov-07	99.70%	0.13%	0.12%	0.01%	0.04%
Dec-07	98.92%	0.87%	0.01%	0.08%	0.12%
Jan-08	98.97%	0.24%	0.43%	0.20%	0.17%
Feb-08	98.94%	0.93%	0.01%	0.04%	0.07%
Mar-08	99.13%	0.26%	0.54%	0.00%	0.07%
Apr-08	99.39%	0.49%	0.04%	0.02%	0.05%
May-08	99.34%	0.42%	0.01%	0.18%	0.04%
Jun-08	99.14%	0.37%	0.32%	0.00%	0.17%
Jul-08	99.28%	0.42%	0.04%	0.23%	0.03%
Aug-08	99.28%	0.06%	0.43%	0.01%	0.22%
Sep-08	99.38%	0.35%	0.02%	0.04%	0.21%
Oct-08	99.10%	0.75%	0.01%	0.11%	0.03%
Nov-08	99.59%	0.29%	0.07%	0.01%	0.05%
Dec-08	99.84%	0.11%	0.01%	0.02%	0.02%
Jan-09	99.62%	0.07%	0.26%	0.03%	0.02%
Feb-09	99.37%	0.55%	0.07%	0.01%	0.00%
Mar-09	98.98%	0.65%	0.35%	0.01%	0.01%
Apr-09	98.97%	0.49%	0.52%	0.01%	0.01%
May-09	98.85%	0.98%	0.02%	0.15%	0.01%

Jun-09	99.56%	0.25%	0.06%	0.00%	0.12%
Jul-09	99.41%	0.42%	0.01%	0.04%	0.12%
Aug-09	98.88%	0.56%	0.36%	0.07%	0.12%
Sep-09	99.19%	0.55%	0.07%	0.01%	0.18%
Oct-09	99.71%	0.18%	0.00%	0.06%	0.04%
Nov-09	99.60%	0.23%	0.09%	0.00%	0.07%
Dec-09	99.71%	0.13%	0.09%	0.07%	0.01%
Jan-10	99.51%	0.12%	0.32%	0.04%	0.01%
Feb-10	99.55%	0.40%	0.04%	0.01%	0.01%
Mar-10	99.14%	0.75%	0.07%	0.04%	0.01%
Apr-10	99.48%	0.14%	0.27%	0.07%	0.04%
May-10	99.42%	0.20%	0.10%	0.18%	0.10%
Jun-10	99.22%	0.36%	0.07%	0.09%	0.26%
Jul-10	98.41%	0.97%	0.02%	0.29%	0.31%
Aug-10	98.29%	0.37%	0.26%	0.71%	0.37%
Sep-10	99.31%	0.22%	0.11%	0.03%	0.32%
Oct-10	99.36%	0.35%	0.12%	0.06%	0.10%
Nov-10	99.55%	0.23%	0.17%	0.02%	0.04%
Dec-10	98.41%	1.35%	0.04%	0.10%	0.11%
Jan-11	99.00%	0.25%	0.53%	0.08%	0.13%
Feb-11	99.47%	0.34%	0.03%	0.02%	0.14%
Mar-11	99.19%	0.58%	0.11%	0.01%	0.11%
Apr-11	99.33%	0.32%	0.25%	0.06%	0.04%
May-11	98.40%	1.38%	0.09%	0.04%	0.09%
Jun-11	98.52%	1.11%	0.24%	0.06%	0.08%
Jul-11	98.57%	0.51%	0.07%	0.75%	0.10%
Aug-11	98.50%	0.38%	0.65%	0.09%	0.39%
Sep-11	98.08%	1.04%	0.13%	0.36%	0.39%
Oct-11	98.46%	0.43%	0.04%	0.46%	0.61%
Nov-11	98.89%	0.27%	0.08%	0.01%	0.75%
Dec-11	98.45%	1.00%	0.05%	0.14%	0.36%
Jan-12	98.01%	0.61%	1.17%	0.06%	0.15%
Feb-12	98.87%	0.27%	0.73%	0.01%	0.12%
Mar-12	98.85%	0.27%	0.10%	0.23%	0.55%
Apr-12	98.50%	0.59%	0.11%	0.07%	0.73%
May-12	99.52%	0.14%	0.05%	0.12%	0.16%
Jun-12	99.27%	0.46%	0.08%	0.01%	0.18%
Jul-12	99.51%	0.16%	0.07%	0.11%	0.15%
Aug-12	99.69%	0.09%	0.10%	0.01%	0.11%
Sep-12	99.47%	0.32%	0.07%	0.10%	0.04%
Oct-12	99.36%	0.22%	0.01%	0.28%	0.12%
Nov-12	99.46%	0.15%	0.08%	0.00%	0.31%
Dec-12	99.64%	0.17%	0.03%	0.06%	0.11%
Jan-13	99.01%	0.47%	0.32%	0.05%	0.15%

Feb-13	99.36%	0.21%	0.29%	0.01%	0.12%
Mar-13	99.20%	0.45%	0.06%	0.17%	0.11%
Apr-13	99.49%	0.30%	0.05%	0.03%	0.12%
May-13	99.30%	0.44%	0.04%	0.13%	0.08%
Jun-13	99.45%	0.23%	0.12%	0.03%	0.17%
Jul-13	99.49%	0.23%	0.10%	0.10%	0.08%
Aug-13	99.63%	0.14%	0.11%	0.04%	0.10%
Sep-13	99.57%	0.24%	0.02%	0.03%	0.13%
Oct-13	99.46%	0.40%	0.03%	0.03%	0.07%
Nov-13	99.27%	0.41%	0.23%	0.02%	0.07%
Dec-13	98.76%	0.80%	0.06%	0.30%	0.08%
Jan-14	99.32%	0.09%	0.22%	0.04%	0.33%
Feb-14	99.22%	0.31%	0.09%	0.04%	0.34%
Mar-14	99.15%	0.35%	0.08%	0.08%	0.33%
Apr-14	98.92%	0.52%	0.13%	0.05%	0.38%
May-14	98.79%	0.58%	0.17%	0.10%	0.35%
Jun-14	98.92%	0.37%	0.27%	0.05%	0.39%
Jul-14	98.96%	0.48%	0.08%	0.06%	0.43%
Aug-14	98.60%	0.41%	0.58%	0.06%	0.35%
Sep-14	98.02%	1.13%	0.06%	0.44%	0.34%
Oct-14	98.40%	0.41%	0.57%	0.06%	0.55%
Nov-14	98.86%	0.36%	0.23%	0.05%	0.50%
Dec-14	98.82%	0.65%	0.06%	0.17%	0.29%
Jan-15	99.21%	0.09%	0.28%	0.09%	0.33%
Feb-15	99.14%	0.50%	0.05%	0.06%	0.25%
Mar-15	98.91%	0.43%	0.39%	0.02%	0.25%
Apr-15	99.02%	0.30%	0.18%	0.25%	0.24%
May-15	98.43%	0.90%	0.07%	0.21%	0.40%
Jun-15	98.46%	0.44%	0.53%	0.03%	0.54%
Jul-15	98.46%	0.32%	0.13%	0.53%	0.56%
Aug-15	98.23%	0.60%	0.27%	0.12%	0.78%
Sep-15	98.59%	0.48%	0.34%	0.16%	0.44%
Oct-15	98.74%	0.60%	0.12%	0.19%	0.35%
Nov-15	98.67%	0.57%	0.37%	0.05%	0.33%
Dec-15	98.19%	0.93%	0.17%	0.24%	0.48%
Jan-16	97.19%	1.53%	0.67%	0.21%	0.40%
Feb-16	98.70%	0.66%	0.35%	0.05%	0.25%
Mar-16	98.24%	1.22%	0.25%	0.07%	0.21%
Apr-16	98.09%	1.39%	0.12%	0.17%	0.22%
May-16	99.01%	0.49%	0.08%	0.20%	0.22%
Jun-16	99.08%	0.39%	0.22%	0.05%	0.27%
Jul-16	99.17%	0.39%	0.05%	0.07%	0.32%
Aug-16	99.21%	0.30%	0.14%	0.03%	0.33%

Sep-16	99.29%	0.38%	0.06%	0.07%	0.21%
Oct-16	99.34%	0.30%	0.06%	0.07%	0.23%
Nov-16	99.36%	0.33%	0.06%	0.03%	0.21%
Dec-16	98.00%	1.40%	0.32%	0.06%	0.21%
Jan-17	97.50%	0.15%	1.89%	0.24%	0.22%
Feb-17	99.11%	0.46%	0.12%	0.25%	0.06%
Mar-17	98.77%	0.75%	0.26%	0.08%	0.13%
Apr-17	99.30%	0.30%	0.23%	0.03%	0.15%
May-17	98.15%	1.35%	0.14%	0.24%	0.13%
Jun-17	98.51%	0.25%	0.86%	0.09%	0.30%
Jul-17	98.29%	0.50%	0.17%	0.82%	0.22%
Aug-17	97.85%	0.76%	0.16%	0.42%	0.80%
Sep-17	98.11%	0.68%	0.30%	0.06%	0.86%
Oct-17	98.71%	0.25%	0.12%	0.14%	0.77%
Nov-17	98.36%	0.72%	0.07%	0.03%	0.83%
Dec-17	98.42%	0.36%	0.37%	0.03%	0.81%
Jan-18	98.97%	0.58%	0.18%	0.15%	0.13%
Feb-18	99.05%	0.60%	0.12%	0.10%	0.13%
Mar-18	98.64%	0.86%	0.25%	0.04%	0.21%
Apr-18	98.56%	0.77%	0.35%	0.12%	0.19%
May-18	98.17%	0.87%	0.38%	0.31%	0.27%
Jun-18	98.14%	0.82%	0.58%	0.28%	0.18%
Jul-18	98.18%	0.82%	0.20%	0.38%	0.41%
Aug-18	98.05%	0.68%	0.52%	0.08%	0.68%
Sep-18	98.53%	0.48%	0.06%	0.30%	0.63%
Oct-18	98.40%	0.72%	0.11%	0.08%	0.69%
Nov-18	98.75%	0.42%	0.17%	0.08%	0.59%
Dec-18	98.65%	0.65%	0.08%	0.13%	0.49%
Jan-19	98.22%	1.10%	0.32%	0.08%	0.28%
Feb-19	98.36%	1.30%	0.08%	0.05%	0.20%
Mar-19	99.02%	0.56%	0.20%	0.04%	0.19%
Apr-19	98.86%	0.48%	0.36%	0.13%	0.17%
May-19	97.82%	1.47%	0.17%	0.30%	0.24%
Jun-19	98.53%	0.61%	0.35%	0.09%	0.42%
Jul-19	98.70%	0.57%	0.13%	0.19%	0.42%
Aug-19	98.45%	0.57%	0.40%	0.20%	0.37%
Sep-19	98.32%	0.69%	0.29%	0.19%	0.51%
Oct-19	98.15%	0.74%	0.21%	0.33%	0.58%
Nov-19	98.69%	0.35%	0.24%	0.14%	0.58%
Dec-19	97.84%	1.02%	0.31%	0.26%	0.57%
Jan-20	97.72%	0.92%	0.58%	0.33%	0.45%
Feb-20	98.44%	0.69%	0.25%	0.12%	0.51%

Mar-20	97.27%	1.63%	0.44%	0.25%	0.41%
Apr-20	97.29%	1.39%	0.68%	0.27%	0.38%
May-20	96.94%	0.88%	0.89%	0.45%	0.83%
Jun-20	96.20%	1.24%	0.64%	0.86%	1.07%


Delinquency Ratio
2,00%
1,80%
1,60%
1,40%
1,20%
1,00%
0,80%
0,60%
0,40%
0,20%
0,00%
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Jan-19
Apr-19
Jul-19
Oct-19
Jan-20
Apr-20
Arrears 31-60 Days
Arrears 61-90 Days
Arrears 91-120 Days
Arrears >120 Days

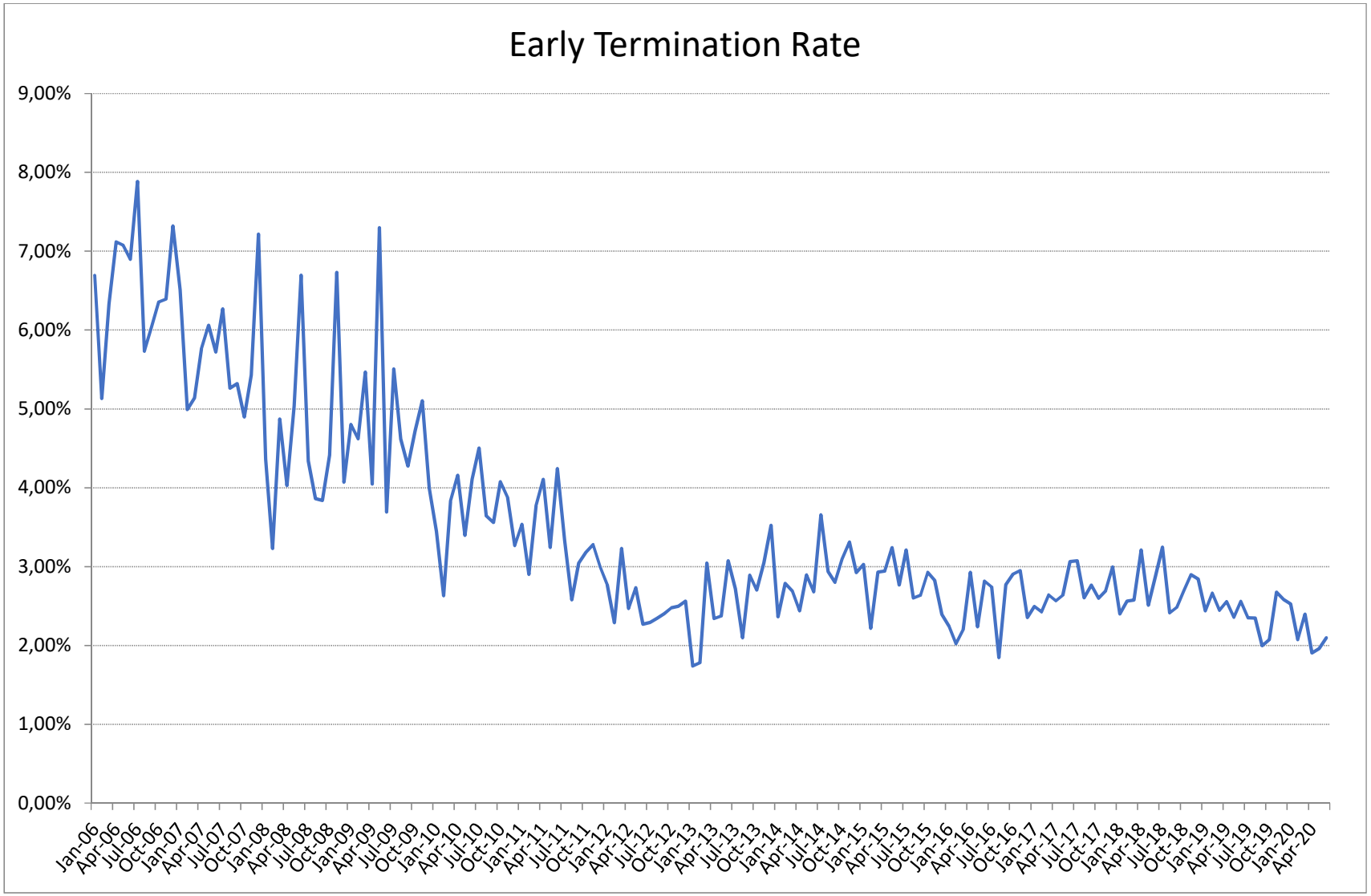
5. Annualised Early Termination Rate

Month	Early Termination Rate
Jan-06	6.69%
Feb-06	5.13%
Mar-06	6.33%
Apr-06	7.12%
May-06	7.07%
Jun-06	6.90%
Jul-06	7.89%
Aug-06	5.73%
Sep-06	6.04%
Oct-06	6.36%
Nov-06	6.39%
Dec-06	7.32%
Jan-07	6.51%
Feb-07	4.99%
Mar-07	5.14%
Apr-07	5.76%
May-07	6.06%
Jun-07	5.72%
Jul-07	6.27%
Aug-07	5.26%
Sep-07	5.32%
Oct-07	4.90%
Nov-07	5.43%
Dec-07	7.22%
Jan-08	4.36%
Feb-08	3.23%
Mar-08	4.87%
Apr-08	4.03%
May-08	5.04%
Jun-08	6.69%
Jul-08	4.34%
Aug-08	3.86%
Sep-08	3.84%
Oct-08	4.41%
Nov-08	6.73%
Dec-08	4.07%
Jan-09	4.80%
Feb-09	4.62%
Mar-09	5.47%
Apr-09	4.05%
May-09	7.30%
Jun-09	3.69%
Jul-09	5.51%

Aug-09	4.62%
Sep-09	4.27%
Oct-09	4.72%
Nov-09	5.10%
Dec-09	4.00%
Jan-10	3.45%
Feb-10	2.63%
Mar-10	3.83%
Apr-10	4.16%
May-10	3.39%
Jun-10	4.11%
Jul-10	4.50%
Aug-10	3.64%
Sep-10	3.56%
Oct-10	4.08%
Nov-10	3.88%
Dec-10	3.26%
Jan-11	3.54%
Feb-11	2.90%
Mar-11	3.77%
Apr-11	4.11%
May-11	3.24%
Jun-11	4.24%
Jul-11	3.34%
Aug-11	2.58%
Sep-11	3.04%
Oct-11	3.18%
Nov-11	3.28%
Dec-11	2.99%
Jan-12	2.77%
Feb-12	2.29%
Mar-12	3.23%
Apr-12	2.47%
May-12	2.73%
Jun-12	2.27%
Jul-12	2.29%
Aug-12	2.34%
Sep-12	2.40%
Oct-12	2.48%
Nov-12	2.50%
Dec-12	2.56%
Jan-13	1.74%
Feb-13	1.78%
Mar-13	3.05%
Apr-13	2.34%
May-13	2.37%

Jun-13	3.07%
Jul-13	2.72%
Aug-13	2.10%
Sep-13	2.89%
Oct-13	2.70%
Nov-13	3.05%
Dec-13	3.52%
Jan-14	2.36%
Feb-14	2.79%
Mar-14	2.69%
Apr-14	2.44%
May-14	2.89%
Jun-14	2.68%
Jul-14	3.66%
Aug-14	2.94%
Sep-14	2.80%
Oct-14	3.10%
Nov-14	3.31%
Dec-14	2.93%
Jan-15	3.03%
Feb-15	2.22%
Mar-15	2.93%
Apr-15	2.94%
May-15	3.24%
Jun-15	2.77%
Jul-15	3.21%
Aug-15	2.60%
Sep-15	2.64%
Oct-15	2.93%
Nov-15	2.83%
Dec-15	2.39%
Jan-16	2.24%
Feb-16	2.02%
Mar-16	2.20%
Apr-16	2.93%
May-16	2.24%
Jun-16	2.82%
Jul-16	2.74%
Aug-16	1.85%
Sep-16	2.77%
Oct-16	2.90%
Nov-16	2.95%
Dec-16	2.35%
Jan-17	2.49%
Feb-17	2.42%
Mar-17	2.64%

Apr-17	2.56%
May-17	2.64%
Jun-17	3.06%
Jul-17	3.07%
Aug-17	2.61%
Sep-17	2.77%
Oct-17	2.60%
Nov-17	2.69%
Dec-17	3.00%
Jan-18	2.40%
Feb-18	2.56%
Mar-18	2.58%
Apr-18	3.21%
May-18	2.51%
Jun-18	2.88%
Jul-18	3.25%
Aug-18	2.41%
Sep-18	2.48%
Oct-18	2.69%
Nov-18	2.90%
Dec-18	2.84%
Jan-19	2.44%
Feb-19	2.66%
Mar-19	2.45%
Apr-19	2.55%
May-19	2.36%
Jun-19	2.56%
Jul-19	2.35%
Aug-19	2.35%
Sep-19	2.00%
Oct-19	2.07%
Nov-19	2.68%
Dec-19	2.58%
Jan-20	2.53%
Feb-20	2.07%
Mar-20	2.39%
Apr-20	1.90%
May-20	1.96%
Jun-20	2.10%


Early Termination Rate
9,00%
8,00%
7,00%
6,00%
5,00%
4,00%
3,00%
2,00%
1,00%
0,00%
Jan-06
Apr-06
Jul-06
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WEIGHTED AVERAGE LIFE OF THE NOTES

The weighted average life of the Notes refers to the average amount of time that will elapse from the Closing Date to the date of distribution of amounts of principal to the Noteholders. The weighted average life of the Notes will be influenced by, amongst other things, the rate at which the Purchased Receivables are repaid or reduced, which may be in the form of scheduled amortisation, prepayments or defaults. The weighted average life of the Notes may also be influenced by factors like arrears or lease agreement recalculations.

The following table is prepared on the basis of certain assumptions, as described below:

(a) the Notes are issued on the Closing Date of 21 October 2020;

(b) the first Payment Date will be 15 November 2020 and thereafter each following Payment Date will be on the 15th calendar day of each month;

(c) the relative amortisation profile of each portfolio of Additional Purchased Receivables purchased during the Revolving Period is equal to the relative amortisation profile of a unique Lease Agreement with the following characteristics:

  (i) a remaining term of 40 months being the weighted average original term of recently originated Lease Agreements (taking into account a seasoning of two months); and

  (ii) a linear amortisation of the Lease Agreement to EUR 0 over the remaining term of 40 months;

(d) the Purchased Receivables are fully performing and do not show any delinquencies or defaults;

(e) the Purchased Receivables are not subject to Lease Agreement Recalculations;

(f) no Early Amortisation Event occurs;

(g) no Purchased Receivables are repurchased by the Originator (other than according to item (h) below);

(h) the Clean-Up Call is exercised at the earliest Payment Date possible;

(i) no Illegality and Tax Call Event occurs;

(j) the initial amount of each Class of Notes is equal to the Aggregate Outstanding Note Principal Amount as set forth on the front cover of this Prospectus;

The approximate weighted average lives and principal payment windows of each Class of Notes, at various assumed rates of prepayment of the Purchased Receivables, would be as follows (with "CPR" being the constant prepayment rate):

Default Rate: 0%

Clean-up Call: at 10%

Class A Notes

CPR	WAL (in years)	First Principal Payment	Expected Maturity
0%	1.96	Nov-21	Dec-23
3%	1.94	Nov-21	Dec-23
5%	1.92	Nov-21	Dec-23
10%	1.89	Nov-21	Nov-23

OFFERED

Class B Notes RETAINED

CPR	WAL (in years)	First Principal Payment	Expected Maturity
0%	3.39	Dec-23	Mar-24
3%	3.37	Dec-23	Mar-24
5%	3.32	Dec-23	Feb-24
10%	3.30	Nov-23	Feb-24

Class C Notes RETAINED

CPR	WAL (in years)	First Principal Payment	Expected Maturity
0%	3.45	Mar-24	Mar-24
3%	3.45	Mar-24	Mar-24
5%	3.37	Feb-24	Feb-24
10%	3.37	Feb-24	Feb-24

The exact average life of each Class of Notes cannot be predicted as the actual rate at which the Purchased Receivables will be repaid and a number of other relevant factors are unknown.

The average lives of each Class of Notes are subject to factors largely outside the control of the Issuer and consequently no assurance can be given that the assumptions and the estimates above will prove in any way to be realistic and they must, therefore, be viewed with considerable caution.

Assumed Amortisation of the Notes

This amortisation scenario is based on the assumptions listed above under Weighted Average Life of the Notes and is assuming a CPR of 3%. It should be noted that the actual amortisation of the Notes may differ substantially from the amortisation scenario indicated below.

CPR: 3%

Default Rate: 0%

Clean-up Call: exercised at 10%

	Class A		Class B		Class C	
	OFFERED		RETAINED		RETAINED	
Payment Date	**Outstanding**	**Amortisation**	**Outstanding**	**Amortisation**	**Outstanding**	**Amortisation**
Closing Date	350,000,000.00	0.00	41,200,000.00	0.00	20,600,000.00	0.00
Nov-2020	350,000,000.00	0.00	41,200,000.00	0.00	20,600,000.00	0.00
Dec-2020	350,000,000.00	0.00	41,200,000.00	0.00	20,600,000.00	0.00
Jan-2021	350,000,000.00	0.00	41,200,000.00	0.00	20,600,000.00	0.00
Feb-2021	350,000,000.00	0.00	41,200,000.00	0.00	20,600,000.00	0.00
Mar-2021	350,000,000.00	0.00	41,200,000.00	0.00	20,600,000.00	0.00
Apr-2021	350,000,000.00	0.00	41,200,000.00	0.00	20,600,000.00	0.00
May-2021	350,000,000.00	0.00	41,200,000.00	0.00	20,600,000.00	0.00
Jun-2021	350,000,000.00	0.00	41,200,000.00	0.00	20,600,000.00	0.00
Jul-2021	350,000,000.00	0.00	41,200,000.00	0.00	20,600,000.00	0.00
Aug-2021	350,000,000.00	0.00	41,200,000.00	0.00	20,600,000.00	0.00
Sep-2021	350,000,000.00	0.00	41,200,000.00	0.00	20,600,000.00	0.00
Oct-2021	350,000,000.00	0.00	41,200,000.00	0.00	20,600,000.00	0.00
Nov-2021	329,195,230.61	20,804,769.39	41,200,000.00	0.00	20,600,000.00	0.00
Dec-2021	308,998,065.28	20,197,165.34	41,200,000.00	0.00	20,600,000.00	0.00
Jan-2022	289,475,122.82	19,522,942.45	41,200,000.00	0.00	20,600,000.00	0.00
Feb-2022	270,489,547.64	18,985,575.18	41,200,000.00	0.00	20,600,000.00	0.00
Mar-2022	252,111,057.85	18,378,489.79	41,200,000.00	0.00	20,600,000.00	0.00
Apr-2022	234,340,230.31	17,770,827.54	41,200,000.00	0.00	20,600,000.00	0.00
May-2022	217,202,846.36	17,137,383.96	41,200,000.00	0.00	20,600,000.00	0.00
Jun-2022	200,636,555.37	16,566,290.98	41,200,000.00	0.00	20,600,000.00	0.00
Jul-2022	184,666,371.30	15,970,184.07	41,200,000.00	0.00	20,600,000.00	0.00
Aug-2022	169,341,143.45	15,325,227.85	41,200,000.00	0.00	20,600,000.00	0.00
Sep-2022	154,627,810.03	14,713,333.43	41,200,000.00	0.00	20,600,000.00	0.00
Oct-2022	140,498,954.03	14,128,856.00	41,200,000.00	0.00	20,600,000.00	0.00
Nov-2022	126,871,518.05	13,627,435.99	41,200,000.00	0.00	20,600,000.00	0.00
Dec-2022	113,782,598.39	13,088,919.66	41,200,000.00	0.00	20,600,000.00	0.00
Jan-2023	101,298,806.82	12,483,791.56	41,200,000.00	0.00	20,600,000.00	0.00
Feb-2023	89,317,919.64	11,980,887.18	41,200,000.00	0.00	20,600,000.00	0.00
Mar-2023	77,907,507.43	11,410,412.21	41,200,000.00	0.00	20,600,000.00	0.00
Apr-2023	67,044,451.21	10,863,056.22	41,200,000.00	0.00	20,600,000.00	0.00
May-2023	56,630,841.95	10,413,609.26	41,200,000.00	0.00	20,600,000.00	0.00
Jun-2023	46,624,352.63	10,006,489.32	41,200,000.00	0.00	20,600,000.00	0.00
Jul-2023	37,051,092.00	9,573,260.63	41,200,000.00	0.00	20,600,000.00	0.00
Aug-2023	27,945,693.32	9,105,398.68	41,200,000.00	0.00	20,600,000.00	0.00
Sep-2023	19,330,050.94	8,615,642.39	41,200,000.00	0.00	20,600,000.00	0.00
Oct-2023	11,076,576.21	8,253,474.72	41,200,000.00	0.00	20,600,000.00	0.00
Nov-2023	3,070,315.60	8,006,260.61	41,200,000.00	0.00	20,600,000.00	0.00
Dec-2023	0.00	3,070,315.60	36,522,931.38	4,677,068.62	20,600,000.00	0.00
Jan-2024	0.00	0.00	29,059,802.92	7,463,128.46	20,600,000.00	0.00
Feb-2024	0.00	0.00	21,818,973.52	7,240,829.39	20,600,000.00	0.00
Mar-2024	0.00	0.00	0.00	21,818,973.52	0.00	20,600,000.00
Apr-2024	0.00	0.00	0.00	0.00	0.00	0.00

OVERVIEW OF THE GERMAN VEHICLE LEASE MARKET

The German car leasing market is a mature market. The key indicators for company car leasing are strong. End of 2019, company car share as a percentage of the total car park in Germany was 11 per cent. (Source: Kraftfahrtbundesamt).

Future German Leasing Trends

In the German company car market leasing is still growing. One of the main reasons for the positive development of operational leasing is the tremendous growth, especially, of the captive leasing companies who have been aggressively pushing their service portfolio in the market.

In 2019, leasing had a penetration level in the car market of 42 per cent. and a penetration level in the company car market of 53 per cent and 22 per cent in the private market. (Source: Kraftfahrtbundesamt, DAT-Report 2020, BDL).

The leasing penetration in the private market has grown over the last years driven by manufactures and importers and by changing preferences of consumers.

The Originator expects that the company car leasing market in Germany will grow moderately according to growth in the national economy.

Full service leasing has become more important even for consumers. The market in general has been increasingly moving towards mobility management and new products and services for different means of transport in the future are to be anticipated.

Captives are becoming stronger not only due to their price aggressiveness but also due to their growing experience in full service leasing.

Captives want to penetrate the full service leasing market - not only by organic growth but also by mergers and acquisitions of non-captive leasing companies. Therefore, they have shown very aggressive pricing behaviour in the market that has put non-captive leasing companies under considerable pressure.

The Originator's Position in the German Market

At year-end 2019, the Originator is the number 1 in the non-captive full service car leasing market in Germany with 174,153 cars before Deutsche Leasing Fleet and Sixt Leasing (Source: FirmenAuto 05/2019, Autoflotte 09/2019).

The Originator has grown over the last years to number 1 in this market in Germany.

The information in the foregoing paragraphs regarding the overview over the German lease vehicle market has been provided by ALD AutoLeasing D GmbH, and ALD AutoLeasing D GmbH is solely responsible for the accuracy of the preceding paragraphs, provided that, with respect to any information included herein and specified to be sourced from ALD AutoLeasing D GmbH (i) the Issuer confirms that any such information has been accurately reproduced and as far as the Issuer is aware and is able to ascertain from the above information available to it from the Originator, the Servicer and the Lender, no facts have been omitted, the omission would render the reproduced information inaccurate or misleading and (ii) the Issuer has not independently verified any such information and accepts no responsibility for the accuracy hereof.

CREDIT AND COLLECTION POLICY

The following is the Credit and Collection Policy. Until further notice, the Issuer consented under the Servicing Agreement to any amendment of, modification of, or waiver in relation to, the Lease Agreements, by the Servicer that is made in accordance with the Credit and Collection Policy. Such consent automatically terminates without the need for any further action by any Party if ALD AutoLeasing D GmbH no longer acts as Servicer under this Agreement or if the Servicer becomes Insolvent. The Servicer may modify the Credit and Collection Policy, provided that such modification does not prejudice the rights of the Noteholders under the Notes. The Servicer will notify the Rating Agencies of any material modifications (in particular any detrimental effects on the cash flow or the timing of payments) of the Credit and Collection Policy.

Under the Servicing Agreement, the Purchased Receivables are administered together with all other lease receivables of ALD AutoLeasing D GmbH ("**ALD**") according to its Credit and Collection Policy.

The Lessees will not be notified of the fact that the receivables from their lease contracts have been assigned to the Issuer, except under special circumstances.

ALD, as the Originator, has internal policies and procedures in relation to the granting of credit, administration of credit-risk bearing portfolios and risk mitigation which broadly include:

- criteria for the granting of credit and the process for approving, amending, renewing and refinancing credits;
- systems in place to administer and monitor the various credit-risk bearing portfolios and exposures;
- diversification of credit portfolios given the ALD's target market and overall credit strategy; and
- policies and procedures in relation to risk mitigation techniques.

ALD AutoLeasing D GmbH as Originator and Servicer has, since the start of the relevant business activities and, therefore, for substantially more than five years as at the date of this Prospectus, gained experience in the field of the origination and servicing of loan receivables vis-à-vis consumer as well as corporate customers such as the Purchased Receivables.

The normal business procedures of ALD AutoLeasing D GmbH are outlined below:

Origination and Underwriting

ALD's credit risk policy is issued by the general management based on international group guidelines of Société Générale and ALD Automotive and German regulatory requirements.

The customers and prospects of ALD are merchants (*Kaufmann/Unternehmer*), public debtors and consumers.

Credit applications are either created by ALD's sales team or by car dealers within sales co- operations with manufacturers or captive banks. All credit applications are created by using ALD's customer relationship management system ARMADA.

The credit applications contain mandatorily the following information:

- customer data and client identification;
- applied credit limit (amount);
- contract data; and
- pricing data.

The credit analysis is performed by the central Credit Risk Management in the head office in Hamburg. All applications are checked against internal and external blacklists (e.g. worldcheck) and agency reports are collected from Creditreform, Creditsafe or Dun & Bradstreet and SCHUFA for consumers. For existing customers the payment behaviour is checked.

ALD measures credit exposure per client as aggregated sum of the net book value of the vehicles leased out deducted by the respective estimated residual values under all lease agreements concluded with the client. The net book value is calculated based on a straight-line depreciation down to the estimated residual value during the lease maturity.

For each prospect, a Credit Limit is set that reflects the maximum accepted credit exposure for this prospect.

For prospects and customers up to a Credit Limit of EUR 50,000 (since the 22.10.2015, before: EUR 30,000), an automated credit decision by ARMADA's decision engine can be performed based on the Creditreform index and a set of policy rules that must be fulfilled.

Credit applications that cannot be decided by the decision engine are transferred to a credit officer for additional analysis. Additional information such as bank information or financial data is collected, if need be.

For prospects and customers for which the Credit Limit exceeds EUR 50,000, credit application is directly transferred to a credit officer.

All new customers receive a rating which is stored in ALD Automotive's common rating tool MAGISTER. MAGISTER is developed by Moody's for ALD Automotive: the version used by ALD has parameters adapted to Germany:

- For customers with an applied credit limit exceeding EUR 100,000 the rating is usually calculated based on financial data ("**Calculated Mode**").

- If a customer has been allocated already a valid rating by SG (whatever its Credit Limit) this rating is entered into Magister ("**Expert Mode**").

- For customers and prospects without valid SG rating that cannot be rated by the Calculated Mode of MAGISTER (e.g. because the turnover is less than EUR 500,000), the Creditreform rating is translated to MAGISTER's rating scale using the probability of default. This also applies for customers with an applied credit limit up to EUR 100,000.

The credit analysis is finalised by the analyst with a recommendation. In certain cases, an additional security (such as bank guarantee or deposit, down-payment or parent guarantee) is required. Depending on the amount of the Credit Limit the credit application can be approved by the Credit Risk Management or requires approval of the Originator's CEO or his deputy.

Credit applications of more than EUR 5,000,000 additionally require the approval of Société Générale's risk department.

The documentation of the credit approval and the communication with the sales is performed within the ARMADA system.

After all necessary approvals are received and required securities are granted the Credit Limit is entered into the IT system by the Credit Risk Management. Without a Credit Limit, no contracts can be activated in the IT system.

A Credit Limit is valid for up to one year. A renewal of the credit limit requires a new credit application, analysis and approval.

Credit Limits are not disclosed to the customer. Thus, in case of negative information received about a customer or payment issues, the Credit Limit can be frozen at any time.

Residual Value Setting

The estimated residual value of a lease contract is set in order to reflect most precisely the expected revenues at contract end from the sale of the vehicle and the final settlement with the customer.

All vehicles are allocated to standard residual value matrixes that define for all relevant lease maturities and mileages upper limits for estimated residual values to be used for the calculation of lease instalments.

In quarterly committees, the allocation of the vehicles to standard residual value matrixes is reviewed using ALD's current and historical sales performance and lifecycle information.

Based on this review ALD's residual value committee proposes adjustments which are implemented after ALD Automotive's review and approval.

Higher estimated residual values than set in the standard residual value matrices are only used if the residual value risk is born by a third party, i.e. a dealer or manufacturer granting a buy back option or the client guaranteeing the residual value.

Customer Service

The contractual relationship with bigger customers is based on a frame agreement that defines the terms and conditions for all services and all lease contracts with the customer.

For each single lease, a specific contract defines all individual details such as the vehicle, the maturity and mileage, the services concluded and the pricing agreed upon.

For smaller customers, the relationship is based on a specific contract and ALD's General Terms and Conditions.

The vehicle is registered on the name of the lessee or in few cases on the employee of the lessee if the lessee is a foreign company without registered office in Germany or on the name of ALD.

The title documents are hold by ALD and archived centrally by a service provider.

Collections

All lease instalments are invoiced monthly. The customer may choose whether he receives one invoice per lease contract or an invoice for a group of lease contracts. The monthly invoices cover the agreed instalments for all services.

Additional invoices e.g. for fuel service are charged monthly.

Currently approximately 90 per cent. of ALD's customers pay by a Single Euro Payments Area (SEPA) direct debit mandate (*SEPA-Lastschriftmandat*). The rejection of a direct debit or an invoice still unpaid one day after the due date are considered as past due.

Unless there is a dispute with the debtor, ALD's accounts receivable department will take immediate action in order to collect the amount as soon as possible. In case the balance cannot be collected within the time schedule set up below, ALD contacts the client by phone to discover the cause for non-payment and agree on concrete actions both on debtor's and ALD's side.

ALD operates a system of reminders within the following time schedule:

1. Past due invoices

1st reminder 15 calendar days after due date

2nd reminder 25 calendar days after due date

3rd reminder (individual letter and/or phone contact) 35 calendar days after due date

2. Rejection of direct debits

In addition to the above mentioned reminders the customers receive an information about the rejection of the direct debit immediately after receipt of the rejection. If the accounts receivable department cannot collect undisputed amounts or disputes cannot be resolved within reasonable time the file is transferred to the collections department. The collections department take immediate action to collect the outstanding balance, past due interest and collection costs. If the customer does not fulfill its obligation and legal requirements are met, ALD may decide to terminate the lease and repossess the vehicle, as applicable. Early termination costs, repossession costs and any other costs related to the collection process are charged to the customer.

If the customer does not pay the claim within 30 days after presenting the invoice of termination costs the collections department initiates a legal procedure to collect the claim (*Mahnbescheidantrag*). In case the debtor lodges an objection against the claim, it is transferred to an external lawyer for further legal action.

All insolvencies are managed in the collections department. Immediately after receipt of information about a lessee's insolvency the administrator is contacted and informed about the lease contracts and ALD's property rights.

Furthermore, he is asked to declare the further usage of the car (section 103 InsO) or to return the vehicle.

After termination, re-possession and remarketing of the vehicle and execution of any securities a final settlement (including early termination costs, repossession costs and any other cost related to the collection process) is set up and sent to the insolvency administrator.

After the claims have been registered by the administrator the doubtful receivables are written off.

Provisions related to doubtful customers are reported on a monthly basis.

Recalculation

Recalculations of the monthly lease instalments are performed regularly to align the vehicle contracted usage. This process targets at avoiding bulk payments at the end of the lease contract.

If the actual mileage exceeds the contracted mileage by more than 10 per cent. ALD may require a recalculation. Otherwise the recalculation requires the consent of both parties.

For the recalculation ALD uses the latest information about the expected sales result at contract end.

Contract adjustments are applied retrospectively; the difference in lease instalments for the lease time gone is charged or credited in a one-off sum.

Extension of Lease Agreements

Lease contracts approaching the contracted maturity can either be ended or at the customer's request extended.

If a customer requests to extend its current lease contract for a certain period, ALD checks whether it is economically viable to extend the lease contract. In most cases an extension is acceptable and the lease contract is recalculated.

If customers do not notify ALD regarding the return of the vehicle or the customer wants to extend the usage of the car only for a short period of time the lease contract continues with the same lease instalments. ALD may decide to end the lease contract that is at or past its contracted maturity date, e.g. in case maintenance is required on the vehicle.

Remarketing

Before the end of a lease contract the customer notifies ALD at which date the vehicle can be collected. The date of collection defines the termination of the lease contract.

ALD picks up the vehicle after documenting the state of the car and any visible damages in a return certificate signed by the customer. The vehicle is transported to the ALD's central used car site where an external expert reviews the state of the vehicle and documents any damages by photos. Eventually, an expert opinion is set up used for remarketing and for the final settlement with the customer. The expert opinion also outlines any damages not covered by ALD's guidelines for wear and tear.

The vehicle is cleaned, if necessary repaired and prepared for remarketing. ALD's remarketing experts define the best sales channel for remarketing the vehicle.

Most vehicles are sold through ALD's internet auctions to vehicle dealers. Some vehicles are sold to drivers. Vehicles in a very good state and with low mileage are sold via ALD's retail outlets to retail customers.

The vehicle is only handed over to the new owner after receipt of full payment for the vehicle.

Final Settlement

After termination of a lease contract an invoice is issued settling the excess or under mileage above resp. below the contracted mileage. Excess/under mileage is not charged credited if the deviation to the contracted mileage is less than 2,500 km. The credit of under mileage is capped at 10,000 km.

The final settlement also includes damages not covered by ALD's guidelines and outlined in the expert opinion produced after return of the vehicle.

In cases where the residual value risk is borne by the client (e.g. finance lease or early terminations) the loss on the sale of the vehicle is charged to the client.

The information in the foregoing paragraphs regarding the Credit and Collection Policy has been provided by ALD AutoLeasing D GmbH, and ALD AutoLeasing D GmbH is solely responsible for the accuracy of the preceding paragraphs, provided that, with respect to any information included herein and specified to be sourced from the ALD AutoLeasing D GmbH (i) the Issuer confirms that any such information has been accurately reproduced and as far as the Issuer is aware and is able to ascertain from the above information available to it from the Originator, the Servicer and the Lender, no facts have been omitted, the omission would render the reproduced information inaccurate or misleading and (ii) the Issuer has not independently verified any such information and accepts no responsibility for the accuracy hereof.

THE ISSUER

General

Red & Black Auto Lease Germany S.A., a public company with limited liability (*société anonyme*), was incorporated for the purpose, amongst others, of issuing asset backed securities under the Securitisation Law, for an unlimited period and with registered office at 6, rue Eugène Ruppert, L-2453 Luxembourg, Grand Duchy of Luxembourg (telephone: +352 26 4491), acting on behalf and for the account of its specific Compartment 3, duly created by resolutions of its board of directors on 27 July 2020. Red & Black Auto Lease Germany S.A. is registered with the Luxembourg Trade and Companies Register (*Registre de Commerce et des Sociétés*) under registration number B245709.

Red & Black Auto Lease Germany S.A. is subject, as an unregulated securitisation company (*société de titrisation*) within the meaning of, and governed by, the Securitisation Law.

The legal entity identifier (LEI) of the Issuer is 222100B9BQHZ59P9JU60.

Red & Black Auto Lease Germany S.A. has been established as a special purpose vehicle whose objects and purposes are primarily the issue of securities.

The articles of association of Red & Black Auto Lease Germany S.A. were filed with the Luxembourg Trade and Companies Register (*Registre de Commerce et des Sociétés*) and published RESA (*Recueil Electronique des Sociétés et Associations*) on 27 July 2020.

Principal Activities

Red & Black Auto Lease Germany S.A. has as its business purpose securitisations in its widest sense within the meaning of the Securitisation Law. Red & Black Auto Lease Germany S.A. may issue securities of any nature and in any currency and, to the largest extent permitted by the Securitisation Law, pledge, mortgage or charge or otherwise create security interests in and over its assets, property and rights to secure its obligations. Red & Black Auto Lease Germany S.A. may enter into any agreement and perform any action necessary or useful for the purpose of carrying out transactions permitted by the Securitisation Law, including, without limitation, disposing of its assets in accordance with the relevant agreements. Red & Black Auto Lease Germany S.A. may only carry out the above activities if and to the extent that they are compatible with the Securitisation Law.

Red & Black Auto Lease Germany S.A. has not previously carried out any business or activities other than those incidental to its incorporation. In respect of its Compartment 3, the principal activities of the Issuer will be the issue of the Notes in connection with the Transaction, the granting of the Security Assets, the entering into the Swap Agreement and the entering into all other Transaction Documents to which it is a party and the opening of the Transaction Accounts and the exercise of related rights and powers and other activities reasonably incidental thereto.

Compartments

The board of directors of Red & Black Auto Lease Germany S.A. may, in accordance with the terms of the Securitisation Law, and in particular its article 5, create one or more Compartments within Red & Black Auto Lease Germany S.A. Each Compartment shall, unless otherwise provided for in the resolution of the board of directors creating such Compartment, correspond to a distinct part of the assets and liabilities in respect of the corresponding funding. The resolution of the board of directors creating one or more Compartments within Red & Black Auto Lease Germany S.A., as well as any subsequent amendments thereto, shall be binding as of the date of such resolutions against any third party. In relation to this Transaction, Red & Black Auto Lease Germany S.A. has created one Compartments, i.e. Compartment 3.

As between investors, each Compartment of Red & Black Auto Lease Germany S.A. shall be treated as a separate entity. Rights of creditors and investors of Red & Black Auto Lease Germany S.A. that (i) have been designated as relating to a compartment or (ii) have arisen in connection with the creation, the operation or the liquidation of a compartment are strictly limited to the assets of that compartment which shall be exclusively available to satisfy such creditors and investors. Creditors and investors of Red & Black Auto Lease Germany S.A. whose rights are not related to a specific Compartment of Red & Black Auto Lease Germany S.A. shall have no rights to the assets of such Compartment.

Unless otherwise provided for in the resolution of the board of directors of Red & Black Auto Lease Germany S.A. creating such Compartment, no resolution of the board of directors of Red & Black Auto Lease Germany S.A. may amend the resolution creating such Compartment or to directly affect the rights of the creditors and investors whose rights relate to such Compartment without the prior approval of the creditors and investors whose rights relate to such Compartment. Any decision of the board of directors taken in breach of this provision shall be void.

Without prejudice to what is stated in the precedent paragraph, each Compartment of Red & Black Auto Lease Germany S.A. may be separately liquidated without such liquidation resulting in the liquidation of another Compartment of Red & Black Auto Lease Germany S.A. or of Red & Black Auto Lease Germany S.A. itself.

Fees, costs, expenses and other liabilities incurred on behalf of Red & Black Auto Lease Germany S.A. as a whole shall be general liabilities of Red & Black Auto Lease Germany S.A. and shall not be payable out of the assets of any Compartment. If the aforementioned fees, costs, expenses and other liabilities cannot be otherwise funded, they shall be apportioned *pro rata* among the Compartments of Red & Black Auto Lease Germany S.A. upon a decision of the board of directors.

Corporate Administration and Management

The directors of the Issuer and their business addresses are:

Name	**Business Address**
Sylvia Vanholst	6, rue Eugène Ruppert, L-2453 Luxembourg, Grand Duchy of Luxembourg
Sean Barrett	6, rue Eugène Ruppert, L-2453 Luxembourg, Grand Duchy of Luxembourg
Claudio Chirco	6, rue Eugène Ruppert, L-2453 Luxembourg, Grand Duchy of Luxembourg

The directors of the Issuer hold mandates on other Luxembourg entities. Each of the directors confirms that there is no conflict of interest between his or her duties as a director of the Issuer and his or her principal and/or other activities outside Red & Black Auto Lease Germany S.A.

Share Capital and Shareholders

The subscribed share capital of Red & Black Auto Lease Germany S.A. is set at EUR 30,000 divided into 30,000, fully paid up, registered shares with a par value of EUR 1 each.

The sole shareholder of Red & Black Auto Lease Germany S.A. is Stichting Red & Black Auto Lease Germany, a foundation duly incorporated and validly existing under the laws of The Netherlands with its registered office at Prins Bernhardplein 200, 1097 JB Amsterdam, The Netherlands. Stichting Red & Black Auto Lease Germany is registered with the trade register of The Netherlands Chamber of Commerce (*Kamer van Koophandel*) in Amsterdam under number 861462373.

Capitalisation

The current share capital of Red & Black Auto Lease Germany S.A. as at the date of this Prospectus is as follows:

Share Capital

Authorised, issued and fully paid up: EUR 30,000.

Indebtedness

Red & Black Auto Lease Germany S.A. has no material indebtedness, contingent liabilities and/or guarantees as at the date of the Prospectus, other than that which it has incurred or shall incur in relation the transactions including the one contemplated in this Prospectus.

Holding Structure

Stichting Red & Black Auto Lease Germany, prenamed	30,000 shares
Total	30,000 shares

Subsidiaries

Red & Black Auto Lease Germany S.A. has no subsidiaries or Affiliates.

Main Procedure for Management Meetings and Decisions

The board of directors may elect from among its members a chairman and shall convene upon the call of the chairman or the request of two directors.

Resolutions signed by all members of the board of directors will be as valid and effective as if passed at a meeting duly convened and held. Such signatures may appear on a single document or multiple copies of an identical resolution and may be evidenced by letter, fax, email or similar communication.

Financial Statements

The financial year of the Issuer ends on 31 December in each calendar year with its first year end on 31 December 2020. Since the date of its incorporation on 21 July 2020 the Issuer has not commenced operations and no financial statements have been made up as at the date of this Prospectus other than those incidental to its incorporation.

Ernst & Young S.A., 35 E Avenue John F. Kennedy L-1855 Luxembourg, Grand Duchy of Luxembourg are the approved auditors (*réviseurs d'entreprises agréées*) of the Issuer and are members of the Luxembourg *Institut des Réviseurs d'entreprises* and approved auditors qualified to practise in Luxembourg.

Litigation, Arbitration and Governmental Proceedings

The Issuer has not been engaged in any legal litigation or arbitration proceedings or governmental 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 legal litigation or arbitration proceedings or governmental proceedings pending or threatened.

Material Adverse Change

There has been no material adverse change in the financial position or prospects of the Issuer since its incorporation.

THE ORIGINATOR / SERVICER / LENDER

ALD AutoLeasing D GmbH, a limited liability company (*Gesellschaft mit beschränkter Haftung*) incorporated under the laws of the Federal Republic of Germany, registered with the commercial register (*Handelsregister*) of the local court (*Amtsgericht*) of Hamburg under HRB 30468 and having its registered office at Nedderfeld 95, 22529 Hamburg, Federal Republic of Germany ("ALD") acts as Originator, Servicer and Lender under the Transaction.

Organisation and Business Model

ALD is part of the ALD group ("ALD Automotive"), the Full Service Leasing and Fleet Management business line of SG Group.

The ultimate major shareholder of ALD is Société Générale S.A. Via ALD International GmbH and ALD SA, 80 per cent of ALD's voting shares are indirectly held by Société Générale S.A.

ALD Automotive manages more than 1,760,000 vehicles (as of 31 December 2019) in 43 countries with 6,500 employees. Combining professionalism and quality of services provides companies with value-added integrated solutions both at national and international levels.

In Germany, ALD offers Full Service Leasing and via its subsidiary Car Professional Fuhrparkmanagement und Beratungsgesellschaft mbH & Co. KG, Hamburg ("CPM") a comprehensive fleet management product. Overall, ALD and CPM serve a fleet of more than 185.000 vehicles (as of 31 December 2019) in Germany.

ALD's sales teams serve customers and prospects all over Germany and are located in home- offices.

The business model of ALD offers Full Service Leasing through direct acquisition of fleet customers and through co-operations with some manufacturers and captive banks that do not provide Full Service Leasing directly via their captive organisations. Within the co-operations the sales teams of the captive bank and the related brand dealers mediate ALD products labelled with the manufacturer's brand.

ALD maintains used car sites in Dorfmark, Hannover and Norderstedt. These sites are operated for the sale of returned lease vehicles to wholesale and retail customers.

All other business processes such as credit acceptance and risk management, residual value setting and financial controlling are performed in the head office in Hamburg based on ALD Automotive's and Société Générale's group policies and procedures. ALD also use services provided by other Société Générale group companies.

ALD and its subsidiary CPM employ 473 persons (as of 31 December 2019).

Products and Services

ALD's customers are public debtors, merchants (*Kaufmann/Unternehmer*) or consumers. This includes as well small companies, professionals as subsidiaries of big international corporates and private customers.

ALD offers finance and operate leases with a broad range of services such as maintenance and tyre services, insurance and damage handling, fuel management and road assistance.

Products of ALD Germany

ALD offers a comprehensive range of products related to vehicle leasing and management to its customers.

In addition to the "pure" financial service product which only covers the Lease Interest Component and the Lease Principal Component a client may conclude additional Lease Services with ALD.

ALD currently offers the main following Lease Services to its clients:

Maintenance and Repairs

If a lessee has concluded the maintenance and repairs services for the leased vehicle, ALD performs all compulsory maintenance work recommended by the vehicle's manufacturer including the material required, repair of all damages caused by wear and tear, charges for the regular main inspections, emission tests, special brakes inspections according to the *Straßenverkehrszulassungsverordnung* and towing to the nearest authorised repair shop up to 50 km if necessary.

Any additional costs for fuel or electricity and for engine oils to be refilled according to the manufacturer's specifications, general refill liquids, operating materials as well as washing, cleaning, polishing of the vehicle, software updates, acquisition and replacement of navigation data are borne by the lessee.

Maintenance and repair orders can be placed by the lessee using the ALD service card. The service documents entitle the lessee to place orders on behalf and for the account of ALD. Orders for compulsory maintenance and repair of wear and tear must be placed with a repair shop authorised by the respective manufacturer of the vehicle.

Depending on the clients intention to transfer or to keep the maintenance risk two models of charging the service costs are offered:

Closed Calculation Lease Agreements

Based on the contracted lease maturity and mileage, ALD charges a fixed monthly service instalment agreed in an individual contract with the financial service instalment.

ALD bears the risk of higher maintenance and services costs.

At contract end ALD performs a final settlement of this service regarding the actual mileage driven. Excess mileage is charged to the lessee applying the prices / excess kilometre as agreed in the individual contract. Unused mileage is credited to the lessees up to a maximum of 10,000 km.

Open Calculation Lease Agreements

The lessee pays a monthly service budget ("**Open Calculation Fixed Budget**") based on the actually expected maintenance costs and a monthly service fee as agreed in the individual contract.

The risk of higher maintenance and services costs is borne by the lessee.

After the termination of the lease actual costs incurred for maintenance and repairs are compared with the total service budget invoiced during the lease term. Any balance is settled with the lessee.

An "**Open Calculation – Pay On Use**" option whereby ALD makes the advances for the maintenance and repairs and the actual costs are settled on a monthly basis is also proposed to ALD clients.

Tyre Service

In the individual contract where this type of service is subscribed for ALD entitles the lessee to receive a defined number of summer resp. winter tyres of a defined size and type during the lease term at ALD's contracted suppliers. Seasonal storage of summer resp. winter tyres is included.

The lessee may also conclude tyre services with an unlimited number of tyres.

Any costs incurring for tyre pressure controlling systems or changes of tyres beyond the agreed number, size or type are not included and have to be borne by the lessee.

Orders for tyre change can be placed by the lessee using the ALD service card and the ALD tyre service order form (service documents) at ALD's contracted suppliers. The service documents entitle the lessee to place orders on behalf and for the account of ALD.

As for the maintenance and repairs service the lessee may decide for a closed or open calculation type of invoicing.

Motor Vehicle Tax Service

If inclusion of tax payments has been subscribed for by the lessee ALD pays the motor vehicle taxes on behalf of the lessee to the relevant tax authorities on the due dates. Therefore, the lessee transfers all tax bills regarding the vehicle to ALD.

The lessee pays a monthly vehicle tax service instalment and a monthly service fee agreed upon in the individual contract. ALD is entitled to adjust the vehicle tax service instalment if the motor vehicle tax changes.

Any balances between the motor vehicle tax service instalments received by ALD and the respective taxes paid is settled at the end of the contract.

Radio Fee Service

If this service is included in the relevant lease contract ALD pays the radio fee on behalf of the lessee.

The lessee pays a monthly radio fee service instalment and a monthly service fee agreed upon in the individual contract. ALD is entitled to adjust the radio fee service instalment if the radio fee changes.

Fuel Service

If inclusion of fuel service has been agreed ALD provides the lessee with fuel and/ or charging cards entitling the lessee to obtain fuel/ electricity at fuel chains/ charging points contracted by ALD.

The lessee pays a monthly fuel service fee for the provision of the fuel/ charging cards agreed upon in the individual contract. Any fuel/ electricity obtained by the lessee is charged to the lessee in a separate invoice.

Insurance Service

If inclusion of insurance service has been agreed ALD arranges an insurance cover for the customer to the extent and conditions agreed upon in the individual contract.

The lessee pays a monthly insurance service instalment agreed upon in the individual contract. ALD is entitled to adjust the insurance service instalment if the insurance fee charged by the insurer changes.

If motor vehicle third-party liability insurance and comprehensive insurance are concluded by the lessee, out-of court handling of third-party liability and vehicle claims shall be dealt with by ALD exclusively.

The driver is supported by a telephone hotline available "24 hours a day, 7 days a week". This hotline arranges the pick-up of the car if necessary and ensures the mobility of the driver e.g. with a rental cars.

Risk Release Service

The lessee and ALD may agree to release the lessee from the obligation to obtain partial and full comprehensive insurance for the vehicle. This service also limits the lessee's liability with regard to damages to the vehicle going beyond common use to self-contribution agreed upon in the individual contract.

The lessee pays a monthly risk release service instalment agreed upon in the individual contract. ALD is entitled to require an adjustment of the risk release instalment if expected costs have increased.

Mobility Services

The Lessee may order rental cars at ALD for daily, weekly or monthly rates based on individual agreements. ALD does not maintains an own fleet of rental cars but does also sources those cars with car rental companies.

This service is charged separately.

The information in the foregoing paragraphs regarding the Originator, the Servicer and the Lender has been provided by ALD AutoLeasing D GmbH, and ALD AutoLeasing D GmbH is solely responsible for the accuracy of the preceding paragraphs, provided that, with respect to any information included herein and specified to be sourced from the Originator, the Servicer and the Lender (i) the Issuer confirms that

any such information has been accurately reproduced and as far as the Issuer is aware and is able to ascertain from the above information available to it from the Originator, the Servicer and the Lender, no facts have been omitted, the omission would render the reproduced information inaccurate or misleading and (ii) the Issuer has not independently verified any such information and accepts no responsibility for the accuracy hereof. Except for the preceding paragraphs, ALD AutoLeasing D GmbH in its capacity as Originator, Servicer and Lender, and its affiliates have not been involved in the preparation of, and does not accept responsibility for, this Prospectus.

THE SWAP COUNTERPARTY

DZ BANK AG Deutsche Zentral-Genossenschaftsbank, Frankfurt am Main, a stock corporation (*Aktiengesellschaft*) organised under the laws of Germany, registered with the commercial register (*Handelsregister*) of the local court (*Amtsgericht*) of Frankfurt under registration number HRB 45651, with registered office at Platz der Republik, 60265 Frankfurt am Main, Federal Republic of Germany has been appointed to act as Swap Counterparty under the Transaction.

The legal entity identifier (LEI) is 529900HNOAA1KXQJUQ27.

Legal name	DZ BANK AG Deutsche Zentral-Genossenschaftsbank, Frankfurt am Main
Commercial name	DZ BANK AG
Domicile	Platz der Republik, 60325 Frankfurt am Main, Federal Republic of Germany
Legal Form, Legislation	DZ BANK is a stock corporation (*Aktiengesellschaft*) organised under German Law
Country of Incorporation	Federal Republic of Germany
Principal Activities	DZ BANK is a company of the cooperative tradition. As central credit institution, it is responsible for the liquidity balancing for the affiliated cooperative banks and the institutions of the Volksbanken Raiffeisenbanken cooperative financial network. DZ BANK may engage in all types of banking transactions that constitute the business of banking and in transactions complementary thereto, including the acquisition of equity investments. DZ BANK may also attain its objectives indirectly. In exceptional cases, DZ BANK may, for the purpose of furthering the cooperative system and the cooperative housing sector, deviate from ordinary banking practices in extending credit. In evaluating whether any extension of credit is justified, the liability of cooperative members may be taken into account to the extent appropriate. DZ BANK is acting as a central bank, corporate bank and parent holding company of the DZ BANK Group. The DZ BANK Group forms part of the German Volksbanken Raiffeisenbanken cooperative financial network, which comprises around 850 cooperative banks and is one of Germany's largest financial services organisations measured in terms of total assets. As a central institution, DZ BANK is strictly geared to the interests of the cooperative banks, which are both its owners and its most important customers. Using a customized product portfolio and customer-focused marketing, DZ BANK aims to ensure that the cooperative banks continually improve their competitiveness on the basis of their brands and - from the Issuer's point of view - a leading market position. In addition, DZ BANK is in its function as central bank for all cooperative banks in Germany responsible for the liquidity management within

the Volksbanken Raiffeisenbanken cooperative financial network.

As a corporate bank DZ BANK serves companies and institutions that need a banking partner that operates at the national level. DZ BANK offers the full range of products and services of an international oriented financial institution with a special focus on Europe. DZ BANK also provides access to the international financial markets for its partner institutions and their customers.

DZ BANK Group's business activities include the four strategic business units Retail Banking, Corporate Banking, Capital Markets and Transaction Banking.

This description of the Swap Counterparty does not purport to be a summary of, and is therefore subject to, and qualified in its entirety by reference to, the detailed provisions of the Transaction Documents.

The delivery of this description does not imply that there has been no change in the affairs of DZ BANK AG Deutsche Zentral-Genossenschaftsbank, Frankfurt am Main since the date hereof or that the information contained or referred to herein is correct as at any time subsequent to its date.

The information in the foregoing paragraphs regarding the Swap Counterparty has been provided by DZ BANK AG Deutsche Zentral-Genossenschaftsbank, Frankfurt am Main, and DZ BANK AG Deutsche Zentral-Genossenschaftsbank, Frankfurt am Main is solely responsible for the accuracy of the preceding paragraphs, provided that, with respect to any information included herein and specified to be sourced from the Swap Counterparty (i) the Issuer confirms that any such information has been accurately reproduced and as far as the Issuer is aware and is able to ascertain from the above information available to it from the Swap Counterparty, no facts have been omitted, the omission would render the reproduced information inaccurate or misleading and (ii) the Issuer has not independently verified any such information and accepts no responsibility for the accuracy hereof. Except for the preceding paragraphs, DZ BANK AG Deutsche Zentral-Genossenschaftsbank, Frankfurt am Main in its capacity as Swap Counterparty, and its affiliates have not been involved in the preparation of, and does not accept responsibility for, this Prospectus.

THE FUNDING ENTITY

Société Générale S.A., a public limited liability (*société anonyme*) incorporated under the laws of the Republic of France, registered with the Paris Trade Register under registration no. 552 120 222 and having its registered office at 29 Boulevard Haussmann, 75009 Paris, Republic of France has agreed to act as Funding Entity under the Transaction.

The SG Group is one of the leading financial services groups in Europe. Based on a diversified and well-balanced banking model, the SG Group combines financial strength with a strategy of sustainable growth, putting its resources to work to finance the economy and its clients' plans. With a solid position in Europe and a presence in countries with strong potential, the SG Group's 138,000 employees in 62 countries support 29 million individual customers, large corporates and institutional investors worldwide by offering a wide range of advisory services and financial solutions.

The SG Group is built on three complementary core businesses:

- French Retail Banking, which encompasses the Société Générale, Crédit du Nord and Boursorama brands. Each offers a full range of financial services with multi-channel products at the cutting edge of digital innovation;

- International Retail Banking, Insurance, and Financial Services to Corporates, with networks in developing regions and specialised businesses that are leaders in their markets;

- Corporate and Investment Banking, Private Banking, Asset Management and Securities Services, which offer recognised expertise, key international locations and integrated solutions.

As of the date of this Prospectus, Société Générale S.A.'s long-term unsecured senior preferred debt rating is "A" at Fitch,"A" at Standard & Poor's and, "A1" at Moody's.

This description of the Funding Entity does not purport to be a summary of, and is therefore subject to, and qualified in its entirety by reference to, the detailed provisions of the Transaction Documents.

The delivery of this description does not imply that there has been no change in the affairs of Société Générale S.A. since the date hereof or that the information contained or referred to herein is correct as at any time subsequent to its date.

The information in the foregoing paragraphs regarding the Funding Entity has been provided by Société Générale S.A., and Société Générale S.A. is solely responsible for the accuracy of the preceding paragraphs, provided that, with respect to any information included herein and specified to be sourced from the Funding Entity (i) the Issuer confirms that any such information has been accurately reproduced and as far as the Issuer is aware and is able to ascertain from the above information available to it from the Funding Entity, no facts have been omitted, the omission would render the reproduced information inaccurate or misleading and (ii) the Issuer has not independently verified any such information and accepts no responsibility for the accuracy hereof. Except for the preceding paragraphs, Société Générale S.A. in its capacity as Funding Entity, and its affiliates have not been involved in the preparation of, and does not accept responsibility for, this Prospectus.

THE TRUSTEE

Intertrust Trustees GmbH, a limited liability company (*Gesellschaft mit beschränkter Haftung*) incorporated under the laws of the Federal Republic of Germany, registered with the commercial register (*Handelsregister*) of the local court (*Amtsgericht*) of Frankfurt am Main under HRB 98921 and having its registered office at Eschersheimer Landstraße 14, 60322 Frankfurt am Main, Federal Republic of Germany has been appointed as Trustee under the Transaction.

Intertrust Trustees GmbH as Trustee belongs to the same group of companies as Intertrust (Luxembourg) S.à r.l. in its capacity as Corporate Administrator and Intertrust (Deutschland) GmbH in its capacity as Data Trustee and Back-Up Servicer Facilitator. Intertrust Trustees GmbH, Intertrust (Luxembourg) S.à r.l. and Intertrust (Deutschland) GmbH are affiliated entities within the Intertrust group.

Intertrust Group is providing expert administrative services to clients operating and investing in the international business environment.

Intertrust Group operates with 3,500 professionals in 30 jurisdictions worldwide.

Additional information is available at www.intertrustgroup.com.

This description of the Trustee does not purport to be a summary of, and is therefore subject to, and qualified in its entirety by reference to, the detailed provisions of the Transaction Documents.

The delivery of this description does not imply that there has been no change in the affairs of Intertrust Trustees GmbH since the date hereof or that the information contained or referred to herein is correct as at any time subsequent to its date.

The information in the foregoing paragraphs regarding the Trustee has been provided by Intertrust Trustees GmbH, and Intertrust Trustees GmbH is solely responsible for the accuracy of the preceding paragraphs provided that, with respect to any information included herein and specified to be sourced from the Trustee (i) the Issuer confirms that any such information has been accurately reproduced and as far as the Issuer is aware and is able to ascertain from the above information available to it from the Trustee, no facts have been omitted, the omission would render the reproduced information inaccurate or misleading and (ii) the Issuer has not independently verified any such information and accepts no responsibility for the accuracy hereof. Except for the preceding paragraphs, Intertrust Trustees GmbH in its capacity as Trustee, and its affiliates have not been involved in the preparation of, and does not accept responsibility for, this Prospectus.

THE DATA TRUSTEE / BACK-UP SERVICER FACILITATOR / BACK-UP MAINTENANCE COORDINATOR FACILITATOR

Intertrust (Deutschland) GmbH, a limited liability company (*Gesellschaft mit beschränkter Haftung*) incorporated under the laws of the Federal Republic of Germany, registered with the commercial register (*Handelsregister*) of the local court (*Amtsgericht*) of Frankfurt am Main under HRB 75344 and having its registered office at Eschersheimer Landstraße 14, 60322 Frankfurt am Main, Federal Republic of Germany has been appointed as Data Trustee and Back-Up Servicer Facilitator under the Transaction.

Intertrust (Deutschland) GmbH as Data Trustee, Back-Up Servicer Facilitator and Back-Up Maintenance Coordinator Facilitator belongs to the same group of companies as Intertrust (Luxembourg) S.à r.l. in its capacity as Corporate Administrator and Intertrust Trustees GmbH in its capacity as Trustee. Intertrust Trustees GmbH, Intertrust (Luxembourg) S.à r.l. and Intertrust (Deutschland) GmbH are affiliated entities within the Intertrust group.

Intertrust Group is providing expert administrative services to clients operating and investing in the international business environment.

Intertrust Group operates with 3,500 professionals in 30 jurisdictions worldwide.

Additional information is available at www.intertrustgroup.com.

This description of the Data Trustee, the Back-Up Servicer Facilitator and the Back-Up Maintenance Coordinator Facilitator does not purport to be a summary of, and is therefore subject to, and qualified in its entirety by reference to, the detailed provisions of the Transaction Documents.

The delivery of this description does not imply that there has been no change in the affairs of Intertrust (Deutschland) GmbH since the date hereof or that the information contained or referred to herein is correct as at any time subsequent to its date.

The information in the foregoing paragraphs regarding the Data Trustee, the Back-Up Servicer Facilitator and the Back-Up Maintenance Coordinator Facilitator has been provided by Intertrust (Deutschland) GmbH, and Intertrust (Deutschland) GmbH is solely responsible for the accuracy of the preceding paragraphs provided that, with respect to any information included herein and specified to be sourced from the Data Trustee, the Back-Up Servicer Facilitator and the Back-Up Maintenance Coordinator Facilitator (i) the Issuer confirms that any such information has been accurately reproduced and as far as the Issuer is aware and is able to ascertain from the above information available to it from the Data Trustee, the Back-Up Servicer Facilitator and the Back-Up Maintenance Coordinator Facilitator, no facts have been omitted, the omission would render the reproduced information inaccurate or misleading and (ii) the Issuer has not independently verified any such information and accepts no responsibility for the accuracy hereof. Except for the preceding paragraphs, Intertrust (Deutschland) GmbH in its capacity as Data Trustee, the Back-Up Servicer Facilitator and the Back-Up Maintenance Coordinator Facilitator, and its affiliates have not been involved in the preparation of, and does not accept responsibility for, this Prospectus.

THE PAYING AGENT / ACCOUNT BANK

Elavon Financial Services DAC, a designated activity company incorporated under the laws of the Republic of Ireland, registered with the Companies Registration Office Ireland under registration number 418442 and having its registered office at Block E, Cherrywood Business Park, Loughlinstown, Dublin, Republic of Ireland has been appointed as Paying Agent and Account Bank under the Transaction.

Elavon Financial Services DAC, trading as US Bank Global Corporate Trust, is an integral part of the worldwide Corporate Trust business of the US Bancorp group. In Europe, US Bank Global Corporate Trust conducts business through Elavon Financial Services DAC from its offices in Dublin at Building 8, Cherrywood Business Park, Loughlinstown, Dublin 18, Ireland D18 W319 and through its UK Branch in London at 125 Old Broad Street, London EC2N 1AR, United Kingdom.

Elavon Financial Services DAC is a bank incorporated in Ireland and a wholly owned subsidiary of US Bank National Association. Elavon Financial Services DAC is authorised by the Central Bank of Ireland and the activities of its UK Branch are also subject to the limited regulation of the UK Financial Conduct Authority and Prudential Regulation Authority.

In Europe, the Corporate Trust business is conducted in combination with US Bank Global Corporate Trust Limited (the legal entity through which certain Corporate Trust agency appointments are conducted), US Bank Trustees Limited (the legal entity through which Corporate Trust trustee appointments are conducted) and US Bank National Association (the legal entity through which Corporate Trust conducts business in the United States).

The Corporate trust business of US Bancorp is one of the world's largest providers of corporate trust services with more than USD4 trillion in assets under administration in municipal, corporate, asset-backed and international bonds. The Corporate Trust business provides a wide range of trust and agency services such as calculation/paying agent, collateral administration and custody through its network of more than 50 US-based offices and European offices in London and Dublin.

US Bancorp (NYSE: USB) is the parent company of US Bank National Association, the fifth largest commercial bank in the United States. Visit US Bancorp on the web at www.usbank.com.

Elavon Financial Services DAC as Paying Agent and Account Bank belongs to the same group of companies as US Bank Global Corporate Trust Limited in its capacity as Cash Administrator and Interest Determination Agent. Elavon Financial Services DAC and US Bank Global Corporate Trust Limited are affiliated entities within the US Bancorp group.

This description of the Paying Agent and the Account Bank does not purport to be a summary of, and is therefore subject to, and qualified in its entirety by reference to, the detailed provisions of the Transaction Documents.

The delivery of this description does not imply that there has been no change in the affairs of Elavon Financial Services DAC since the date hereof or that the information contained or referred to herein is correct as at any time subsequent to its date.

The information in the foregoing paragraphs regarding the Paying Agent and the Account Bank has been provided by Elavon Financial Services DAC, and Elavon Financial Services DAC is solely responsible for the accuracy of the preceding paragraphs provided that, with respect to any information included herein and specified to be sourced from the Paying Agent and the Account Bank (i) the Issuer confirms that any such information has been accurately reproduced and as far as the Issuer is aware and is able to ascertain from the above information available to it from the Paying Agent and the Account Bank, no facts have been omitted, the omission would render the reproduced information inaccurate or misleading and (ii) the Issuer has not independently verified any such information and accepts no responsibility for the accuracy hereof. Except for the preceding paragraph, Elavon Financial Services DAC in its capacity as Paying Agent and Account Bank, and its affiliates have not been involved in the preparation of, and does not accept responsibility for, this Prospectus.

THE CASH ADMINISTRATOR AND INTEREST DETERMINATION AGENT

US Bank Global Corporate Trust Limited, a limited company incorporated under the laws of England and Wales, registered with the Companies House under registration number 05521133 and having its registered office at 125 Old Broad Street, London, EC2N 1AR, United Kingdom has been appointed as Cash Administrator and Interest Determination Agent under the Transaction.

US Bank Global Corporate Trust Limited is part of the worldwide Corporate Trust business of the US Bancorp group. In Europe, the Corporate Trust business is conducted in combination with Elavon Financial Services DAC. (the legal entity through which Corporate Trust banking and certain agency appointments are conducted), US Bank Trustees Limited (the legal entity through which Corporate Trust trustee appointments are conducted) and US Bank National Association, (the legal entity through which Corporate Trust conducts business in the United States).

The Corporate trust business of US Bancorp is one of the world's largest providers of corporate trust services with more than USD4 trillion in assets under administration in municipal, corporate, asset-backed and international bonds. The division provides a wide range of trust and agency services such as calculation/paying agent, collateral administration and custody through its network of more than 50 US-based offices and European offices in London and Dublin.

US Bancorp (NYSE: USB) is the parent company of US Bank National Association, the fifth largest commercial bank in the United States. Visit US Bancorp on the web at www.usbank.com.

US Bank Global Corporate Trust Limited as Cash Administrator and Interest Determination Agent belongs to the same group of companies as Elavon Financial Services DAC in its capacity as Paying Agent and Account Bank. Elavon Financial Services DAC and US Bank Global Corporate Trust Limited are affiliated entities within the US Bancorp group.

This description of the Cash Administrator and the Interest Determination Agent does not purport to be a summary of, and is therefore subject to, and qualified in its entirety by reference to, the detailed provisions of the Transaction Documents.

The delivery of this description does not imply that there has been no change in the affairs of US Bank Global Corporate Trust Limited since the date hereof or that the information contained or referred to herein is correct as at any time subsequent to its date.

The information in the foregoing paragraphs regarding the Cash Administrator and the Interest Determination Agent has been provided by US Bank Global Corporate Trust Limited, and US Bank Global Corporate Trust Limited is solely responsible for the accuracy of the preceding paragraphs provided that, with respect to any information included herein and specified to be sourced from the Cash Administrator and the Interest Determination Agent (i) the Issuer confirms that any such information has been accurately reproduced and as far as the Issuer is aware and is able to ascertain from the above information available to it from the Cash Administrator and the Interest Determination Agent, no facts have been omitted, the omission would render the reproduced information inaccurate or misleading and (ii) the Issuer has not independently verified any such information and accepts no responsibility for the accuracy hereof. Except for the preceding paragraph, US Bank Global Corporate Trust Limited in its capacity as Cash Administrator and Interest Determination Agent, and its affiliates have not been involved in the preparation of, and does not accept responsibility for, this Prospectus.

THE CORPORATE ADMINISTRATOR

Intertrust (Luxembourg) S.à r.l., a private limited liability company (*société à responsabilité limitée*) incorporated under the laws of the Grand-Duchy of Luxembourg, registered with the Luxembourg Trade and Companies (*Registre de Commerce et des Sociétés, Luxembourg*) under registration number B 103123 and having its registered office at 6, rue Eugène Ruppert, L-2453 Luxembourg, Grand Duchy of Luxembourg has been appointed as Corporate Administrator under the Transaction.

Intertrust (Luxembourg) S.à r.l. has been incorporated on 23 September 2004, has more than 550 skilled professionals and is a provider of corporate services, including independent directors, corporate governance and accounting services to SPVs. Intertrust (Luxembourg) S.à r.l. has a business licence as professional of the financial sector including domiciliation agents (*Domiciliataires de Sociétés*) and is supervised by the CSSF.

The sole shareholder of Intertrust (Luxembourg) S.à r.l. is Intertrust Holding (Luxembourg) S.à r.l., a private limited liability company (*société à responsabilité limitée*), existing and organised under the laws of the Grand Duchy of Luxembourg with its registered office at 6, Rue Eugène Ruppert L-2453 Luxembourg, Grand Duchy of Luxembourg, being registered with the Luxembourg Trade and Companies (*Registre de Commerce et des Sociétés, Luxembourg*) under registration number B 156.338.

Intertrust (Luxembourg) S.à r.l. as Corporate Administrator belongs to the same group of companies as Intertrust (Deutschland) GmbH in its capacity as Data Trustee and Back-Up Servicer Facilitator and Intertrust Trustees GmbH in its capacity as Trustee. Intertrust Trustees GmbH, Intertrust (Luxembourg) S.à r.l. and Intertrust (Deutschland) GmbH are affiliated entities within the Intertrust group.

This description of the Corporate Administrator does not purport to be a summary of, and is therefore subject to, and qualified in its entirety by reference to, the detailed provisions of the Transaction Documents.

The delivery of this description does not imply that there has been no change in the affairs of Intertrust (Luxembourg) S.à r.l. since the date hereof or that the information contained or referred to herein is correct as at any time subsequent to its date.

The information in the foregoing paragraphs regarding the Corporate Administrator has been provided by Intertrust (Luxembourg) S.à r.l., and Intertrust (Luxembourg) S.à r.l. is solely responsible for the accuracy of the preceding paragraphs provided that, with respect to any information included herein and specified to be sourced from the Corporate Administrator (i) the Issuer confirms that any such information has been accurately reproduced and as far as the Issuer is aware and is able to ascertain from the above information available to it from the Corporate Administrator, no facts have been omitted, the omission would render the reproduced information inaccurate or misleading and (ii) the Issuer has not independently verified any such information and accepts no responsibility for the accuracy hereof. Except for the preceding paragraphs, Intertrust (Luxembourg) S.à r.l. in its capacity as Corporate Administrator, and its affiliates have not been involved in the preparation of, and does not accept responsibility for, this Prospectus.

RATING OF THE NOTES

The Class A Notes are expected to be rated "Aaa (sf)" by Moody's and " AAA (sf)" by S&P. The Class B Notes are expected to be rated "BBB (sf)" by S&P and "Baa2(sf)" by Moody's. The Class C Notes will not be rated.

It is a condition of the issue of the Notes that the Notes receive the above indicated ratings.

The rating of "Aaa (sf)" is the highest rating that Moody's assigns to long term debt. The rating of "AAA (sf)" is the highest rating that S&P assigns to long term debt.

The Rating Agencies' rating reflects only the view of that Rating Agency. The rating of the Rating Agencies takes into consideration the characteristics of the Portfolio, the Transaction and the current structural, legal, tax and Issuer-related aspects associated with the Class A Notes and the Class B Notes. However, the ratings assigned to the Class A Notes and the Class B Notes by Moody's and S&P do not represent any assessment of the likelihood of principal prepayments. The ratings do not address the possibility that the Class A Noteholders and the Class B Noteholders might suffer a lower than expected yield due to prepayments.

Any Rating Agency may lower its ratings assigned to the Class A Notes and/or the Class B Notes or withdraw its rating if, in the sole judgement of such Rating Agency, *inter alia*, the credit quality of the Class A Notes and/or the Class B Notes has declined or is in question. If any rating assigned to the Class A Notes and/or the Class B Notes is lowered or withdrawn, the market value of the Class A Notes and/or the Class B Notes may be reduced.

A security 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. If the ratings initially assigned to any Class A Notes and Class B 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 with respect to such Class of Notes.

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

TAXATION

The tax legislation of the investor's Member State and of the country of incorporation of the Issuer may have an impact on the income received from the Notes.

The following is a general description of certain German and Luxembourg tax considerations relating to the Notes. It does not purport to be a complete analysis of all tax considerations relating to the Notes, whether in those countries or elsewhere. Prospective purchasers of Notes should consult their own tax advisers as to which countries' tax laws could be relevant to acquiring, holding and disposing of Notes and receiving payments of interest, principal and/or other amounts under the Notes and the consequences of such actions under the tax laws of those countries. This summary is based upon the law as in effect on the date of this Prospectus and is subject to any change in law that may take effect after such date.

Taxation in the Grand Duchy of Luxembourg

Taxation of the Issuer

Registration Duty

A fixed duty of EUR 75 should be due upon incorporation and on any future capital increases.

Corporate Income Tax

The Issuer, incorporated as a corporate entity, should be subject to Luxembourg corporate taxes. The aggregate maximum applicable rate, including corporate income tax, municipal business tax and solidarity surcharge is 24.94 per cent. for 2020 for a company established in Luxembourg City. In accordance with the 2018-2023 government's new coalition arrangement, this combined rate was amended to improve the competitiveness of companies within the new finance law for 2019 with an effect as from 1 January 2019. The former rate in 2018 was 26.01 per cent.

The scope of such corporate taxation in principle extends to the Issuer's worldwide profits. The Issuer is a fully taxable Luxembourg resident and should therefore, from a Luxembourg tax perspective, be able to benefit from tax treaties and also be covered by the EC Parent and Subsidiary Directive (90/435/EC), EC Merger Directive (90/434/EEC) and EC Interest and Royalty Directive (2003/49/EC) as it is not tax exempt and does not have an option to be exempt from income tax but the exact application needs to be checked on a case by case basis.

The taxable income of the Issuer should be computed by application of the Luxembourg income tax law of 4 December 1967, as amended. According to the Securitisation Law, as a securitisation company (*société de titrisation*), the Issuer should benefit from a special provision stating that all its commitments to remunerate investors for issued bonds or shares and other creditors (e.g., dividends payable to its shareholders to be materialised in principle by a decision of its board of directors taken before year-end) should qualify as interest on debt. Accordingly, these commitments shall be considered as operating expenses for corporate tax purposes. The implementation of the provisions of the law dated 21 December 2018 implementing the Council Directive (EU) 2016/1164 (the "**Anti-Tax Avoidance Directive I**" or "**ATAD I**") in Luxembourg and the implementation of the provisions of the Council Directive (EU) 2017/952 (the "**Anti-Tax Avoidance Directive II**" or "**ATAD II**") relating the Organisation for Economic Co-operation and Development's (OECD) base erosion and profit-shifting measures might potentially impact the Luxembourg tax regime regarding certain securitisation structures. Among other measures, the Anti-Tax Avoidance Directive I contains a limitation on interest deductibility of interest costs in excess of the higher of (a) EUR 3,000,000 or (b) 30 per cent. of an entity's earnings before interest, tax, depreciation and amortisation (EBITDA). However, the restriction on interest deductibility would only be in respect of the amount by which the borrowing costs exceed "interest revenues and other equivalent taxable revenues from financial assets". The Anti-Tax Avoidance Directive I was implemented in Luxembourg by a law dated 21 December 2018 (the "**ATAD Luxembourg Law**"). The ATAD Luxembourg Law entered into force on 1 January 2019 (for most of the dispositions) and is applicable to securitisations issuance which occurred on or after this date. However, according to Luxembourg ATAD Law, securitisation companies in the meaning of article 2(2) of the Securitisation Regulation are out of scope of the interest deduction limitation rules. As the Issuer falls within the scope of the Securitisation Regulation, the interest deduction limitation rules should not apply to the Issuer.

On 14 May 2020, the European Commission sent a formal notice to the Luxembourg authorities requesting the Grand Duchy of Luxembourg to correctly transpose the interest deduction limitation rules deriving from ATAD I, thereby challenging the scope of the exemption created pursuant to the ATAD Luxembourg Law. The European Commission considers that securitisation special purpose entities (SSPEs) in the sense of the Securitisation Regulation do not qualify as exempted "financial undertakings" in the sense of ATAD I and, accordingly, should not be excluded from the scope of application of the interest deduction limitation rules foreseen by the ATAD Luxembourg Law.

As at the date of this Prospectus, it is not known how the Luxembourg authorities will react to the notice received by the European Commission. Should the ATAD Luxembourg Law be amended to exclude SSPEs from the scope of financial undertakings in the sense of ATAD I, the Issuer will become subject to the interest deduction limitation rule foreseen by the ATAD Luxembourg Law, thereby potentially affecting the tax position of the Issuer and the return on the Notes.

Net Wealth Tax

As a securitisation company within the meaning of the Securitisation Law, the Issuer should be exempt from the annual net wealth tax. Notwithstanding this exemption, the Issuer should be subject to the minimum net wealth tax of either (i) EUR 4,815 or (ii) ranging from EUR 535 to EUR 32,100, depending on the composition and the total amount of its balance sheet at financial year end preceding the net wealth tax reference date.

VAT

As a securitisation company, the Issuer should qualify as VAT taxable persons in Luxembourg. Due to their VAT taxable status, securitisation vehicles are under certain conditions required to register for VAT in Luxembourg and to file VAT returns.

Transfer Pricing ("TP")

A general transfer pricing regime entered into force in Luxembourg in 2015 which formalised the pre-existing transfer pricing principles and introduces an "arm's length" concept into Luxembourg law. The new provisions provided for adjustment of profits where transfer prices do not reflect the arm's length principle and clarified that the disclosure and documentation requirements for tax payers to support their tax return positions also apply with respect to transactions between associated enterprises. In the absence of proper transfer pricing documentation, the burden of proof may be reversed towards the tax payer.

On 12 October 2016, a bill was presented to the Luxembourg Parliament to introduce a new article 56bis to the Luxembourg tax code in order to incorporate the Organisation for Economic Co-operation and Development's ("**OECD**") Transfer Pricing Guidelines for Multinational Enterprises and Tax Administrations into Luxembourg tax law (the "**OECD TP Guidelines**") which have been substantially rewritten between 2013 and 2015 as part of the OECD's Action Plan on Base Erosion and Profit Shifting ("**BEPS**") and approved by the OECD Council on 23 May 2016. The Luxembourg bill was passed on 23 December 2016.

The new provisions formally apply from 1 January 2017. The changes to the Luxembourg tax code further specify the arm's length principle in Luxembourg. Many of the key OECD TP Guidelines in their augmented, post BEPS form, will then be embedded in Luxembourg law, including the requirement for comparability analysis that looks at the functions, risk and contractual terms. The new rules also give stronger basis for the application substance over form principle in case contractual arrangements do not reflect economic reality.

Access to Double Tax Treaties

Because securitisation companies are fully taxable resident companies, they are expected to benefit from Luxembourg's tax treaty network and from the Council Directive 2011/96/EU of 30 November 2011 on the common system of taxation applicable in the case of parent companies and subsidiaries of different Member States but exact application needs to be checked on a case by case basis.

Taxation of the Investors in the Notes

Withholding Tax

Under the current laws of Luxembourg and except as provided for by the Luxembourg law of 23 December 2005 implementing a domestic savings withholding tax, respectively, there is no withholding tax on the payment of interest on, or reimbursement of principal of, the Notes.

According to the law of 23 December 2005, in case interest payments on the Notes are made or secured by a paying agent located in Luxembourg, such paying agent must withhold a tax at a rate of 20 per cent. if such payment is made to beneficial owner (*bénéficiaires effectifs*) who are individuals resident in Luxembourg.

This withholding tax represents the final tax liability for the Luxembourg individual resident taxpayers. For individual Luxembourg resident Noteholders, receiving the interest as income from their professional asset, the 20 per cent. Luxembourg withholding tax levied is credited against their final tax liability. They will not be liable for any Luxembourg income taxation on repayment of principal.

Taxes on Income, Capital Gains and Wealth

Non-Residents

A Non-Resident holder of Notes should not be subject to any Luxembourg taxes on income or capital gains in respect of any benefit derived or deemed to be derived from the Notes, including any payment under the Notes and any gain realised on the disposition of the Notes, provided that the holding of the Notes is not effectively connected to a permanent establishment in Luxembourg through which the holder carries on a business or trade in Luxembourg. Such Non-Resident holders of Notes should not be subject to any Luxembourg net wealth tax with regard to the Notes either.

Luxembourg Resident Individuals

Interest received by an individual resident in Luxembourg is, in principle, reportable and taxable at the progressive rate unless the interest has been subject to withholding tax (see above under "Withholding Tax") or to the self-applied tax, if applicable. Indeed, Luxembourg resident individuals, acting in the framework of their private wealth, can opt to self-declare and pay a 20 per cent. tax on interest payments made after 31 December 2007 by paying agents located in a Member State of the European Union other than Luxembourg or a Member State of the European Economic Area other than an EU Member State of the European Union. The withholding tax or self-applied tax should be the final tax liability for the Luxembourg individual resident taxpayers receiving the interest payment in the framework of their private wealth. Individual Luxembourg resident Noteholders receiving the interest as business income must include this interest in their taxable basis. If applicable, the 20 per cent. Luxembourg withholding tax levied will be credited against their final income tax liability.

Luxembourg resident individual Noteholders are not subject to taxation on capital gains upon the disposal of the Notes, unless the disposal of the Notes precedes the acquisition of the Notes or the Notes are disposed of within six months of the date of acquisition of these Notes. Upon redemption of the Notes, individual Luxembourg resident Noteholders must however include the portion of the redemption corresponding to accrued but unpaid interest in their taxable income.

Luxembourg Resident Companies

Luxembourg resident companies (*société de capitaux*) Noteholders or foreign entities of the same type which have a permanent establishment or a permanent representative in Luxembourg with which the holding of the Notes is connected, must include in their taxable income any interest (including accrued but unpaid interest) and the difference between the sale or redemption price (received or accrued) and the lower of the cost or book value of the Notes sold or redeemed.

Luxembourg Resident Companies benefiting from a Special Tax Regime

Luxembourg resident Noteholders which are companies benefiting from a special tax regime such as undertakings for collective investment subject to the law of 20 December 2002 or to the law of 13 February 2007 on specialised investment funds, as amended, or to the law of 17 December 2010 on

undertakings for collective investment, as amended are tax exempt entities in Luxembourg, and are thus not subject to any Luxembourg corporate income tax, municipal business tax and net wealth tax, other than the subscription tax calculated on their net asset value. This annual tax is paid quarterly on the basis of the total net assets as determined at the end of each quarter. Noteholders which are companies subject to the law of 11 May 2007 on the creation of a family wealth management company, as amended, are also not subject to income tax and are liable only for a subscription tax calculated on their (paid up) share capital (and share premium) at the rate of respectively 0.25 per cent.

Net Wealth Tax

Luxembourg net wealth tax should not be levied on a Noteholder, unless:

(a) such Noteholder is a fully taxable Luxembourg resident company; or

(b) the Notes are attributable to an enterprise or part thereof which is carried on in Luxembourg by a non-resident company through a permanent establishment or a permanent representative in Luxembourg of the Noteholder.

When a Noteholder is subject to net wealth tax, the rules on minimum net wealth tax should also be applicable. The minimum net wealth tax should also apply to certain corporate resident Noteholders benefitting from a special tax regime, and this notwithstanding the fact that these entities are exempt of net wealth tax.

Other Taxes

There should be no Luxembourg registration tax, stamp duty or any other similar tax or duty payable in Luxembourg by Noteholders as a consequence of the issue of the Notes, nor should any of these taxes be payable as a consequence of a subsequent transfer, redemption or exchange of the Notes, unless the documents relating to the Notes are voluntarily registered in Luxembourg.

There should be no Luxembourg value added tax payable in respect of payments in consideration for the issue of the Notes or in respect of the payment of interest or principal under the Notes or the transfer of the Notes. Luxembourg value added tax should, however, be payable in respect of fees charged for certain services rendered to the Issuer, if for Luxembourg value added tax purposes such services are rendered or are deemed to be rendered in Luxembourg and an exemption from Luxembourg value added tax does not apply with respect to such services. Under Luxembourg VAT law, fees for management services rendered to Luxembourg securitisation companies should be exempt from Luxembourg VAT.

Inheritance tax is levied in Luxembourg at progressive rates (depending on the value of the assets inherited and the degree of relationship). No Luxembourg inheritance tax should be due in respect of the Notes, unless the holder of Notes resides in Luxembourg at the time of his death. No Luxembourg gift tax should be due upon the donation of Notes, unless such donation is passed before a Luxembourg notary or recorded in a deed registered in Luxembourg.

Taxation in Germany

Resident Noteholders

Notes are held as Private Assets

If an individual investor has his or her residence or habitual abode in Germany and holds the Notes as private assets (*Privatvermögen*), payments of interest on the Notes are taxed as private investment income (*Einkünfte aus Kapitalvermögen*). The gross amount of the interest payment is subject to a flat rate tax at a 25 per cent. (*Abgeltungssteuer*), plus a 5.5 per cent. solidarity surcharge thereon and, if applicable to the individual investor, church tax.

Capital gains from the disposal or redemption of the Notes held as private assets also qualify as private investment income and are also subject to a flat rate tax at a 25 per cent., plus solidarity surcharge thereon and, if applicable, church tax. The capital gain is generally determined as the difference between the proceeds received by the investor from the disposal or redemption of the Notes and the acquisition costs, less any expenses that are directly related to the disposal or redemption of the shares. If the Notes are denominated in a currency other than Euro, the acquisition costs and the proceeds from the disposal or

redemption have to be converted into Euro, at the time of the acquisition or at the time of disposal or redemption, as the case may be. Capital losses generated from the disposal or redemption of Notes held as private assets can - within certain limitations - be deducted from other private investment income. Capital losses that are not offset against private investment income the year in which the capital losses arose may be carried forward into subsequent years but may not be carried back into preceding years.

The private investment income of an individual investor is reduced by an annual lump sum deduction amount (*Sparer-Pauschbetrag*) of up to EUR 801 for single taxpayers and EUR 1,602 for married taxpayers and for partners in accordance with the registered partnership law (*Gesetz über die Eingetragene Lebenspartnerschaft*) filing jointly. In turn, expenses actually incurred in connection with private investment income are not tax deductible.

The flat tax is generally levied by way of withholding (see "*German Withholding Tax*" below), and the tax liability of the individual investor with respect to the private investment income derived from the Notes is generally deemed discharged by withholding and paying the flat tax. If, however, no or not sufficient tax was withheld, the investor will have to include the income derived from the Notes in his or her personal income tax return and the flat tax will then be levied by way of tax assessment. Individual investors may opt for subjecting their entire private investment income, including interest income and capital gains from the disposal or redemption of the Notes, to tax at their personal income tax rate instead of the flat rate tax, if this results in a lower tax liability. In such cases, income-related expenses other than the lump sum deduction amount cannot be deducted, either.

If non-German taxes are withheld on interest payments to German resident investors, the German resident investor should generally be entitled to a credit of the taxes withheld against their German income tax liability or - alternatively - to a refund of the foreign taxes abroad. The Issuer will not be required, however, to pay any additional amounts on top of the interest to compensate the Noteholder for any taxes withheld.

In their agreement dated 12 March 2018 (*Koalitionsvertrag*), the political parties forming the Federal Government have announced to repeal the flat income tax rate regime (*Abgeltungssteuer*) for interest income. As a consequence ordinary tax rates would apply to the relevant items of income which would result in higher tax charges for German investors holding the Notes as private assets.

Notes are held as Business Assets

If a German resident investor holds the Notes as business assets (*Betriebsvermögen*), the interest income and capital gains from the disposal or redemption of the Notes is either subject to personal income tax at progressive rates going up to 45 per cent. plus solidarity surcharge and church tax, if applicable, thereon (in case of an individual investor) or to corporate income tax at a rate of 15 per cent. plus solidarity surcharge thereon (in case of a corporate investor). Business expenses related to the Notes are tax deductible. Any income derived from the Notes will have to be included in the investor's personal income tax or corporate income tax return, and any German withholding tax (including surcharges) will generally be fully credited against the investor's personal or corporate income tax liability or refunded, as the case may be. The income derived from the Notes is generally also subject to trade tax if the Notes are held by a corporate investor, or, in case of an individual investor, if the Notes form part of the business property of a German trade or business. The trade tax rate depends on the applicable trade tax multiplier of the relevant municipality, where the business is located. In case of individual investors, the trade tax may in part or in total be credited against the investor's personal income tax liability.

German Withholding Tax

If the Noteholder keeps the Notes in a custodial account at a German credit or financial services institution (*inländisches Kredit- oder Finanzdienstleistungsinstitut*), including German branches of foreign credit and financial services institutions, a German securities trading company (*inländisches Wertpapierhandelsunternehmen*) or a German securities trading bank (*inländische Wertpapierhandelsbank*) (the "**Disbursing Agent**") which keeps or administers the Notes and pays out or credits the interest, the Disbursing Agent withholds the flat tax on the income derived from the Notes, including solidarity surcharge thereon. Church tax will be withheld by the Disbursing Agent, unless the investor has filed a blocking notice (*Sperrvermerk*) with the German Federal Central Tax Office (*Bundeszentralamt für Steuern*). In such case, the individual investor has to include the private investment income in his or her tax return and will then be assessed to church tax.

The flat tax will be withheld from the gross amount of the interest payment and also applied to interest accrued through the date of the disposal of the Notes that is shown separately on the respective settlement statement (*Stückzinsen*). In case of capital gains from the disposal or redemption of Notes, withholding tax will be levied on the difference between the issue or acquisition price of the Notes and the proceeds from the redemption or sale of the Notes, less any directly related expenses, provided that the Noteholder has kept the Notes in a custodial account since the issuance or acquisition date respectively or, in case of a transfer from another custodial account, has evidenced the acquisition costs in the form required by law. Otherwise, withholding tax is generally levied on 30 per cent. of the proceeds from the redemption or disposal of the Notes.

No German withholding tax will be levied if an individual investor has filed a withholding tax exemption application (*Freistellungsauftrag*) with the Disbursing Agent, but only to the extent the private investment income does not exceed the exemption amount shown on the withholding tax exemption application. Currently, the overall exemption amount is EUR 801 for single taxpayers and EUR 1,602 for married taxpayers and for partners in accordance with the registered partnership law (*Gesetz über die Eingetragene Lebenspartnerschaft*) filing jointly. Similarly, no withholding tax will be levied if the relevant investor has submitted a certificate of non-assessment (*Nichtveranlagungs-Bescheinigung*) issued by the relevant local tax office to the Disbursing Agent.

If the Notes are not held in a custodial account with a Disbursing Agent at the time the interest is received or at the time of the relevant disposal or redemption of the Notes, no tax will be withheld but the Noteholder will have to include its income derived from the Notes in his or her tax return, and the tax will be levied by way of assessment, however, at the same rate as if the withholding would have occurred.

Furthermore, with respect to capital gains from the redemption or disposal of the Notes, no withholding tax will be levied if the Noteholder is a corporation subject to unlimited resident taxation in Germany and the Notes are held by a Disbursing Agent under the name of the respective company. The same is true if the Notes are held as a business asset of a German business and the Noteholder declares this on an official form vis-à-vis the Disbursing Agent. The flat rate withholding tax would not apply either if the Noteholder is a German financial institution, financial services institution or an investment management company.

Non-Resident Noteholders

Interest payments on the Notes as well as capital gains from the disposal or redemption of the Notes derived by an individual or corporate investor that is not tax resident in Germany are not subject to German income taxation, unless (i) the Notes form part of the business property of a permanent establishment, including a permanent representative, or a fixed place of business maintained in Germany by the Noteholder, or (ii) the income derived from the Notes otherwise constitutes German source income (such as e.g. income from the letting and leasing of certain German-situs property). If a non-resident investor is subject to tax in Germany with the income derived from the Notes, in principle, similar rules apply as explained in the preceding sub-section "Resident Noteholders".

Non-resident taxpayers are, in general, exempt from German withholding tax on investment income. However, where the interest is subject to German taxation as set forth in the preceding paragraph and the Notes are held in a custodial account with a Disbursing Agent, withholding tax is levied as explained above in the preceding sub-section "Resident Noteholders". Under certain circumstances, non-German investors may benefit from tax reductions or tax exemptions under applicable double tax treaties (*Doppelbesteuerungsabkommen*).

Gift and Inheritance Tax

The transfer of a Note to another person by way of gift or by reason of the death of the Noteholder is generally subject to German gift or inheritance tax if, in case of an inheritance, either the decedent or the beneficiary, or, in case of a gift, either the donor or the donee is, or is deemed to be, a resident of Germany under German tax law. If neither the Noteholder nor the beneficiary or the donee is resident, or deemed to be resident, in Germany at the time of the transfer, no German gift or inheritance tax should arise, unless the Notes were held by the decedent or donor as part of a trade or business for which a permanent establishment was maintained in Germany or for which a permanent representative in Germany had been appointed. Exceptions from these rules apply to certain German expatriates. Tax treaties concluded by Germany generally permit Germany to tax the transfer of a Note in this situation.

Other Taxes

No stamp, issue, registration or similar taxes or duties will be payable in Germany in connection with the issuance, delivery or execution of the Notes. The issuance and transfer of Notes should not trigger German VAT. However, under certain circumstances, entrepreneurs may waive the exemption from VAT with regard to transactions with the Notes. Currently, net wealth tax (*Vermögenssteuer*) is not levied in Germany.

Taxation of the Issuer

The Issuer will derive income from the Purchased Receivables. The income derived by the Issuer will generally only be subject to German income taxation if the Issuer has its place of effective management and control in Germany or maintains a permanent establishment, or appoints a permanent representative, for its business in Germany.

The Issuer has been advised that it is not tax resident in Germany and that it should not maintain a permanent establishment or permanent representative in Germany. Consequently, the Issuer should not be subject to German corporate income tax (*Körperschaftsteuer*) or German trade tax (*Gewerbesteuer*).

It can, however, not be excluded that the German tax authorities regard the Issuer as subject to German income taxation. In that case, the tax base for German corporate income tax and German trade tax would be computed in accordance with the German tax laws, including, in particular, (i) the German interest barrier (*Zinschranke*) rules and the (ii) the rules on the addition of certain expense items for trade tax purposes (*gewerbesteuerliche Hinzurechnung*). The application of these rules could lead to a significant taxable income of the Issuer in Germany if the Issuer is regarded as being subject to German taxation.

The purchase of the Receivables should not be subject to German VAT under the assumption that the Issuer will be registered for VAT purposes in in Luxembourg and will use its Luxembourg VAT identification (otherwise the purchase of the Receivables should at least be exempt from VAT in Germany). The collection of the Purchased Receivables by the Originator in its capacity as Servicer should be treated as ancillary to the assignment of the Receivables and, thus, share the same VAT-treatment and not expose the Issuer to VAT risks.

Pursuant to section 13c German Value Added Tac Act (*Umsatzsteuergesetz* or *UStG*), the Issuer may incur a secondary liability for German VAT payable by the Originator in relation to Receivables purchased under the Receivables Purchase Agreement. An amendment to section 13c.1 UStG which came into effect on 1 January 2017 (*Bürokratieentlastungsgesetz* of 30 June 2017, Bundesgesetzblatt I p. 2143) stipulates that the purchaser of receivables shall not be liable to unpaid VAT provided and to the extent the seller has received a cash consideration for the assignment of the receivable. However, this shall not apply and the purchaser of a receivable might be liable to unpaid VAT in case the seller may not freely dispose of the cash received which in particular shall be the case when the purchaser has access to the bank account to which the remuneration was paid. The amendment to section 13c.1 UStG overrules a decision of the Federal Fiscal Court (*Bundesfinanzhof*) rendered on 16 December 2015 (XI R 28/13) holding that in the case of factoring, section 13c UStG also applies when the factor provides liquidity to the originator. The court thereby refused to follow the view of the German tax administration provided in section 13c. 1 (27) of the German (*Umsatzsteuer-Anwendungserlass – UStAE*) which explained that the purchaser shall not be liable to unpaid VAT provided and to the extent the purchase price was at the free disposition of the seller. The view could be taken that the amendment to section 13c.1 UStG has reinstated the previous administrative practice and now made it binding for the tax courts, too. Section 13c.1 (30) of the UStAE provides that a liability would be triggered by the mere onward assignment of the Purchased Receivables relating to Lease Agreements to the Trustee. It could be held that paragraph 30 of the Guidelines does not apply as an override to paragraph 27 because (i) the current wording of section 13c.1 (27) of the UStAE was inserted in the final version of the above mentioned circular and should, in view of this timing, be interpreted as an override rule specifically for asset backed securities transactions, (ii) if - by contrast - section 13c.1 (30) of the UStAE would be regarded as an override, this would remove all meaning from paragraph 27 of the UStAE since the assignment of the Receivables purchased under the Receivables Purchase Agreement is a necessary insolvency remoteness requirement of the Rating Agencies, and (iii) section 13c.1 (30) of the UStAE makes an implicit reference to considerations paid in the context of assignments falling under the scope of paragraph 30 of the UStAE. Therefore, with respect to the sale of Receivables under the Receivables Purchase Agreement,

section 13c.1 (27) of the Guidelines should apply, whereas section 13c.1 (30) of the UStAE would not be applicable.

Based on the above analysis and expectations, the Issuer should not be held liable for unpaid VAT relating to the Purchased Receivables pursuant to section 13c UStG by German tax authorities.

SUBSCRIPTION AND SALE

Subscription of the Notes

Pursuant to the Subscription Agreement dated 19 October 2020, the Lead Manager agreed, subject to certain conditions, to subscribe for the Class A Notes, the Class B Notes and the Class C Notes. Conditions as referred to in the previous sentence are customary closing conditions as set out in the Subscription Agreement.

In the Subscription Agreement, the Issuer has made certain representations and warranties in respect of its legal and financial matters. The Issuer has also made certain representations and warranties in particular regarding certain information provided by it. The Issuer has agreed to indemnify the Lead Manager against certain liabilities in connection with the offer and sale of the Class A Notes, the Class B Notes and the Class C Notes.

The Lead Manager will purchase the Class A Notes, the Class B Notes and the Class C Notes under the Subscription Agreement. The Lead Manager may subsequently offer the Class A Notes, the Class B Notes and the Class C Notes from time to time at terms (including varying prices) and pursuant to documentation to be agreed and determined at the time of sale. The Class C Notes will be purchased by ALD.

Selling Restrictions

General

All applicable laws and regulations must be observed in any jurisdiction in which Notes may be offered, sold or delivered. The Lead Manager has agreed that it will not offer, sell or deliver any of the Notes, directly or indirectly, or distribute this Prospectus or any other offering material relating to the Notes, in or from any jurisdiction except under circumstances that will result in compliance with the applicable laws and regulations thereof and that will not to its best knowledge and belief impose any obligations on the Issuer except as set out in the Subscription Agreement.

European Economic Area and the United Kingdom

In relation to each Member State of the European Economic Area and the UK (each a "**Relevant State**"), the Lead Manager has represented and agreed with the Issuer under the Subscription Agreement that it has not made and will not make an offer of the Notes which are the subject of the offering contemplated by this Prospectus to the public in that Relevant State other than:

(a) to any legal entity which is a qualified investor as defined in the Prospectus Regulation;

(b) to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation), subject to obtaining the prior consent of the Lead Manager; or

(c) in any other circumstances falling within article 1(4) of the Prospectus Regulation,

provided that no such offer of Notes shall require the Issuer or the Lead Manager to publish a prospectus pursuant to article 3 of the Prospectus Regulation, or supplement a prospectus pursuant to article 23 of the Prospectus Regulation.

For the purposes of this provision, the expression an "**offer of Notes to the public**" in relation to any Notes in any Relevant State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes and the expression "**Prospectus Regulation**" means Regulation (EU) 2017/1129.

Prohibition of Sales to EEA and UK Retail Investors

The Lead Manager has represented and agreed under the Subscription Agreement that the Notes have not been offered or sold and will not be offered or sold, directly or indirectly, to retail investors in the European Economic Area or the United Kingdom and this Prospectus or any other offering material

relating to the Notes has not been distributed or caused to be distributed and will not be distributed or caused to be distributed to retail investors in the European Economic Area or the United Kingdom.

For the purposes of this provision:

(a) the expression "retail investor" means a person who is one (or more) of the following:

(i) a retail client as defined in point (11) of article 4(1) of Directive 2014/65/EU on markets in financial instruments (as amended, restated or supplemented, "**MiFID II**"); or

(ii) a customer within the meaning of Directive 2016/97/EU (the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of article 4(1) of MiFID II; or

(iii) not a qualified investor as defined in the Prospectus Regulation; and

(b) the expression "offer" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes.

United States of America and its Territories

The Notes have not been and will not be registered under the Securities Act and may not be offered, or sold within the United States or to, or for the account or benefit of, US Persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act ("**Regulation S**").

The Notes are subject to US tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by US tax regulations. Terms used in this paragraph have the meanings given to them by the US Internal Revenue Code of 1986, as amended (the "**Code**") and regulations thereunder. The Lead Manager has represented that it has not offered or sold, and agreed that it will not offer or sell any Note constituting part of its allotment within the United States until 40 days after the later of the commencement of the offering and the Closing Date, except in accordance with Rule 903 of Regulation S. Accordingly, the Lead Manager has further represented and agreed that neither it, its respective Affiliates nor any persons acting on its or their behalf have engaged or will engage in any directed selling efforts with respect to any Note and they have complied with and will comply with the offering restrictions under Regulation S. Terms used in this paragraph have the meaning given to them by Regulation S.

The Lead Manager has agreed at or prior to confirmation of sale of Notes, it will have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration that purchases Notes from it during the distribution compliance period a confirmation or notice to substantially the following effect:

"The securities covered hereby have not been registered under the US Securities Act of 1933 (the "**Securities Act**") and may not be offered or sold within the United States or to, or for the account or benefit of, US persons (i) as part of their distribution at any time or (ii) otherwise until 40 days after the later of the commencement of the offering and the Closing Date, except in either case in accordance with Regulation S under the Securities Act. Terms used above have the meanings given to them by Regulation S under the Securities Act."

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

The Lead Manager has represented and agreed under the Subscription Agreement that it has not entered and agreed that it will not enter into any contractual arrangement with any distributor (as that term is defined in Regulation S) with respect to the distribution or delivery of the Notes, except with its affiliates or with the prior written consent of the Issuer.

In addition:

(i) except to the extent permitted under US Treas. Reg. §1.163-5(c)(2)(i)(D) (the "**TEFRA D Rules**"), (a) the Lead Manager has represented that has not offered or sold, and agreed that

during a 40-day restricted period it will not offer or sell, directly or indirectly, Notes in bearer form to a person who is within the United States or its possessions or to a United States person, and (b) represented that it has not delivered and agreed that it will not deliver, directly or indirectly, within the United States or its possessions definitive Notes in bearer form that are sold during the restricted period;

(ii) the Lead Manager has represented that has and agreed that throughout the restricted period it will have in effect procedures reasonably designed to ensure that its employees or agents who are directly engaged in selling Notes in bearer form are aware that such Notes may not be offered or sold during the restricted period to a person who is within the United States or its possessions or to a United States person, except as permitted by the TEFRA D Rules;

(iii) if it is a United States person, the Lead Manager has represented that it is acquiring the Notes for purposes of resale in connection with their original issue and if it retains Notes in bearer form for its own account, it will only do so in accordance with the requirements of US Treas. Reg. § 1.63-5 (c)(2)(i)(D)(6) (or successor rules in substantially the same form) of the TEFRA D Rules;

(iv) with respect to each Affiliate that acquires from it Notes in bearer form for the purpose of offering or selling such Notes during the restricted period, the Lead Manager either (a) repeats and confirms the representations and agreements contained in clauses (i), (ii) and (iii) on its behalf; or (b) agrees that it will obtain from such Affiliate for the benefit of the Issuer the representations and agreements contained in clauses (i), (ii) and (iii); and

(v) the Lead Manager has represented that it will obtain for the benefit of the Issuer the representations and agreements contained in sub-clauses (i), (ii), (iii) and (iv) above from any person other than its affiliate with whom it enters into a written contract, as defined in US Treas. Reg. Section 1.163-5(c)(2)(i)(D)(4) (or substantially identical successor provisions) for the offer and sale during the restricted period of Notes.

Terms used in these clauses (i), (ii), (iii), (iv) and (v) have the meaning given to them by the US Internal Revenue Code of 1986 and regulations thereunder, including the TEFRA D Rules.

United Kingdom

The Lead Manager has represented and agreed under the Subscription Agreement 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 United Kingdom Financial Services and Markets Act 2000 (the "**FSMA**")) received by it in connection with the issue or sale of any Notes in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and

(b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

As used herein, "**United Kingdom**" means the United Kingdom of Great Britain and Northern Ireland.

France

The Lead Manager has represented and agreed under the Subscription Agreement that, it has only made and will only make an offer of Notes to the public in France in the period beginning on the date of notification to the *Autorité des marchés financiers* ("**AMF**") of the approval of the Prospectus relating to those Notes by the competent authority of a member state of the European Economic Area, other than the AMF, all in accordance with Regulation (EU) 2017/1129, and ending at the latest on the date which is 12 months after the date of the approval of the Prospectus.

Luxembourg

The Notes are not offered to the public in or from Luxembourg and the Lead Manager has represented and agreed under the Subscription Agreement that it will not offer the Notes or cause the offering of the Notes or contribute to the offering of the Notes to the public in or from Luxembourg, unless all the

relevant legal and regulatory requirements concerning a public offer in or from Luxembourg have been complied with. In particular, this offer has not been and may not be announced to the public and offering material may not be made available to the public.

USE OF PROCEEDS

The aggregate net proceeds from the issue of the Class A Notes (EUR 353,538,500), the Class B Notes (EUR 41,200,000) and the Class C Notes (EUR 20,600,000) amount to EUR 415,338,500 and will be used by the Issuer for the purchase of certain Receivables from the Originator on the Closing Date for a Purchase Price of EUR 411,798,574.68 and for the payment of the Upfront Amount of EUR 3,538,500 to the Originator on the Closing Date. The difference between (i) the Aggregate Outstanding Note Principal Amount of the Class A Notes, the Class B Notes and the Class C Notes on the Closing Date and (ii) the Purchase Price, in an amount of EUR 1,425.32, will remain on the accounts of the Issuer and will be part of the Pre-Enforcement Available Distribution Amount on the first Payment Date.

GENERAL INFORMATION

1. Subject of this Prospectus

This Prospectus relates to approximately EUR 391,200,000 aggregate principal amount of the Class A Notes and the Class B Notes issued by Red & Black Auto Lease Germany S.A., acting on behalf and for the account of its Compartment 3.

2. Authorisation

The issue of the Notes was authorised by a resolution of the board of directors of the Issuer passed on 15 October 2020.

3. Legal Entity Identifier

The legal entity identifier (LEI) of the Issuer is 222100B9BQHZ59P9JU60.

4. Litigation

The Issuer is not and has not been since its incorporation engaged in any legal litigation or arbitration or governmental proceedings which may have or have had during such period a significant effect on its respective financial position or profitability and, as far as the Issuer is aware, no such legal litigation or arbitration proceedings are pending or threatened.

5. Material Adverse Change

There has been no material adverse change in the financial position or prospects of the Issuer since its incorporation.

6. Payment Information

For as long as any of the Class A Notes or Class B Notes are listed on the Official List of the Luxembourg Stock Exchange, the Issuer will notify or will procure notification to the Luxembourg Stock Exchange of the Interest Amounts, Interest Periods and the Interest Rates and, if relevant, the payments of principal on each Class of Notes, in each case without delay after their determination pursuant to the Terms and Conditions and in any case no later than the first day of the relevant Interest Period.

The Paying Agent will act as paying agent between the Issuer and the holders of the Class A Notes and the Class B Notes listed on the Official List of the Luxembourg Stock Exchange. For as long as any of the Class A Notes or the Class B Notes are listed on the Official List of the Luxembourg Stock Exchange the Issuer will maintain a Paying Agent.

The Notes have been accepted for clearance through Euroclear S.A. and Clearstream, Luxembourg.

7. Assets Backing the Notes

The Issuer confirms that the securitised assets backing the issue of the Notes have characteristics that demonstrate capacity to produce funds to service any payments due and payable under the Notes. However, investors are advised that this confirmation is based on the information available to the Issuer at the date of this Prospectus and may be affected by the future performance of such assets backing the issue of the Notes. Consequently, investors are advised to review carefully the disclosure in the Prospectus together with any amendments or supplements thereto.

8. Notices

All notices to the Noteholders regarding the Notes shall be (i) published in a leading daily newspaper having general circulation in Luxembourg (which is expected to be the Luxemburger Wort), or, if this is not practicable, in another leading English language newspaper having supra-regional circulation in Luxembourg if and to the extent a publication in such form is required by applicable legal provisions; and (ii) delivered to Euroclear and Clearstream, Luxembourg for communication by it to the Noteholders and (iii) made available to the public by publication in electronic form on the website of the Luxembourg Stock Exchange (www.bourse.lu).

9. Listing, Approval and Admission to Trading

This document constitutes a prospectus for the purposes of the Prospectus Regulation to be published when securities are offered to the public or admitted to trading.

The Prospectus has been approved by the Luxembourg Competent Authority as competent authority under the Prospectus Regulation. The Luxembourg Competent Authority only approves this Prospectus as meeting the requirements imposed under the Prospectus Regulation. Such approval relates only to the Class A Notes and the Class B Notes which are to be listed on the Official List and admitted to trading on the regulated market (segment for professional investors) of the Luxembourg Stock Exchange.

Application has also been made to the Luxembourg Stock Exchange for the Class A Notes and the Class B Notes to be listed on the Official List and admitted to trading on its regulated market (segment for professional investors). The Luxembourg Stock Exchange is a regulated market for the purposes of the Markets in Financial Instruments Directive (MiFID) 2014/65/EU.

The estimate of the total expenses related to the admission to trading amounts to EUR 15,000.

10. Financial Statements

No statutory or non-statutory accounts in respect of any financial year of the Issuer have been prepared. The Issuer will not publish interim accounts. The financial year end in respect of the Issuer is 31 December of each year. The Issuer will produce non-consolidated audited financial statements in respect of each financial year and will not produce consolidated audited financial statements.

11. Clearing Codes

Class A Notes	ISIN:	XS2221877298
	WKN:	A288L6
	Common Code:	222187729
Class B Notes	ISIN:	XS2221877611
	WKN:	A288L5
	Common Code:	222187761
Class C Notes	ISIN:	XS2221877884
	WKN:	A288L4
	Common Code:	222187788

12. Availability of Documents

12.1 Prospectus

This Prospectus will be made available to the public by publication in electronic form on the website of the Luxembourg Stock Exchange (www.bourse.lu).

12.2 Other Documents

(a) Copies in hard copy format of the following documents may be physically inspected at the registered office of the Issuer and the head office of the Paying Agent during customary business hours on any working day from the date hereof (or the date of publication of such document, as relevant). As long as any of the Notes remain outstanding they will also be available and may be obtained (free of charge) at the specified offices of the Paying Agent:

(i) the articles of association of the Issuer;

(ii) the resolution of the managing directors of the Issuer approving the issue of the Notes and the Transaction;

(iii) this Prospectus, the Trust Agreement, the Data Trust Agreement, the Servicing Agreement, the Swap Agreement, the English Security Deed, the Irish Security Deed, the Account Bank Agreement, the Cash Administration Agreement, the Corporate Administration Agreement, the Agency Agreement, the Receivables Purchase

Agreement, the Subscription Agreement, the Subordinated Loan Agreement, the Reserves Funding Agreement and the Transaction Definitions Agreement;

(iv) all audited annual financial statements of the Issuer;

(v) each Investor Report; and

(vi) all notices given to the Noteholders pursuant to the Terms and Conditions.

(b) The following documents will be available for inspection on the following website https://cm.intertrustgroup.com/ for twelve months from the date of this Prospectus:

(i) the constitutional documents of the Issuer; and

(ii) the future annual financial statements of the Issuer (interim financial statements will not be prepared).

13. Limitation of Time with respect to Payment Claims to Interest and Principal

Claims arising from a bearer note (*Inhaberschuldverschreibung*), i.e. claims to interest and principal, cease to exist with the expiration of such presentation period determined in the bearer note after the occurrence of time determined for performance, unless the note is submitted to the issuer for redemption prior to the expiration of the relevant presentation period. Pursuant to clause 20.1 (Presentation Period) of the Terms and Conditions, the presentation period for the Global Notes ends five years after the date on which the last payment in respect of the Notes represented by the respective Global Note was due. In case of a presentation, the claims will be time-barred in two years beginning with the end of the period for presentation. Pursuant to section 801 German Civil Code, the judicial assertion of the claim arising from a bearer note has the same effect as a presentation.

14. Post Issuance Transaction Information

As long as the Notes are outstanding, with respect to each Payment Date, the Issuer, or the Cash Administrator on the Issuer's behalf, shall,

(i) generally and in the case of an early redemption pursuant to clause 11 (Early Redemption for Default) of the Terms and Conditions not later than on the Calculation Date preceding the Payment Date or, as soon as available; or

(ii) in the case of an early redemption pursuant to clause 12.1 (Early Redemption – Illegality and Tax Call Event and Clean-Up Call Event) of the Terms and Conditions not later than on the Calculation Date preceding the Payment Date on which such redemption shall occur,

provide the Noteholders of each Class of Notes with the monthly Investor Report by making such Investor Report available on the website https://pivot.usbank.com of the Cash Administrator (or such other website as notified by the Cash Administrator to the Noteholders in advance in accordance with clause 15 (Form of Notices) of the Terms and Conditions).

The Investor Report shall include detailed summary statistics and information regarding the performance of the Portfolio as well as a glossary of the terms used in this Prospectus.

The Servicer will provide the investors with a Transparency Report regarding the information as may be required in order to comply with the ongoing reporting obligations under article 7 of the Securitisation Regulation. Such Transparency Reports will be provided on a monthly basis and will be made available on the European DataWarehouse or, alternatively, on its website.

15. Third Party Information

Where information in this Prospectus has been sourced from third parties, this information has been accurately reproduced, and as far as the Issuer is aware and is able to ascertain from the information published by such third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading. The source of third party information is identified where used.

16. Interest of Natural and Legal Persons

So far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the issue.

17. Miscellaneous

No website referred to herein forms part of this Prospectus.

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

TRANSACTION DEFINITIONS

The following is the text of the Transaction Definitions Agreement. In case of any overlap or inconsistency in the definition of a term or expression in the Transaction Definitions Agreement and elsewhere in this Prospectus, the definition in the Transaction Definitions Agreement will prevail.

Account Bank	means Elavon Financial Services DAC, a designated activity company incorporated under the laws of the Republic of Ireland, registered with the Companies Registration Office Ireland under registration number 418442 and having its registered office at Block E, Cherrywood Business Park, Loughlinstown, Dublin, Republic of Ireland, or any successor or replacement thereof.
Account Bank Agreement	means the account bank agreement between the Issuer and the Account Bank dated 19 October 2020, as amended.
Account Mandate	means the account mandate for the Transaction Accounts in the form set out in schedule 1 (Form of Account Mandate) to the Account Bank Agreement.
Additional Cut-Off Date	means the Determination Date immediately prior to a Purchase Date.
Additional Receivable	means any Receivable as set out in any Offer under the terms of the Receivables Purchase Agreement.
Additional Purchase Price	means the purchase price payable by the Issuer for the purchase of the Additional Receivables in an amount equal to the Outstanding Principal Amount of such Additional Receivables to the Originator on each Purchase Date for the acquisition of the relevant Additional Receivables.
Additional Purchased Receivables	means the Purchased Receivables purchased by the Issuer under clause 6 (Purchase of Additional Receivables) of the Receivables Purchase Agreement on any Purchase Date.
Administrative Expenses	means the fees, costs and expenses reasonably incurred in the ordinary course of business of the Issuer as well as any indemnities payable to: (a) the Corporate Administrator under the Corporate Administration Agreement; (b) the Cash Administrator under the Cash Administration Agreement; (c) the Account Bank under the Account Bank Agreement and the relevant Account Mandate (if any); (d) the Agents under the Agency Agreement; (e) the Luxembourg Stock Exchange; (f) the Data Trustee under the Data Trust Agreement; (g) the Rating Agencies; (h) the auditors of the Issuer; and

	(i) such other Persons appointed by the Issuer as service providers.
Affiliate	means: (a) with respect to any Person established under German law, any company or corporation which is an affiliated company (*verbundenes Unternehmen*) to such Person within the meaning of section 15 of the German Stock Corporation Act (*Aktiengesetz*); and (b) with respect to any other Person established under other law than German law, any entity that controls, directly or indirectly, such Person or any entity directly or indirectly having a majority of the voting power of such Person.
Agency Agreement	means the agency agreement between the Issuer, the Interest Determination Agent and the Paying Agent dated 19 October 2020, as amended.
Agents	means the Interest Determination Agent and the Paying Agent.
Aggregate Defaulted Balance	means the sum of the Defaulted Balances of all Lease Agreements which became Defaulted Lease Agreements until the Determination Date immediately preceding the relevant Payment Date.
Aggregate Outstanding Portfolio Principal Amount	means, on the Initial Cut-Off Date and any Determination Date, the sum of the Outstanding Principal Amounts of all Purchased Receivables which are not Defaulted Receivables.
Aggregate Outstanding Portfolio Principal Increase Amount	means an amount equal to the increase of the Aggregate Outstanding Portfolio Principal Amount resulting from any Lease Agreement Recalculations for all Lease Agreements which have been recalculated, extended or terminated early (other than due to Credit Risk) during a Collection Period.
Aggregate Outstanding Portfolio Principal Reduction Amount	means an amount equal to the reduction of the Aggregate Outstanding Portfolio Principal Amount resulting from any Lease Agreement Recalculations for all Lease Agreements which have been recalculated, extended or terminated early (other than due to Credit Risk) during a Collection Period.
Aggregate Outstanding Note Principal Amount	means the sum of the Note Principal Amounts of a Class of Notes on the Closing Date or on any Payment Date (after payment of the relevant principal redemption amount on such Payment Date).
ALD	means ALD AutoLeasing D GmbH, a limited liability company (*Gesellschaft mit beschränkter Haftung*) incorporated under the laws of the Federal Republic of Germany, registered with the commercial register (*Handelsregister*) of the local court (*Amtsgericht*) of Hamburg under HRB 30468 and having its registered office at Nedderfeld 95, 22529 Hamburg, Federal Republic of Germany.
Alternative Base Rate	means an alternative base rate as determined in accordance with clause 23.1 of the Trust Agreement.

Amortisation Event	means either an Early Amortisation Event or an Issuer Event of Default.
Amortisation Period	means the period following the Revolving Period.
Arranger	means Société Générale S.A., a public limited liability (*société anonyme*) incorporated under the laws of the Republic of France, registered with the Paris Trade Register under registration no. 552 120 222 and having its registered office at 29 Boulevard Haussmann, 75009 Paris, Republic of France acting through its Frankfurt Branch and namely its Société Générale Corporate and Investment Banking department, at Neue Mainzer Straße 46 - 50, 60311 Frankfurt am Main, Federal Republic of Germany.
ATAD	means Council Directive (EU) 2016/1164 of 12 July 2016 laying down rules against tax avoidance practices that directly affect the functioning of the internal market.
Available Distribution Amount	means the Pre-Enforcement Available Distribution Amount and/or the Post-Enforcement Available Distribution Amount.
Average Delinquency Ratio	means: (a) in relation to the first Payment Date in November 2020, the Delinquency Ratio of the October Collection Period; (b) in relation to the second Payment Date in December 2020, the sum of the Delinquency Ratios of the October Collection Period and the November Collection Period divided by two; and (c) in relation to any other Payment Date thereafter, the sum of the last three Delinquency Ratios divided by three.
Back-Up Maintenance Coordinator	means a back-up maintenance coordinator which shall be appointed following the occurrence of Downgrade Event with respect to the Servicer and which could assist an insolvency administrator of the Originator in providing the Lease Services under the Lease Agreements.
Back-Up Maintenance Coordinator Facilitator	means Intertrust (Deutschland) GmbH, a limited liability company (*Gesellschaft mit beschränkter Haftung*) incorporated under the laws of the Federal Republic of Germany, registered with the commercial register (*Handelsregister*) of the local court (*Amtsgericht*) of Frankfurt am Main under HRB 75344 and having its registered office at Eschersheimer Landstraße 14, 60322 Frankfurt am Main, Federal Republic of Germany.
Back-Up Maintenance Coordinator Fee	means the fee to be paid by the Issuer to the Back-Up Maintenance Coordinator on each Payment Date according to the applicable Priority of Payments once the Back-Up Maintenance Coordinator has taken over the Lease Services or the co-ordination thereof.
Back-Up Maintenance Coordinator Stand-by Fee	means the fee payable by the Issuer to the Back-Up Maintenance Coordinator on each Payment Date according to the applicable Priority of Payments following the appointment of the Back-Up Maintenance Coordinator but as long as the

	Back-Up Maintenance Coordinator has not taken over the Lease Services or the co-ordination thereof.
Back-Up Servicer	means a back-up servicer which shall be nominated following the occurrence of a Downgrade Event with respect to the Servicer in accordance with the Servicing Agreement.
Back-Up Servicer Stand-By Fee	means, following the appointment of the Back-Up Servicer but as long as the Back-Up Servicer has not taken over the services of the Servicer, the fee agreed between the Issuer and the Back-Up Servicer.
BaFin	means the German Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht*) or any successor thereof.
Base Rate Modification	means all amendments necessary or advisable in the commercially reasonable judgement of the Issuer (or the Servicer on its behalf) to facilitate the change from EURIBOR to an Alternative Base Rate.
Base Rate Modification Certificate	means a certificate issued by the Issuer (or the Servicer on its behalf) to the Trustee in writing in accordance with clause 23.1 of the Trust Agreement.
Benchmark Regulation	means Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014.
BGB	means the German Civil Code (*Bürgerliches Gesetzbuch*).
Borrower	means the Issuer acting in its capacity as borrower under the Subordinated Loan Agreement entered into with the Lender.
Business Day	means any day on which TARGET is open for the settlement of payments in EUR and on which banks are open for general business and foreign exchange markets settle payments in Hamburg, Frankfurt am Main, Luxembourg, Paris, London and Dublin.
Business Day Convention	means that if any due date specified in a Transaction Document for performing a certain task (in particular, payments of any amounts) is not a Business Day, such task shall be performed (a payment shall be made) on the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such task shall be performed on the immediately preceding Business Day (Modified Following Business Day Convention).
Calculation Date	means the second Business Day preceding the relevant Payment Date.
Cash Administration Agreement	means the cash administration agreement between the Issuer and the Cash Administrator dated 19 October 2020, as amended.
Cash Administration Services	means the services set out in clause 3.1 (Cash Administration Services) of the Cash Administration Agreement.

Cash Administrator	means US Bank Global Corporate Trust Limited, a limited company incorporated under the laws of England and Wales, registered with the Companies House under registration number 05521133 and having its registered office at 125 Old Broad Street, London, EC2N 1AR, United Kingdom, or any successor or replacement thereof.
Class of Notes	means each of (i) the Class A Notes, (ii) the Class B Notes, and (iii) the Class C Notes.
Class A Notes	means the Class A floating rate asset backed notes which are issued on the Closing Date in an initial Aggregate Outstanding Note Principal Amount of EUR 350,000,000 and divided into 3,500 Class A Notes, each having an initial Note Principal Amount of EUR 100,000.
Class A Principal Redemption Amount	means on any Payment Date prior to the Enforcement Conditions being fulfilled the lower of: (a) an amount equal to the Aggregate Outstanding Note Principal Amount of the Class A Notes on the preceding Payment Date (or in case of the first Payment Date, the Closing Date); and (b) the Required Principal Redemption Amount on such Payment Date.
Class B Notes	means the Class B fixed rate asset backed notes which are issued on the Closing Date in an initial Aggregate Outstanding Note Principal Amount of EUR 41,200,000 and divided into 412 Class B Notes, each having an initial Note Principal Amount of EUR 100,000.
Class B Principal Redemption Amount	means on each Payment Date prior to the Enforcement Conditions being fulfilled the lower of: (a) an amount equal to the Aggregate Outstanding Note Principal Amount of the Class B Notes on the preceding Payment Date (or in case of the first Payment Date, the Closing Date); and (b) the difference between (i) the Required Principal Redemption Amount on such Payment Date; and (ii) the Class A Principal Redemption Amount on such Payment Date.
Class C Notes	means the Class C fixed rate asset backed notes which are issued on the Closing Date in an initial Aggregate Outstanding Note Principal Amount of EUR 20,600,000 and divided into 206 Class C Notes, each having an initial Note Principal Amount of EUR 100,000.
Class C Principal Redemption Amount	means on each Payment Date prior to the Enforcement Conditions being fulfilled the lower of: (a) an amount equal to the Aggregate Outstanding Note Principal Amount of the Class C Notes on the

preceding Payment Date (or in case of the first Payment Date, the Closing Date); and

(b) the difference between

(i) the Required Principal Redemption Amount on such Payment Date; and

(ii) the sum of (x) the Class A Principal Redemption Amount and (y) the Class B Principal Redemption Amount on such Payment Date.

Clean-up Call Early Redemption Date	means the Payment Date on which the clean-up call is exercised following the Clean-Up Call Event.
Clean-Up Call Event	means on any Determination Date, the Aggregate Outstanding Portfolio Principal Amount represents less than 10 per cent of the Aggregate Outstanding Portfolio Principal Amount as at the Initial Cut-Off Date
Clearing System	means Clearstream, Luxembourg and Euroclear.
Clearstream, Luxembourg	means Clearstream Banking S.A., a public limited liability company (*société anonyme*) incorporated under the laws of the Grand Duchy of Luxemburg, registered with the Luxembourg Trade and Companies (*Registre de Commerce et des Sociétés, Luxembourg*) under registration number B 9248 Luxembourg, and having its registered office at 42 Avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg.
Closed Calculation Lease Agreement	means a Lease Agreement in respect of which ALD charges a fixed monthly service instalment and bears the service risk.
Closing Date	means 21 October 2020.
Collection Account	means any collection account held by the Servicer in its own name to which any payments of the Lessees are made in accordance with the Servicing Agreement.
Collection Mandate	means the authority granted by the Issuer to the Servicer under the Servicing Agreement (i) to collect any and all payments made by a Lessee with respect to the Purchased Receivables and (ii) to effect Lease Agreement Recalculations with respect to Lease Agreements relating to Purchased Receivables.
Collection Period	means each period (i) from but excluding the Initial Cut-Off Date to and including the first Determination Date and (ii) thereafter from but excluding a Determination Date to and including the next following Determination Date.
Collections	means (i) any amounts or benefits received by the Servicer whether in cash, by a Single Euro Payments Area (SEPA) direct debit mandate (*SEPA-Lastschriftmandat*) (excluding any amounts in relation to collections received via direct debit which have been revoked) on or in connection with the Lease Agreements, excluding any Lease Services Collections and VAT, (ii) any Deemed Collections and (iii) any Recoveries.
Commingling Reserve Account	means an account of the Issuer opened on or before the Closing Date with the Account Bank with the following details:

	BIC:	USBKIE22
	IBAN:	IE59USBK99034582317404
	Account Bank:	ELAVON FINANCIAL SERVICES DAC

or any successor account, bearing an interest rate as separately agreed between the Account Bank and the Issuer.

Common Safekeeper means with respect to:

(a) the Class A Notes, the common safekeeper for the ICSDs; and

(b) the Class B Notes, the common safekeeper elected by the Paying Agent upon instruction by the Issuer in accordance with clause 2.3 of the Agency Agreement.

(c) the Class C Notes, the common safekeeper elected by the Paying Agent upon instruction by the Issuer in accordance with clause 2.3 of the Agency Agreement.

Company Red & Black Auto Lease Germany S.A.

Compartment means a compartment of the Company within the meaning of the Securitisation Law.

Compartment 3 means the Compartment of the Company created by a resolution of the board of directors of the Company on 27 July 2020.

Consumer means a consumer (*Verbraucher*) within the meaning of section 13 BGB including founders of new business (*Existenzgründer*) unless the net loan amount (i.e. the purchase price in case of a Lease Agreement) exceeds EUR 75,000.

Corporate Administration Agreement means the corporate administration agreement entered into between the Issuer and the Corporate Administrator on 19 October 2020, as amended.

Corporate Administration Services means the services set out in clauses 3 (Services) and 4 (Further Duties of the Corporate Administrator; Limitation of Duties) of the Corporate Administration Agreement.

Corporate Administrator means Intertrust (Luxembourg) S.à r.l., a private limited liability company (*société à responsabilité limitée*) incorporated under the laws of the Grand-Duchy of Luxembourg, registered with the Luxembourg Trade and Companies (*Registre de Commerce et des Sociétés, Luxembourg)* under registration number B103123 and having its registered office at 6, rue Eugène Ruppert, L-2453 Luxembourg, Grand Duchy of Luxembourg, or any successor or replacement thereof.

COVID-19 means the new coronavirus discovered in 2019.

Credit and Collection Policy means the policies, practices and procedures of the Servicer relating to the origination and collection of Purchased Receivables, the current version of which is attached as schedule 2 (Credit and Collection Policy) to the Servicing

	Agreement, as modified from time to time in accordance with the Servicing Agreement.
Credit Risk	means the risk of non-payment in respect of a Purchased Receivable due to a lack of Credit Solvency of the relevant Lessee of such Purchased Receivable.
Credit Solvency	means the ability of a Lessee to fulfil its payment obligations because the relevant Lessee is not Insolvent.
CSSF	means the Luxembourg *Commission de Surveillance du Secteur Financier*, or any successor thereof.
Cumulative Default Ratio	means with respect to any Payment Date, during the Revolving Period: (a) the Aggregate Defaulted Balance; divided by (b) the sum of the Aggregate Outstanding Portfolio Principal Amount of the Purchased Receivables as of the Initial Cut-Off Date and the aggregate Outstanding Principal Amounts of all Additional Purchased Receivables on the relevant Additional Cut-Off Dates purchased during the Revolving Period until but excluding such Payment Date.
Cut-Off Date	means the Initial Cut-Off Date or an Additional Cut-Off Date (as applicable).
Damages	means damages and losses, including properly incurred legal fees (including any applicable VAT).
Data Protection Provisions	means, collectively, to the extent such rules are binding the relevant Transaction Party, the provisions of the German Federal Data Protection Act (*Bundesdatenschutzgesetz*), the German Data Protection Amendment and Implementation Act (*Datenschutzanpassungs- und Umsetzungsgesetz*), the General Data Protection Regulation (*Datenschutzgrundverordnung*), the provisions of Circular 4/97 (*Rundschreiben 4/97*) of BaFin and the Luxembourg Act dated 1 August 2018 on the organisation of the National Commission for Data Protection (*Commission nationale pour la protection des données*) and the general data protection framework, or any applicable requirements on data protection under foreign law.
Data Release Event	means any of the following events: (a) termination of the appointment of the Servicer under the Servicing Agreement; (b) the Servicer becomes Insolvent and the Servicer does not pass on its data files to a Back-Up Servicer or Substitute Servicer (as applicable) in accordance with the Servicing Agreement; (c) a release of the Decoding Key being necessary for the Issuer to pursue legal actions to properly enforce or realise any Purchased Receivable, provided that the

Issuer will be acting through a Back-Up Servicer or Substitute Servicer (as applicable).

Data Trust Agreement means the data trust agreement between the Originator, the Issuer and the Data Trustee dated 19 October 2020, as amended.

Data Trustee means Intertrust (Deutschland) GmbH, a limited liability company (*Gesellschaft mit beschränkter Haftung*) incorporated under the laws of the Federal Republic of Germany, registered with the commercial register (*Handelsregister*) of the local court (*Amtsgericht*) of Frankfurt am Main under HRB 75344 and having its registered office at Eschersheimer Landstraße 14, 60322 Frankfurt am Main, Federal Republic of Germany, or any successor or replacement.

Day Count Fraction means the actual number of days in the relevant Interest Period divided by 360.

Decoding Key means the decryption key (*Dekodierungsschlüssel*) which allows the decoding of any encrypted information in accordance with the Data Trust Agreement.

Deemed Collections means any amount unpaid under a Purchased Receivable if the non-payment was caused by reasons other than circumstances relating exclusively to Credit Risk such as in particular:

(a) any due and unpaid amount under a Purchased Receivable which are attributable to a breach of (i) representations and warranties given by, or (ii) other obligations of the Originator shall always constitute a Deemed Collection; and

(b) the Aggregate Outstanding Portfolio Principal Reduction Amount.

Defaulted Balance means, on a Determination Date prior to which the Lease Agreement was first declared a Defaulted Lease Agreement, the present value calculated using a discount rate equal to the Discount Rate of the Purchased Receivables which would have been received by the Issuer if the relevant Lease Agreement was not a Defaulted Lease Agreement.

Defaulted Receivable means a Receivable relating to a Defaulted Lease Agreement.

Defaulted Lease Agreement means a Lease Agreement in respect of which:

(a) an Insolvency Event with respect to the Lessee occurred; or

(b) the Lessee is in arrear with respect to its Receivables by more than 90 days and a judgement by the Servicer has been made that there is no reasonable chance that the Lessee is able to pay and that the outstanding amounts will be collected.

Delinquent Receivable means a Purchased Receivable relating to a Delinquent Lease Agreement.

Delinquency Ratio means with respect to a Collection Period (expressed as a ratio):

(a) the Outstanding Principal Amounts of all Delinquent Receivables;

divided by

(b) the Aggregate Outstanding Portfolio Principal Amount at the end of the relevant Collection Period.

Delinquent Lease Agreement means a Lease Agreement (which is not a Defaulted Lease Agreement) in respect of which the Lessee is in arrear by more than 30 calendar days, provided, however, that any Lease Instalment which has been deferred during a payment holiday shall to that extent not be treated as overdue.

Determination Date means the last day of each calendar month. The first Determination Date will be 31 October 2020.

Discount Rate means in relation to each Receivable the implicit internal interest rate of the relevant Lease Agreement.

Downgrade Event means:

(a) in respect of the requirement to replace the Account Bank under the Account Bank Agreement: that neither the Account Bank nor any entity guaranteeing the payment obligations of the Account Bank under the Account Bank Agreement have the Required Rating with respect to the Account Bank;

(b) in respect of the requirement to credit the Commingling Reserve Account, the Set-Off Reserve Account and/or the Maintenance Reserve Account: that neither the Servicer nor the Funding Entity provide for the Required Rating with respect to the Funding Entity; and

(c) in respect of the requirement to appoint a Back-Up Servicer and a Back-Up Maintenance Coordinator under the Servicing Agreement (as applicable) that neither the Servicer, nor any Majority Shareholder, provide for the Required Rating with respect to the Servicer.

Early Amortisation Event means on any Calculation Date preceding the relevant Payment Date the occurrence (or continuation) of one of the following events:

(a) a Purchase Shortfall occurs;

(b) the Cumulative Default Ratio exceeds 2.5 per cent.;

(c) the Average Delinquency Ratio exceeds 5 per cent.;

(d) the amount to be credited on the Payment Date to the Replenishment Ledger of the Operating Account for the purchase of Additional Receivables is lower than the Required Replenishment Amount on such Payment Date;

(e) an Originator Event of Default;

(f) a Servicer Termination Event;

(g) no Back-Up Servicer or no Back-Up Maintenance Coordinator has been appointed in each case within 90 calendar days following the occurrence of a Downgrade Event.

EC Treaty means the Treaty on the Functioning of the European Union, originally named Treaty establishing the European Community (signed in Rome on 25 March, 1957), as amended by the Treaty on the European Union (signed in Maastricht on 7 February, 1992), as amended by the Treaty of Amsterdam (signed in Amsterdam on 2 November, 1997), as amended by the Treaty of Nice (signed in Nice on 26 February, 2001), as amended by the Treaty of Lisbon (signed in Lisbon on 13 December 2007).

ECB means European Central Bank.

Eligibility Criteria means the following criteria (*Beschaffenheitskriterien*) in respect of a Receivable:

(a) the Receivable derives from a Lease Agreement which:

(i) has been entered into between a Lessee and the Originator, excluding any Lease Agreement under any employee programme of the Originator;

(ii) is (x) legal, valid and binding, (y) based on the Originator's Form of Contract and (z) governed by the laws of the Federal Republic of Germany;

(iii) (including the standard terms and conditions applicable thereto) has been created in compliance with all applicable laws, rules and regulations (in particular with respect to consumer protection) and all required consents, approvals and authorisations have been obtained in respect thereof and the Originator is not in violation of any such law, rule or regulation;

(iv) at least one Lease Instalment has been paid in respect of the Lease Agreement;

(v) there is no material breach, default or violation of any obligation under the associated Lease Agreement;

(vi) is not a Lease Agreement under which lease payments are in arrear;

(vii) is not a Defaulted Lease Agreement;

(viii) gives rise to monthly Lease Instalments;

(ix) provides for an Original Term not longer than 72 months;

(x) terms and conditions do not expressly provide for a termination right of the relevant Lessee in case the Originator becomes Insolvent;

(xi) has not been terminated;

(xii) has been originated in the ordinary course of business;

(xiii) has been originated in accordance with the Credit and Collection Policy;

(b) each Receivable:

(i) is freely assignable without breach of the underlying Lease Agreement and can be disposed of by the Originator free from third party rights and set-off rights, but excluding the Permitted Set-Off Rights, and is solely owned by the Originator;

(ii) to the best of the Originator's knowledge, is not encumbered or otherwise in a condition that can be foreseen to adversely affect the enforceability of the true sale or assignment or transfer with the same legal effect;

(iii) is denominated in EUR;

(iv) is collectable and enforceable;

(v) is secured by the security transfer (*Sicherungsübereignung*) of legal title to the relevant Vehicle to the Issuer;

(vi) has no Lease Instalments in arrear;

(vii) can be segregated and identified at any time for purposes of ownership in the files of the Originator and such files and the relating software is able to provide the information to be included in the Servicing Agreement and/or Receivables Purchase Agreement with respect to such Receivable;

(viii) was not, as at the relevant Cut-off Date, an exposure in default within the meaning of article 178(1) of Regulation (EU) No 575/2013 or an exposure to a credit-impaired Lessee or guarantor, who, to the best of the Originator's knowledge:

(A) has been declared insolvent or had a court grant his creditors a final non-appealable right of enforcement or material damages as a result of a missed payment within three years prior to the date of origination or has undergone a debt- restructuring process with regard to his non-performing exposures within three years prior to the Closing Date

(B) was, at the time of origination, where applicable, on a public credit registry of persons with adverse credit history or, where there is no such public credit registry, another credit registry that is available to the Originator; or

(C) has a credit assessment or a credit score indicating that the risk of contractually agreed payments not being made is significantly higher than for comparable exposures held by the Originator which are not securitised;

(ix) do not include derivatives as defined in point (29) of article 2(1) Regulation (EU) No 600/2014, or transferable securities as defined in point (44) of article 4(1) of Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments (as amended, restated or supplemented, MiFID II) other than corporate bonds, that are not listed on a trading venue and do not include any securitisation position;

(x) does not arise under a Lease Agreement that is under a COVID-19 related payment holiday (including legislative payment holiday and non-legislative payment holiday);

(c) the Lessee of such Receivable:

(i) is not part of the SG Group;

(ii) is not employed with the Originator or any of its Affiliates;

(iii) is a (x) merchant (*Kaufmann/Unternehmer*) having its registered office within the Federal Republic of Germany, or (y) Public Debtor registered within the Federal Republic of Germany, or (z) Consumer resident in the Federal Republic of Germany;

(iv) to the best knowledge of the Originator, is neither entitled to nor has threatened to invoke any right of rescission, counterclaim, contest, challenge or other defence (deriving from the Lease Agreement) in respect of such Receivable;

(v) is not Insolvent and no proceedings for the commencement of Insolvency Proceedings are pending in any jurisdiction against it (to the best knowledge of the Originator);

(vi) has received a copy of the Lease Agreement together with instructions in respect of the right of revocation of the Originator (e.g. the applicable form requirements and notifications

are complied with) (to the best knowledge of the Originator);

(d) the Vehicle to which the Receivable relates:

(i) is existing;

(ii) is a new Vehicle;

(iii) has an initial vehicle sale price not exceeding EUR 150,000;

(iv) is a Vehicle in relation to which:

(A) the purchase price (including value added tax) has been paid in full to the relevant supplier;

(B) the Originator has acquired full title from the supplier;

(C) the sale and purchase agreements pertaining to it and each prior Vehicle delivered by the same supplier, do not extend to on-going maintenance or other services;

(D) there is no default in the performance of any obligation under or pursuant to such sale and purchase agreements by the Originator;

(E) to the extent that there is a legal obligation of the Originator or the Lessee (as applicable) to take out third-party liability insurance, the Originator or the Lessee (as applicable) has taken out such third-party liability insurance with respect to the relevant Vehicle;

(v) is a Vehicle the acquisition (*Anschaffung*) of which by the Originator has been, or is financed, in its entirety within three months after acquisition of such Vehicle by the Originator (such financing being intended from the outset) by a third-party financier and such Vehicles have been transferred to such third- party financier for securing such financing;

(e) the Originator:

(i) is the sole creditor of the Receivable;

(ii) has not entered into an agreement with a Lessee in respect of the Receivable according to which the repayment of the Receivable would be suspended or otherwise impaired (other than in accordance with the Credit and Collection Policy);

(iii) has not commenced enforcement proceedings against a Lessee in respect of the Receivable; and

(iv) to the best knowledge of the Originator:

(A) no Lessee (aa) is in breach of any of its obligations in respect of the Receivable in any material respect, or (bb) is entitled to or has threatened to invoke any right of rescission, counterclaim, contest, challenge or other defence in respect of such Receivable, except for Permitted Set-Off Rights, or (cc) has declared a set-off in respect of such Receivable, except for Permitted Set-Off Rights; and

(B) no litigation is pending in respect of the Receivable.

EMIR means Regulation (EU) No 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories (as amended, restated or supplemented).

Enforcement Conditions means the following cumulative conditions:

(a) the occurrence of an Issuer Event of Default;

(b) the Security Interests over the Security Assets having become enforceable; and

(c) an Enforcement Notice has been sent by the Trustee to the Issuer.

Enforcement Notice means the written notice by the Trustee which the Trustee shall forthwith serve upon the occurrence of an Issuer Event of Default if the Trustee Claim has become due to the Issuer with a copy to each of the Secured Parties and the Rating Agencies in accordance with the Trust Agreement.

Enforcement Proceeds means any proceeds received by the Trustee from any enforcement of the Security Interest over the Security Assets.

English Security Assets means the security assets being subject to the security granted pursuant to clause 3 (Grant of Security and Declaration of Trust) of the English Security Deed.

English Security Deed means the English law governed security deed entered into between the Issuer and the Trustee dated on or about 19 October 2020, as amended.

ESMA means the European Securities and Markets Authority.

EU means the European Union.

EUR means the lawful currency introduced at the start of the third stage of the European Economic and Monetary Union pursuant to the Treaty establishing the European Community (as amended from time to time).

EURIBOR means, for each Interest Period, the rate for deposits in EUR for a period of one month which appears on Reuters Page EURIBOR01 (or such other page as may replace such page on that service for the purpose of displaying Brussels interbank offered rate quotations of major banks) as of 11:00 a.m. Brussels time on the EURIBOR Determination Date as determined by the Interest Determination Agent.

With respect to a EURIBOR Determination Date for which EURIBOR does not appear on Reuters Page EURIBOR01 (or its successor page), EURIBOR will be determined on the basis of the rates at which deposits in EUR are offered by the Reference Banks at approximately 11:00 a.m. (Brussels time) on the EURIBOR Determination Date to prime banks in the Euro-zone interbank market for the relevant Interest Period and in a principal amount equal to an amount that is representative for a single transaction in such market at such time. The Interest Determination Agent will request the principal Euro-zone office of each Reference Bank to provide a quotation of its rate. If at least two such quotations are provided, EURIBOR on such EURIBOR Determination Date will be the arithmetic mean as determined by the Interest Determination Agent (rounded, if necessary, to the nearest one thousandth of a percentage point, with 0.0005 being rounded upwards) of such quotations. If fewer than two such quotations are provided, EURIBOR on such EURIBOR Determination Date will be the arithmetic mean as determined by the Interest Determination Agent (rounded, if necessary, to the nearest one thousandth of a percentage point, with 0.0005 being rounded upwards) of the rates quoted by major banks in the Euro-zone selected by the Interest Determination Agent at approximately 11:00 a.m., Brussels time, on such EURIBOR Determination Date for loans in EUR for the relevant Interest Period and in a principal amount equal to an amount that is representative for a single transaction in such market at such time to leading European banks.

In the event that the Interest Determination Agent is on any Interest Determination Date required but unable to determine EURIBOR for the relevant Interest Period in accordance with the above:

(a) for any reason other than as described under (ii) below, EURIBOR for such Interest Period shall be EURIBOR as determined on the previous Interest Determination Date; or

(b) due to a public announcement of the permanent or indefinite discontinuation of EURIBOR that applies to the Class A Notes at that time (the date of such public announcement being the "Relevant Time"), the Issuer (acting on the advice of the Servicer) shall, without undue delay, use commercially reasonable endeavours to propose an Alternative Base Rate in accordance with Clause 24 (Base Rate Modification) of the Trust Agreement.

Should an Interest Period be shorter or longer than one month, EURIBOR for such Interest Period shall be determined through the use of straight-line interpolation by reference to two rates, one of which shall be determined as the period of time for

	which rates are available next shorter than the length of the Interest Period and the other of which shall be determined as the period of time for which rates are available next longer than the length of the Interest Period.
EURIBOR Determination Date	means with respect to an Interest Period, the second Business Day immediately preceding the day on which such Interest Period commences.
Euroclear	means Euroclear Banking SA/NV, a public limited liability company (*société anonyme*) incorporated under the laws of the Kingdom of Belgium, registered with the RPM Brussels under registration number 0423 747 369 and having its registered office at 1 Boulevard du Roi Albert II, B-1210 Brussels, Kingdom of Belgium.
European Economic Area	means the Member States as well as Norway, Iceland and Liechtenstein.
European Union	means the union of European member states as created initially by the EC Treaty.
Exchange Date	has the meaning ascribed to such term in clause 2.3(b) of the Terms and Conditions.
Excess Amount	means, upon the occurrence of an Insolvency Event with respect to the Originator, in relation to a Collection Period the amount (if any) by which the costs for the Lease Services exceed the Lease Services Collections during such Collection Period.
Excess Value	means an additional fee to be paid by the Issuer to the Initial Servicer calculated (i) with respect to the Pre-Enforcement Priority of Payments as the remaining amounts of the Pre-Enforcement Available Distribution Amount after payment of the amounts as set out in clauses 9.1(a) to 9.1(s) of the Terms and Conditions and (ii) with respect to the Post-Enforcement Priority of Payments as the remaining amount of the Post-Enforcement Available Distribution Amount after payment of the amounts as set out in clauses 9.2(a) to 9.2(q) of the Terms and Conditions.
Final Discharge Date	means the earlier of (i) the Payment Date on which a repurchase of the entire Portfolio is effected pursuant to clause 19.2 (Retransfer of Purchased Receivables and Related Collateral) of the Receivables Purchase Agreement and (ii) the date on which the Issuer has finally discharged its obligations towards its creditors under the Transaction Documents (including by operation of any limited recourse, no petition and limited liability provisions contained in the Transaction Documents).
Form of Contract	means the agreed form of single lease agreements (*Einzelleasingverträge*) used by the Originator, including in the form of (i) standard business terms (*Allgemeine Geschäftsbedingungen*) or (ii) as agreed under any framework agreements governing the Originator's relationship with the respective lessee, in each case, as amended or used by the Originator from time to time.

Funding Entity	means Société Générale S.A., a public limited liability (*société anonyme*) incorporated under the laws of the Republic of France, registered with the Paris Trade Register under registration no. 552 120 222 and having its registered office at 29 Boulevard Haussmann, 75009 Paris, Republic of France, or any successor or replacement thereof.
General Data Protection Regulation or GDPR	means Regulation (EU) 2016/679 of the European Parliament and the Council of 27 April 2016 on the protection of natural persons to the processing of personal data and on the free movement of such data, as currently in effect.
General Reserve Account	means the general reserve account of the Issuer opened on or before the Closing Date with the Account Bank with the following details: BIC: USBKIE22 IBAN: IE16USBK99034582317402 Account Bank: ELAVON FINANCIAL SERVICES DAC or any successor account, bearing an interest rate as separately agreed between the Account Bank and the Issuer.
German Security Assets	means the assets pledged and to be pledged in accordance with clause 12 (Pledge of Security Assets) of the Trust Agreement and the assets assigned or transferred and to be assigned or transferred in accordance with clause 13 (Assignment and Transfer of Security Assets for Security Purposes) of the Trust Agreement.
Global Note	means a temporary and/or a permanent global bearer note without interest coupons, representing a Class of Notes and issued in connection with the Transaction.
HGB	means the German Commercial Code (*Handelsgesetzbuch*).
ICSD	means each of Euroclear and Clearstream, Luxembourg.
Illegality and Tax Call Early Redemption Date	means the Payment Date on which the illegality and tax call is exercised following the Illegality and Tax Call Event.
Illegality and Tax Call Event	means any change in the laws of the Federal Republic of Germany or the Grand Duchy of Luxembourg or the official interpretation or application of such laws occurs which becomes effective on or after the Closing Date and which, for reasons outside the control of the Originator and/or the Issuer would oblige the Issuer to make any tax withholdings or deductions for reasons of tax in respect of any payment on the Notes or any other obligation of the Issuer under the Transaction Document (in particular, but not limited to, financial transaction tax or ATAD).
Increased Costs	means any and all sums payable by the Issuer under the Transaction Documents to any other Person in respect of any increase, deduction or withholding for or on account of Taxes imposed or levied subsequent to the date of the Receivables Purchase Agreement.

Initial Cut-Off Date	means 30 September 2020.
Initial Receivable	means any Receivable as set out in the list saved on the CD-Rom or any other suitable storage medium "Red&Black Auto Lease Germany, Compartment 3 - Initial Receivables – final" containing 72,196 receivables substantially corresponding to the form as set out in schedule 2 (List of Initial Receivables and Related Collateral) to the Receivables Purchase Agreement.
Initial Purchase Price	means the purchase price payable by the Issuer for the purchase of the Initial Receivables in an amount equal to the Aggregate Outstanding Portfolio Principal Amount of such Initial Receivables to the Originator on the Closing Date for the acquisition of the relevant Initial Receivable.
Initial Purchased Receivables	means the Purchased Receivables purchased by the Issuer under clause 2 (Purchase of Initial Receivables) of the Receivables Purchase Agreement on the Closing Date.
Initial Servicer	means ALD AutoLeasing D GmbH.
InsO	means the German Insolvency Code (*Insolvenzordnung*).
Insolvency Proceedings	means any insolvency proceedings (*Insolvenzverfahren*) within the meaning of the InsO or any similar proceedings under applicable foreign law, including, with respect to the Company, bankruptcy (*faillite*), composition with creditors (*concordat préventif de la faillite*), controlled management (*gestion contrôlée*), suspension of payments (*sursis de paiement*), reorganisation, court ordered dissolution and liquidation.
Insolvent or Insolvency	means (a) in relation to any Person incorporated in Germany which is not a Lessee: (i) that the relevant Person is either: (A) unable to fulfil its payment obligations as they become due and payable (including, without limitation, *Zahlungsunfähigkeit* pursuant to section 17 InsO); or (B) presumably unable to pay its debts as they become due and payable (including, without limitation, imminent inability to pay (*drohende Zahlungsunfähigkeit*) pursuant to section 18 InsO); or (ii) that the liabilities of that Person exceed the value of its assets (including, without limitation, over-indebtedness (*Überschuldung*) pursuant to section 19 InsO); (iii) that any measures pursuant to section 21 InsO have been taken in relation to the Person; or (iv) that any measures have been taken in respect of the Person pursuant to sections 45, 46, 46b, 46g and 48t of the German Banking Act

(*Kreditwesengesetz*) or any measures pursuant to sections 39, 62 to 102 of the German Recovery and Resolution Act (*Sanierungs- und Abwicklungsgesetz*) have been taken or any other restructuring or reorganisation proceedings within the meaning of the German Bank Reorganisation Act (*Kreditinstitute-Reorganisationsgesetz*) have been commenced with respect to such Person or such Person is subject to the rules of Chapters 2 and Chapter 3 of Title 1 of Part II of the Regulation (EU) 806/2014 of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund and amending Regulation (EU) No. 1093/20 (as amended, restated or supplemented);

(b) in relation to any Person being a Lessee:

(i) that the relevant Person is either:

(A) unable to fulfil its payment obligations as they become due and payable (including, without limitation, *Zahlungsunfähigkeit* pursuant to section 17 InsO); or

(B) presumably unable to pay its debts as they become due and payable (including, without limitation, drohende *Zahlungsunfähigkeit* pursuant to section 18 InsO);

(ii) that the liabilities of that Person exceed the value of its assets (including, without limitation, *Überschuldung* pursuant to section 19 InsO);

(iii) that a petition for the opening of insolvency proceedings (including consumer insolvency proceedings (*Verbraucherinsolvenzverfahren*)) in respect of the relevant Person's assets (*Antrag auf Eröffnung eines Insolvenzverfahrens*) is filed or threatened to be filed;

(iv) that a written statement listing the claims of a party against the Lessee is requested in accordance with section 305 paragraph 2 InsO; or

(v) that it commences negotiations with one or more of its creditors with a view to the dismissal, readjustment or rescheduling of any of its indebtedness including negotiations as referred to in section 305 paragraph 1 number 1 and section 305a InsO;

(vi) that any measures pursuant to section 21 InsO have been taken in relation to the Person; or

(c) in relation to any Person not incorporated or situated in the Federal Republic of Germany that similar circumstances have occurred or similar measures have been taken under foreign applicable law which correspond to those listed in (i) or (ii) above.

Interest Amount means the amount of interest payable in respect of each Note on any Payment Date, calculated in accordance with clauses 4.3 (Interest Amount) and 4.4 (Extinguished Interest) of the Terms and Conditions.

Interest Determination Agent means US Bank Global Corporate Trust Limited, a limited company incorporated under the laws of England and Wales, registered with the Companies House under registration number 05521133 and having its registered office at 125 Old Broad Street, London, EC2N 1AR, United Kingdom, or any successor or replacement thereof.

Interest Period means each period (i) from and including the Closing Date to but excluding the first Payment Date and (ii) thereafter from and including a Payment Date to but excluding the next following Payment Date.

Interest Rate means the interest rate payable on the respective Class of Notes for each Interest Period as set out in clause 4.2 (Interest Rates) of the Terms and Conditions.

Investor Report means the investor report to be prepared by the Cash Administrator in accordance with the Cash Administration Agreement.

Irish Security Assets means the security assets being subject to the security granted pursuant to clause 3 (Security) of the Irish Security Deed.

Irish Security Deed means the Irish law governed security deed entered into between the Issuer and the Trustee dated 19 October 2020, as amended.

Issuer means Red & Black Auto Lease Germany S.A., a public limited liability company (*société anonyme*) incorporated under the laws of the Grand Duchy of Luxembourg, having the status of an unregulated securitisation company (*société de titrisation*) subject to the Securitisation Law, registered with the Luxembourg Trade and Companies Register (*Registre de Commerce et des Sociétés*) under registration number B245709 and having its registered office at 6, rue Eugène Ruppert, L-2453 Luxembourg, Grand Duchy of Luxembourg, acting on behalf and for the account of its Compartment 3.

Issuer Event of Default means

(a) the Issuer becomes Insolvent;

(b) the Issuer fails to make a payment of interest on the Most Senior Class of Notes on any Payment Date (and such default is not remedied within two Business Days of its occurrence);

(c) the Issuer fails to perform or observe any of its other material obligations under the Terms and Conditions or the Transaction Documents (other than the Subordination Loan Agreement) and such failure is (if capable of remedy) not remedied within 30 Business Days following written notice from the Trustee or any other Secured Party; or

(d) it is or will become unlawful for the Issuer to perform or comply with any of its obligations under or in respect of the Class A Notes, the Class B Notes and the Class C Notes, or any Transaction Document.

For the avoidance of doubt, an Issuer Event of Default shall not occur in respect of claims under the Terms and Conditions which are subject to clause 3.3 (Non-Petition and Limited Recourse against the Issuer) of the Terms and Conditions (other than in respect of the Most Senior Class of Notes in accordance with item (ii) of the definition of Issuer Event of Default).

Issuer Obligations means the obligations of the Issuer to the Noteholders under the Notes and to the other Secured Parties under the Transaction Documents.

Issuer's Pro Rata Share means the ratio calculated as (i) the Defaulted Balance of a Defaulted Receivable calculated on the Determination Date immediately prior to the relevant Purchased Receivable becoming a Defaulted Receivable and (ii) the sum of (a) the Defaulted Balance of such Defaulted Receivable calculated on the Determination Date immediately prior to the relevant Purchased Receivable becoming a Defaulted Receivable and (b) the corresponding discounted non-securitised residual value using a discount rate equal to the Discount Rate calculated as of the Determination Date immediately prior to the relevant Purchased Receivable becoming a Defaulted Receivable.

Issuer Standard of Care means the standard of care (*Sorgfaltspflicht*) which is only violated in case of gross negligence (*grobe Fahrlässigkeit*), wilful misconduct (*Vorsatz*) or fraud (*Betrug*).

Lead Manager means Société Générale S.A., a public limited liability (*société anonyme*) incorporated under the laws of the Republic of France, registered with the Paris Trade Register under registration no. 552 120 222 and having its registered office at 29 Boulevard Haussmann, 75009 Paris, Republic of France.

Lease Agreement means any single lease agreement (*Einzelleasingvertrag*) between the Originator in its capacity as lessor (*Leasinggeber*) and a Lessee in relation to the leasing of a particular Vehicle to that lessee (*Leasingnehmer*).

Lease Agreement Recalculation means any recalculation of a Receivable from time to time in accordance with the Credit and Collection Policy and in accordance with the relevant Lease Agreement (in particular due to any extension and early termination (other than early terminations due to Credit Risk)) of the relevant Lease Agreement).

Lease Instalment	means the sum of: (a) the Lease Principal Component; and (b) the Lease Interest Component.
Lease Interest Component	means the interest component included in a Lease Instalment set forth for a Lease Agreement and calculated in accordance with the Credit and Collection Policy.
Lease Principal Component	means the principal component payable for the use of the relevant Vehicle and included in a Lease Instalment and calculated in accordance with the Credit and Collection Policy.
Lease Service Receivable	means any payment claim (*Geldforderung*) arising under a Lease Agreement which is attributable to the relevant Lease Services Component.
Lease Services	means maintenance and other services owed by the Originator under a Lease Agreement (e.g., fuel supply, tire supply, provision of rental cars, breakdown service, insurance services, etc.).
Lease Services Collections	means, with respect to each Lease Agreement, the collections received by the Servicer allocable to the relevant Lease Services Component.
Lease Services Component	means the service component pertaining to a Lease Agreement and relating to the Lease Services rendered thereunder as calculated in accordance with the Credit and Collection Policy.
Legal Maturity Date	means 15 September 2031.
Lender	means ALD AutoLeasing D GmbH, a limited liability company (*Gesellschaft mit beschränkter Haftung*) incorporated under the laws of the Federal Republic of Germany, registered with the commercial register (*Handelsregister*) of the local court (*Amtsgericht*) of Hamburg under HRB 30468 and having its registered office at Nedderfeld 95, 22529 Hamburg, Federal Republic of Germany.
Lessee	means any lessee under a Lease Agreement.
Lessee Group	means a group of Lessees which qualify as related companies or corporations (including a reference to "*verbundene Unternehmen*" within the meaning of section 15 of the German Stock Corporation Act (*Aktiengesetz*)) or which otherwise belong to the same group in accordance with applicable law.
Lessee Notification Event	means a termination of the Servicing Agreement due to the occurrence of a Servicer Termination Event or the termination of the Servicer's collection authority pursuant to clause 3.3 (Authority *(Vollmacht und Ermächtigung)*) of the Servicing Agreement.
Luxembourg Companies Law	means the Luxembourg law of 10 August 1915 on commercial companies, as amended.
Maintenance Reserve Account	means the maintenance reserve account of the Issuer opened on or before the Closing Date with the Account Bank with the following details:

	BIC:	USBKIE22
	IBAN:	IE05USBK99034582317406
	Account Bank:	ELAVON FINANCIAL SERVICES DAC

or any successor account, bearing an interest rate as separately agreed between the Account Bank and the Issuer.

Maintenance Settlement Ledger means a ledger maintained by the Servicer for the Closed Calculation Lease Agreements providing for the following postings to be made with respect to Lease Agreements: (i) Lease Service Receivables related to maintenance service invoiced by the Servicer under the Lease Agreements are credited and (ii) costs reflecting the Originator's experience of progressive maintenance services expenditures (so-called rule of 78) are debited.

Majority Shareholder means Société Générale S.A., or such other entity, holding, directly or indirectly, at least 51 per cent. of the share capital of the Servicer.

Member State means the actual member states of the European Union.

MNWT means the minimum net worth tax applicable to all fully taxable companies having their statutory seat or central administration in Luxembourg as of 1 January 2016.

Moody's means Moody's Deutschland GmbH, a limited liability company (*Gesellschaft mit beschränkter Haftung*) incorporated under the laws of the Federal Republic of Germany, registered with the commercial register (*Handelsregister*) of the local court (*Amtsgericht*) of Frankfurt am Main under HRB 33863 and having its registered office at An der Welle 5, 60322 Frankfurt am Main, Federal Republic of Germany, and any successor to its rating business.

Most Senior Class of Notes means the Class A Notes whilst they remain outstanding, thereafter the Class B Notes whilst they remain outstanding and after the full redemption of the Class B Notes, the Class C Notes.

NACE Industry Division means the classification of industry groups published by the European Union referred to as *Nomenclature statistique des activités économiques dans la Communauté européenne* or NACE.

Net Swap Payments means on any Payment Date the maximum of:

(a) zero; and

(b) the difference calculated as:

(i) the amounts due by the Issuer to the Swap Counterparty on such Payment Date, other than amounts in connection with a termination of the Swap Agreement; minus

(ii) the amounts due by the Swap Counterparty to the Issuer on such Payment Date, other than

amounts in connection with a termination of the Swap Agreement

in each case excluding Swap Collateral for the benefit of the Issuer.

Net Swap Receipts means on any Payment Date the maximum of:

(a) zero; and

(b) the difference calculated as:

(i) the amounts due by the Swap Counterparty to the Issuer on such Payment Date, other than amounts in connection with a termination of the Swap Agreement; minus

(ii) the amounts due by the Issuer to the Swap Counterparty on such Payment Date, other than amounts in connection with a termination of the Swap Agreement

in each case excluding Swap Collateral for the benefit of the Issuer.

Netting and Settlement Agreement means the netting and settlement agreement between the Issuer, ALD and the Lead Manager dated 19 October 2020, as amended.

New Issuer means a substitute Lessee for the Issuer in respect of all obligations arising under or in connection with the Notes and the Transaction Documents named by the Issuer in accordance with clause 17.1 (General) of the Terms and Conditions.

Non-Eligible Receivable means a Purchased Receivable which does not comply (in whole or in part) with the Eligibility Criteria as at the relevant Cut-Off Date.

Note Principal Amount means with respect to any day the amount of any Note (rounded, if necessary, to the nearest EUR 0.01, with EUR 0.005 being rounded upwards) equal to the initial principal amount of such Note as, on or before such date, reduced by all amounts paid prior to such date on such Note in respect of principal.

Noteholder means a holder of a Note.

Noteholders' Representative means a common representative (*gemeinsamer Vertreter*) appointed by any Class of Noteholders in accordance with the Terms and Conditions of the Notes and the German Bonds Act (*Schuldverschreibungsgesetz*).

Notes means the Class A Notes, the Class B Notes and the Class C Notes.

Notified Amount means the amounts due and payable in respect of the Notes on each Payment Date.

Offer means any offer by the Originator to the Issuer in accordance with Clause 6 and substantially in the form of schedule 1 (Form of Offer) to the Receivables Purchase Agreement.

Offer Date	means, during the Revolving Period, any Reporting Date.
Open Calculation Lease Agreement	means a Lease Agreement relating to a Purchased Receivable in respect of which ALD charges a fixed monthly budget for services but the Lessee bears the risk of higher services costs.
Operating Account	means the operating account of the Issuer opened on or before the Closing Date with the Account Bank with the following details: BIC: USBKIE22 IBAN: IE43USBK99034582317401 Account Bank: ELAVON FINANCIAL SERVICES DAC or any successor account, bearing an interest rate as separately agreed between the Account Bank and the Issuer.
Original Financier	means AXUS Luxembourg S.A., a private limited liability company (*société à responsabilité limitée*) incorporated under the laws of the Grand-Duchy of Luxembourg, registered with the Luxembourg Trade and Companies (*Registre de Commerce et des Sociétés, Luxembourg)* under registration number under number B23.299 and having its registered office at 270, route d'Arlon, 8010 Strassen, Grand Duchy of Luxembourg.
Original Term	means, for any Lease Agreement, the number of months between the date of origination of the Lease Agreement and the lease maturity date as of relevant Cut-Off Date.
Originator	means ALD AutoLeasing D GmbH, a limited liability company (*Gesellschaft mit beschränkter Haftung*) incorporated under the laws of the Federal Republic of Germany, registered with the commercial register (*Handelsregister*) of the local court (*Amtsgericht*) of Hamburg under HRB 30468 and having its registered office at Nedderfeld 95, 22529 Hamburg, Federal Republic of Germany.
Originator Event of Default	means the Originator being Insolvent.
Outstanding Principal Amount	means as of any Determination Date and the Initial Cut-Off Date with respect to a Performing Receivable its present value using the Discount Rate.
Paying Agent	means Elavon Financial Services DAC, a designated activity company incorporated under the laws of the Republic of Ireland, registered with the Companies Registration Office Ireland under registration number 418442 and having its registered office at Block E, Cherrywood Business Park, Loughlinstown, Dublin, Republic of Ireland, or any successor or replacement thereof.
Payment Date	means each 15th calendar day of each month, subject to the Business Day Convention. The first Payment Date will be 15 November 2020. Unless the Notes are redeemed earlier in full, the final Payment Date will be the Legal Maturity Date.
Performing Receivable	means any Receivable that does not relate to a Defaulted Lease Agreement.

Permanent Global Note	has the meaning given to such term in 2.3(b) of the Terms and Conditions.
Permitted Set-Off Rights	means any set-off rights of a Lessee towards the relevant Receivable resulting from: (a) any cash deposits made by a Lessee with the Originator; (b) any advances received by the Originator from a Lessee with respect to maintenance services relating to any Open Calculation Lease Agreement; and (c) any amounts payable by the Originator to a Lessee due to a Lease Agreement Recalculation but not yet paid.
Person	means any individual, partnership with legal capacity, company, body corporate, corporation, trust (only insofar as such trust has legal capacity), joint venture (insofar as it has legal capacity), governmental or government body or agent or public body.
Personal Data	means any Lessee-related personal data (*persönliche Daten*) within the meaning of the GDPR, in particular the name and address of the Lessee and any co-Lessee and/or guarantor.
Portfolio	means, at any time, all Purchased Receivables.
Post-Enforcement Available Distribution Amount	means, with respect to any Payment Date upon the Enforcement Conditions being fulfilled, an amount equal to the sum of (a) the Pre-Enforcement Available Distribution Amount; (b) the Enforcement Proceeds credited on the Operating Account (to the extent not included in paragraph (a)); and (c) any other credit balance credited on the Operating Account (to the extent not included in paragraph (a) or (b)).
Post-Enforcement Priority of Payments	means, after the Enforcement Conditions have been fulfilled, the application of the Post-Enforcement Available Distribution Amount by the Issuer on each Payment Date towards the discharge of the claims of the Noteholders and the other creditors of the Issuer in accordance with the following priority of payments (in sequential order and only to the extent that the more senior ranking items have been paid): (a) any due and payable Statutory Claims; (b) an amount equal to 105 per cent. of the Excess Amount to the Initial Servicer; (c) any due and payable Trustee Expenses; (d) any due and payable Administrative Expenses which shall be applied on a *pari passu* and *pro rata basis*; (e) any due and payable Servicing Fee, Back-Up Servicer Stand-By Fee, Back-Up Maintenance Coordinator

Stand-By Fee, Back-Up Maintenance Coordinator Fee;

(f) any due and payable Net Swap Payments and Swap Termination Payments under the Swap Agreement (provided that the Swap Counterparty is not the Defaulting Party (as defined in the Swap Agreement) and there has been no termination of the Swap Agreement due to a termination event relating to the Swap Counterparty's downgrade);

(g) (on a *pro rata* and *pari passu* basis) any due and payable aggregate Interest Amount on the Class A Notes;

(h) (on a *pro rata* and *pari passu* basis) the redemption of the Class A Notes until the Aggregate Outstanding Note Principal Amount of the Class A Notes is reduced to zero;

(i) (on a *pro rata* and *pari passu* basis) any due and payable aggregate Interest Amount on the Class B Notes;

(j) (on a *pro rata* and *pari passu* basis) the redemption of the Class B Notes until the Aggregate Outstanding Note Principal Amount of the Class B Notes is reduced to zero;

(k) (on a *pro rata* and *pari passu* basis) any due and payable aggregate Interest Amount on the Class C Notes;

(l) (on a *pro rata* and *pari passu* basis), the redemption of the Class C Notes until the Aggregate Outstanding Note Principal Amount of the Class C Notes is reduced to zero;

(m) any due and payable indemnity payments under any Transaction Document;

(n) the Aggregate Outstanding Portfolio Principal Increase Amount relating to the current Collection Period plus all accrued but unpaid Aggregate Outstanding Portfolio Principal Increase Amounts of all previous Collection Periods to the Originator;

(o) any Swap Termination Payments due under the Swap Agreement other than those made under item (f) above;

(p) any due and payable interest amounts on the Subordinated Loan;

(q) any due and payable principal amounts under the Subordinated Loan Agreement until the Subordinated Loan is reduced to zero; and

(r) the Excess Value to the Initial Servicer.

Pre-Enforcement Available Distribution Amount means as of the relevant Payment Date, the sum of the following amounts, either collected, or received by the Issuer, or accrued, as the case may be, with respect to the immediately preceding Collection Period:

(a) any Collections;

(b) any Repurchase Price;

(c) any amounts remaining and not used and standing to the credit of the Operating Account after the application of the relevant Priority of Payment on the immediately preceding Payment Date;

(d) any amount standing to the credit of the General Reserve Account;

(e) the Net Swap Receipts;

(f) the amounts standing to the credit of the Commingling Reserve Account if and only to the extent that the Servicer has, on the relevant Payment Date, failed to transfer to the Issuer any Collections (other than Deemed Collections) received by the Servicer during, or with respect to, the Relevant Collection Period or previous Collection Periods (to the extent these have not been withdrawn from the Commingling Reserve Account on a previous Payment Date), and only to the extent necessary for the fulfilment on the relevant Payment Date of the payment obligations of the Issuer so long as the Originator is the Servicer;

(g) the amount standing to the credit of the Set-Off Reserve Account up to an amount equal to the aggregate amount in which Lessees have exercised set-off rights against the Originator if and to the extent the Originator has not paid in full the relevant Set-Off Amount to the Issuer in accordance with clause 15 (Set-Off Warranty Claim) of the Receivables Purchase Agreement;

(h) upon the occurrence of an Insolvency Event with respect to the Originator that is subsisting, an amount from the Maintenance Reserve Account, up to an amount equal to (i) the Back-Up Maintenance Coordinator Fee and (ii) 105 per cent. of the Excess Amount in accordance with the Reserve Funding Agreement; and

(i) any additional free assets (*sonstiges freies Vermögen*) of the Issuer.

Pre-Enforcement Priority of Payments means, prior to the Enforcement Conditions being fulfilled, distribution of the Pre-Enforcement Available Distribution Amount by the Issuer on each Payment Date towards the discharge of the claims of the Noteholders and the other creditors of the Issuer in accordance with the following Pre-Enforcement Priority of Payments (in sequential order and only to the extent that the more senior ranking items have been paid):

(a) any due and payable Statutory Claims;

(b) an amount equal to 105 per cent. of the Excess Amount to the Initial Servicer;

(c) any due and payable Trustee Expenses;

(d) any due and payable Administrative Expenses which shall be applied on a *pari passu* and *pro rata* basis;

(e) any due and payable Servicing Fee, Back-Up Servicer Stand-By Fee, Back-Up Maintenance Coordinator Stand-By Fee, Back-Up Maintenance Coordinator Fee;

(f) any due and payable Net Swap Payments and Swap Termination Payments under the Swap Agreement (provided that the Swap Counterparty is not the Defaulting Party (as defined in the Swap Agreement) and there has been no termination of the Swap Agreement due to a termination event relating to the Swap Counterparty's downgrade);

(g) (on a *pro rata* and *pari passu* basis) any due and payable aggregate Interest Amount on the Class A Notes;

(h) (on a *pro rata* and *pari passu* basis) any due and payable aggregate Interest Amount on the Class B Notes;

(i) the Required General Reserve Amount to the General Reserve Account;

(j) during the Revolving Period only: to credit the Replenishment Ledger up to an amount equal to the Required Replenishment Amount to enable the Issuer to purchase Additional Receivables on such Purchase Date;

(k) during the Amortisation Period only: (on a *pro rata* and *pari passu* basis) the Class A Principal Redemption Amount in respect of the redemption of the Class A Notes until the Aggregate Outstanding Note Principal Amount of the Class A Notes is reduced to zero;

(l) during the Amortisation Period only: (on a *pro rata* and *pari passu* basis) the Class B Principal Redemption Amount in respect of the redemption of the Class B Notes until the Aggregate Outstanding Note Principal Amount of the Class B Notes is reduced to zero;

(m) (on a *pro rata* and *pari passu* basis) any due and payable aggregate Interest Amount on the Class C Notes;

(n) during the Amortisation Period only (on a *pro rata* and *pari passu* basis), the Class C Principal Redemption Amount in respect of the redemption of the Class C Notes until the Aggregate Outstanding

Note Principal Amount of the Class C Notes is reduced to zero;

(o) any due and payable indemnity payments under any Transaction Document;

(p) the Aggregate Outstanding Portfolio Principal Increase Amount relating to the current Collection Period plus all accrued but unpaid Aggregate Outstanding Portfolio Principal Increase Amounts of all previous Collection Periods to the Originator;

(q) any Swap Termination Payments due under the Swap Agreement other than those made under item (f) above;

(r) any due and payable interest amounts on the Subordinated Loan;

(s) the Subordinated Loan Redemption Amount in respect of the redemption of the Subordinated Loan until the Subordinated Loan is reduced to zero; and

(t) the Excess Value to the Initial Servicer.

Priority of Payments means the Pre-Enforcement Priority of Payments and the Post-Enforcement Priority of Payments, as applicable.

Prospectus means the prospectus dated on or about 19 October 2020 prepared by the Issuer for the purposes of admission to trading of the Class A Notes and the Class B Notes.

Public Debtor means (i) any German corporate body under public law (*juristische Person des öffentlichen Rechts*), including ministries, federal states (*Bundesländer*), municipals (*Gemeinden*); and (ii) any German public authorities acting in the form of civil law corporations (*juristische Personen des Privatrechts*) and qualifying as merchants (*Kaufmann*).

Purchase Date means the Closing Date and each Payment Date following the Closing Date during the Revolving Period.

Purchase Price means the Initial Purchase Price or an Additional Purchase Price (as applicable).

Purchase Requirements means the following conditions:

(a) the relevant Additional Receivable fulfils the Eligibility Criteria as at the relevant Additional Cut-Off Date;

(b) the purchase of the relevant Additional Receivables will not result in a breach of the Replenishment Criteria determined as at the relevant Purchase Date;

(c) the representations, warranties and covenants of the Originator are materially true and correct as on the relevant Offer Date;

(d) the Originator has not notified the Issuer that it exercises its right to repurchase the Purchased

Receivables due to the occurrence of a Repurchase Event;

(e) the Originator is not in breach of any of its material duties as set out in the Transaction Documents; and

(f) no Issuer Event of Default has occurred.

Purchase Shortfall means, on three consecutive Purchase Dates the Aggregate Outstanding Portfolio Principal Amount for the avoidance of doubt taking into account the Additional Receivables offered with respect to such Purchase Date at the immediately preceding Determination Date is less than or equal to 90 per cent. of the Aggregate Outstanding Note Principal Amount of the Notes as at the Closing Date.

Purchased Receivables means any Initial Receivable and any Additional Receivable (including in each case any Related Claims and Rights) purchased by the Issuer from the Originator in accordance with the Receivables Purchase Agreement.

Rating Agencies means Moody's and S&P.

Receivable means all payment claims (*Geldforderungen*) arising under the relevant Lease Agreement in respect of the Lease Instalments until the Lease Maturity Date (excluding, for the avoidance of doubt, any claims relating to excess mileage on or about the relevant lease maturity date) payable by the relevant Lessee as consideration for the lease of the relevant Vehicle each without any applicable value added tax (*Umsatzsteuer*) excluding the Lease Service Receivables under the relevant Lease Agreement.

Receivables Purchase Agreement means the receivables purchase agreement between the Issuer and the Originator dated 19 October 2020, as amended.

Recoveries means in relation to a Collection Period the Issuer's Pro Rata Share of any collections including the proceeds received from the realisation of the Related Collateral (including the realisation of a Vehicle) after the relevant Purchased Receivable has become a Defaulted Receivable.

Reference Banks means four major banks in the Euro-zone interbank market selected by the Interest Determination Agent.

Reference Bank Rate has the meaning given to such term in clause 23.1 of the Trust Agreement.

Regulation S means Regulation S under the Securities Act.

Related Claims and Rights means

(a) all existing and future claims and rights of the Originator under, pursuant to, or in connection with the relevant Purchased Receivable and its underlying agreement, including, but not limited to:

(i) any claims for damages (*Schadenersatzansprüche*) based on contract or tort (including, without limitation, claims (*Ansprüche*) to payment of default interest (*Verzugszinsen*) for any late payment of any

instalment) and other claims against the Lessee or third parties which are deriving from the underlying agreement, if any;

(ii) claims for the provision of collateral;

(iii) indemnity claims for non-performance;

(iv) any claims resulting from the rescission of an underlying agreement following the revocation (*Widerruf*) or rescission (*Rücktritt*) by a Lessee;

(v) restitution claims (*Bereicherungsansprüche*) against the relevant Lessee in the event the underlying agreement is void; and

(vi) other related ancillary rights and claims, including but not limited to, independent unilateral rights (*selbständige Gestaltungsrechte*) as well as dependent unilateral rights (*unselbständige Gestaltungsrechte*) by the exercise of which the relevant underlying agreement is altered, in particular the right of termination (*Recht zur Kündigung*), if any, the right of rescission (*Recht zum Rücktritt*) and the right to effect Lease Agreement Recalculations, but which are not of a personal nature (without prejudice to the assignment of ancillary rights and claims pursuant to section 401 BGB); and

(b) all other payment claims under a relevant underlying agreement against a relevant Lessee.

Related Collateral means any claims and rights assigned and any collateral transferred by the Originator to the Issuer pursuant to clause 5.1 (Transfer and Assignment of Security Title to the Vehicles) and clause 9.1 (Transfer (*vorweggenommene Einigung über die Űbertragung*) of Security Title to the Vehicles), as applicable, of the Receivables Purchase Agreement, including, in addition, any other right in rem transferred to the Issuer by operation of law.

Relevant Collection Period means, in respect of a Payment Date, the Collection Period immediately preceding such Payment Date.

Replenishment Criteria means the following criteria as of the relevant Cut-Off Date preceding the relevant Purchase Date, taking into account the Additional Receivables to be purchased on such Purchase Date:

(a) The top 1 Lessee or Lessee Groups measured in relation to the respective contribution to the Aggregate Outstanding Portfolio Principal Amount does not account for more than 1.50 per cent. of the Aggregate Outstanding Portfolio Principal Amount as of the Initial Cut-Off Date;

(b) each of the top 2 to 4 Lessees or Lessee Groups measured in relation to the respective contribution to the Aggregate Outstanding Portfolio Principal Amount does not account for more than 1.25 per cent.

of the Aggregate Outstanding Portfolio Principal Amount as of the Initial Cut-Off Date;

(c) each of the top 5 to 10 Lessees or Lessee Groups measured in relation to the respective contribution to the Aggregate Outstanding Portfolio Principal Amount does not account for more than 1.0 per cent. of the Aggregate Outstanding Portfolio Principal Amount as of the Initial Cut-Off Date;

(d) each of the top 11 to 20 Lessees or Lessee Groups measured in relation to the respective contribution to the Aggregate Outstanding Portfolio Principal Amount does not account for more than 0.75 per cent. of the Aggregate Outstanding Portfolio Principal Amount as of the Initial Cut-Off Date;

(e) each Lessee, other than the top 20 Lessees or Lessee Groups measured in relation to the respective contribution to the Aggregate Outstanding Portfolio Principal Amount does not account for more than 0.5 per cent. of the Aggregate Outstanding Portfolio Principal Amount as of the Initial Cut-Off Date;

(f) the Aggregate Outstanding Portfolio Principal Amount resulting from Lease Agreements in respect of which the Lessee is classified in a specific industry based on NACE Industry Division does not account for more than 15.0 per cent. of the Aggregate Outstanding Portfolio Principal Amount as of the Initial Cut-Off Date;

(g) the weighted average remaining term of all Lease Agreements is not larger than 36 months;

(h) the weighted average Discount Rate of all Lease Agreements is not lower than 2.75 per cent.; and

(i) the Aggregate Outstanding Portfolio Principal Amount resulting from Lease Agreements in respect of which the Lessee is classified as (i) a private sector non-financial corporation or (ii) a natural person accounts for at least 90.0 per cent. of the Aggregate Outstanding Portfolio Principal Amount .

Replenishment Ledger means a ledger of the Operating Account to which, on any Purchase Date, the Required Replenishment Amount will be credited in accordance with clause 9.1 (Pre-Enforcement Priority of Payments) of the Terms and Conditions

Reporting Date means with respect to a Payment Date the fifth Business Day preceding such Payment Date.

Repurchase Agreement has the meaning given to this term in schedule 4 (Form of Repurchase Agreement) of the Receivables Purchase Agreement.

Repurchase Notice means a written notice of the Originator to the Issuer (with a copy to the Trustee) on the exercise of a repurchase option in accordance with clause 20 (Repurchase Options of the Originator) and schedule 3 (Form of Repurchase Notice) to the

	Receivables Purchase Agreement in case of a Clean-Up Call Event or an Illegality and Tax Call Event (as applicable).
Repurchase Price	means the repurchase price to be paid by the Originator to the Issuer in respect of each Purchased Receivable which shall be repurchased pursuant to clause 18 (Repurchase Obligation of the Originator in case of Non-Eligible Receivables) or clause 20 (Repurchase Options of the Originator) of the Receivables Purchase Agreement, which is equal to the Outstanding Principal Amount of the relevant Purchased Receivables as of the relevant Determination Date immediately prior to such repurchase.
Repurchased Receivable	means any Purchased Receivable which is repurchased in accordance with the Receivables Purchase Agreement.
Required Commingling Reserve Amount	means, with respect to any Payment Date, an amount equal to the product of (a) 5 per cent.; and (b) the Aggregate Outstanding Portfolio Principal Amount on the preceding Determination Date, provided that the Required Commingling Reserve Amount shall not exceed the Risk Reserve Maximum Amount with respect to the Commingling Reserve Account. For the avoidance of doubt, (i) in case of the occurrence of an Insolvency Event with respect to ALD, the above amount shall be calculated on the basis of the latest published Investor Report at such time and (ii) the above amount shall only be credited to the Commingling Reserve Account in accordance with the Reserve Funding Agreement upon the occurrence of (a) a Downgrade Event with respect to the Funding Entity or (b) an Insolvency Event with respect to ALD.
Required General Reserve Amount	means, in respect of any Payment Date prior to the Enforcement Conditions being fulfilled: (a) as long as (i) the Aggregate Outstanding Portfolio Principal Amount on the Determination Date preceding such Payment Date is larger than zero and (ii) the Aggregate Outstanding Note Principal Amount of the Class A Notes and the Class B Notes as of the previous Payment Date is larger than zero: EUR 2,059,000; (b) otherwise zero.
Required Maintenance Reserve Amount	means, with respect to any Payment Date, an amount equal to the positive balance of the sum of the Maintenance Settlement Ledger in respect of each Lease Agreement relating to a Purchased Receivable as notified in the Investor Report, provided that the Required Maintenance Reserve Amount shall not exceed the Risk Reserve Maximum Amount with respect to the Maintenance Reserve. For the avoidance of doubt, (i) in case of the occurrence of an Insolvency Event with respect to ALD, the above amount shall be calculated on the basis of the latest published Investor Report at such time and (ii) the above amount shall only be

credited to the Maintenance Reserve Account in accordance with the Reserve Funding Agreement upon the occurrence of (a) a Downgrade Event with respect to the Funding Entity or (b) an Insolvency Event with respect to ALD.

Required Principal Redemption Amount means

(A) on any Payment Date during Revolving Period: zero; and

(B) on any Payment Date during the Amortisation Period and prior to the Enforcement Conditions being fulfilled an amount equal to the higher of:

(a) zero; and

(b) the positive difference between

(i) the Aggregate Outstanding Note Principal Amount of the Notes on the previous Payment Date (after having applied the relevant Priority of Payments); and

(ii) the Aggregate Outstanding Portfolio Principal Amount of the Purchased Receivables on the Determination Date immediately preceding such Payment Date.

Required Replenishment Amount means on any Payment Date during the Revolving Period an amount equal to the higher of:

(a) zero; and

(b) the positive difference between:

(i) the Aggregate Outstanding Note Principal Amount of the Notes on the Closing Date; and

(ii) the Aggregate Outstanding Portfolio Principal Amount of the Purchased Receivables on the Determination Date immediately preceding such Payment Date.

Required Set-Off Reserve Amount means, with respect to any Payment Date, an amount equal to the sum of (as determined on the Determination Date immediately preceding such Payment Date):

(a) any cash deposits made by a Lessee with ALD;

(b) any advances received by ALD from a Lessee with respect to maintenance services relating to any Open Calculation Lease Agreement; and

(c) any amounts payable by ALD to a Lessee due to a Lease Agreement Recalculation but not yet paid,

provided that the Required Set-Off Reserve Amount shall not exceed the Risk Reserve Maximum Amount with respect to the Set-Off Reserve Account.

For the avoidance of doubt, (i) in case of the occurrence of an Insolvency Event with respect to ALD, the above amount shall be calculated on the basis of the latest published Investor Report at such time and (ii) the above amount shall only be

credited to the Set-Off Reserve Account in accordance with the Reserve Funding Agreement upon the occurrence of (a) a Downgrade Event with respect to the Funding Entity or (b) an Insolvency Event with respect to ALD.

Required Rating means with respect to:

(a) the Account Bank or any guarantor of the Account Bank ratings, solicited or unsolicited:

(i) by Moody's: an unsecured, unguaranteed and unsubordinated short-term debt obligations rating of at least "P-1" (or its replacement) and

(ii) by S&P: an issuer credit rating at least "A"; or

(iii) as may be agreed by the relevant Rating Agency from time to time to maintain the then current ratings of the Notes;

(b) the Funding Entity the following ratings solicited or unsolicited:

(i) by Moody's: an unsecured, unguaranteed and unsubordinated long-term debt obligations rating of at least "Baa3" (or its replacement) and

(ii) by S&P: an issuer credit rating of at least "BBB"; and

(c) the Servicer following ratings solicited or unsolicited:

(i) an unsecured, unguaranteed and unsubordinated long-term debt obligations rating of at least "Baa3" (or its replacement) by Moody's;

(ii) an unsecured, unguaranteed and unsubordinated long-term debt obligations rating of at least "BBB-" (or its replacement) by S&P.

Reserves Funding Agreement means the reserves funding agreement between ALD AutoLeasing D GmbH, the Issuer and the Funding Entity dated 19 October 2020.

Revolving Period means the period from and including the Closing Date to but excluding the earlier of

(a) the Payment Date falling in November 2021; and

(b) the Payment Date following the occurrence of an Amortisation Event.

Risk Reserve Maximum Amount means with respect to the

(a) Set-Off Reserve Account an amount of EUR 5,000,000;

(b) Maintenance Reserve Account an amount of EUR 23,000,000; and

(c) Commingling Reserve Account an amount of EUR 20,590,000.

S&P means S&P Global Ratings Europe Limited, a limited liability company incorporated under the laws of the Republic of Ireland, registered with the Companies Registration Office Ireland under registration number 611431 and having its registered office at Fourth Floor Waterways House, Grand Canal Quay, Dublin 2, Ireland, acting through its German branch (*Niederlassung Deutschland*) registered with the commercial register (*Handelsregister*) of the local court (*Amtsgericht*) of Frankfurt am Main under registration number HRB 112659 and having its registered office at OpernTurm, Bockenheimer Landstraße 2, 60306 Frankfurt am Main, Federal Republic of Germany, and any successor to the debt rating business thereof.

Scheduled Maturity Date means 15 September 2027.

Secured Obligations means any and all of the Issuer's claims, whether present (*gegenwärtig*) or future (*künftig*), actual or contingent, irrespective of their legal basis (*gleich aus welchem Rechtsgrund*), against:

(a) the Originator under the Receivables Purchase Agreement, including, without limitation in relation to:

(i) the existence of each Purchased Receivable (including any circumstances that the Purchased Receivables do not arise as intended or cease to exist) (*Veritätshaftung*); and

(ii) any indemnity for any failed (*fehlgeschlagen*) transfer of title envisaged under the Receivables Purchase Agreement or any deficiency of title (*Rechtsmangel*) in respect of the Purchased Receivables;

(b) the Servicer in relation to its obligation to transfer Collections pursuant to and in accordance with the Servicing Agreement.

Secured Parties means (i) the Noteholders, (ii) each party to the Trust Agreement (other than the Trustee) as creditor of the Issuer Obligations, and (iii) the Trustee as creditor of the Trustee Claim.

Securities Act means the U.S. Securities Act of 1933 as amended from time to time.

Securitisation Law means the Luxembourg law of 22 March 2004 on securitisation, as amended.

Securitisation Regulation means Regulation (EU) 2017/2402 of the European Parliament and of the Council of 12 December 2017 laying down a general framework for securitisation and creating a specific framework for simple, transparent and standardised securitisation, and amending Directives 2009/65/EC, 2009/138/EC and 2011/61/EU and Regulations (EC) No 1060/2009 and (EU) No 648/2012.

Security Assets	means the German Security Assets, the English Security Assets and the Irish Security Assets.
Security Interest	means any pledge, lien, charge, assignment or security interest or other agreement or arrangement having the effect of conferring security.
Senior Person	means any shareholder, member, executive, officer and/or director of the relevant Person.
Servicer	means ALD AutoLeasing D GmbH, a limited liability company (*Gesellschaft mit beschränkter Haftung*) incorporated under the laws of the Federal Republic of Germany, registered with the commercial register (*Handelsregister*) of the local court (*Amtsgericht*) of Hamburg under HRB 30468 and having its registered office at Nedderfeld 95, 22529 Hamburg, Federal Republic of Germany or at any time the Person then authorised pursuant to the Servicing Agreement to service, administer and collect Purchased Receivables.
Servicer Report	means an electronic report on the performance of the Purchased Receivables covering the Collection Period immediately preceding the actual Reporting Date and containing information as further set out in the Servicing Agreement, substantially in the form as set out in schedule 1 (Form of Servicer Report) to the Servicing Agreement.
Servicer Termination Event	means any of the following events: (a) the Servicer is Insolvent; (b) the Servicer fails to make any payment or deposit required by the terms of the Servicing Agreement or any other Transaction Document within ten Business Days of the date such payment or deposit is required to be made; (c) the Servicer fails to perform any of its other material obligations under the Servicing Agreement and such breach, if capable of remedy, is not remedied within 20 Business Days of notice from the Issuer; (d) the Servicer is dissolved (*auflösen*) or other procedures are initiated which will or may result in a liquidation (*Liquidation*) of the Servicer (other than due to an intra-group merger where the Servicer is the surviving entity or due to an Insolvency Event); or (e) any representation or warranty given in the Servicing Agreement or in any report provided by the Originator or the Servicer, is materially false or incorrect and such inaccuracy, if capable of remedy, is not remedied within ten Business Days of notice from the Issuer and has a material adverse effect on the Issuer's ability to make payments to the Noteholders under the Notes, provided, however, that a delay or failure of performance referred to under paragraph (b) or (c) above for a period of 150 calendar days will not constitute a Servicer Termination Event if such delay or failure was caused by an event beyond the

reasonable control of the Servicer, force majeure (*höhere Gewalt*) or other similar occurrence,

Services means the services set out in clause 5.1 (Services) of the Servicing Agreement.

Servicing Agreement means the servicing agreement between the Issuer and the Servicer dated 19 October 2020, as amended.

Servicing Fee means the fees set out in clause 14 (Fees, Costs and Expenses) of the Servicing Agreement, excluding the Excess Value.

Set-Off Amount means any amount set-off by a Lessee in respect of the amount due (had no such set-off been made) under a Purchased Receivable.

Set-Off Reserve Account means the set-off reserve account of the Issuer opened on or before the Closing Date with the Account Bank with the following details:

BIC:	USBKIE22
IBAN:	IE32USBK99034582317405
Account Bank:	ELAVON FINANCIAL SERVICES DAC

or any successor account, bearing an interest rate as separately agreed between the Account Bank and the Issuer.

Set-Off Warranty Claim means all claims arising under clause 15 (Set-Off Warranty Claim) of the Receivables Purchase Agreement.

SG Group means Société Générale S.A. and any of its Affiliates.

Société Générale means Société Générale S.A.

Shortfall means, where the Paying Agent has not received in full the Notified Amount, the difference between the Notified Amount and the amounts actually received.

Standard of Care means the standard of care (*Sorgfaltspflicht*) which is violated in case of negligence (*Fahrlässigkeit*) or wilful misconduct (*Vorsatz*) or fraud (*Betrug*).

Statutory Claims means the following statutory claims:

(a) any taxes payable by the Issuer to the relevant tax authorities, in particular the MNWT;

(b) any amounts, which are due and payable by the Issuer to the insolvency administrator of the Issuer or the court appointing and/or administrating such insolvency administrator; and

(c) any amounts (including taxes) which are due and payable to any person or authority by law.

Subordinated Loan means the subordinated loan granted by the Lender to the Borrower under the Subordinated Loan Agreement.

Subordinated Loan Agreement	means the Subordinated Loan Agreement between the Borrower and the Lender dated 19 October 2020, as amended.
Subordinated Loan Disbursement Amount	means EUR 2,059,000.
Subordinated Loan Maturity Date	means the Legal Maturity Date.
Subordinated Loan Redemption Amount	means on any Payment Date prior to the Enforcement Conditions being fulfilled the difference between: (a) the Required General Reserve Amount on the previous Payment Date; and (b) the Required General Reserve Amount on the current Payment Date.
Subscription Agreement	means the subscription agreement for the Notes between the Issuer, the Originator and the Lead Manager dated 19 October 2020, as amended.
Substitute Account Bank	means at any time a bank or financial institution having at least the Required Rating with respect to the Account Bank and replacing the current Account Bank under the Account Bank Agreement.
Substitute Agent	means at any time one or more banks or financial institutions appointed as substitute paying agent and/or as substitute interest determination agent pursuant to the Agency Agreement.
Substitute Cash Administrator	means at any time the Person appointed as substitute cash administrator pursuant to the Cash Administration Agreement.
Substitute Corporate Administrator	means at any time the Person appointed as substitute corporate administrator pursuant to the Corporate Administration Agreement.
Substitute Data Trustee	means at any time the Person appointed as substitute data trustee pursuant to the Data Trust Agreement.
Substitute Maintenance Coordinator	means at any time the Person appointed as substitute maintenance coordinator pursuant to the Servicing Agreement.
Substitute Servicer	means at any time the Person appointed as substitute servicer pursuant to the Servicing Agreement.
Substitute Trustee	means at any time the Person appointed as substitute trustee pursuant to the Trust Agreement.
Suitable Entity	means a Person which (i) holds all necessary licences, authorisations, approvals, consents and registrations to act in the required capacity, (ii) is sufficiently qualified to perform the obligations attached to the required capacity, (iii) is permitted to act in the required capacity under all applicable laws (in particular, applicable Data Protection Provisions and the German Legal Services Act (*Rechtsdienstleistungsgesetz*)), and (iv) has its registered office in a member state of the EU.
"**SVI**"	means STS Verification International GmbH.

Swap Agreement	means the interest rate swap agreement (including the ISDA Master Agreement, the Schedule to the ISDA Master Agreement, the Credit Support Annex and the confirmations and all other documents pertaining thereto) between the Issuer and the Swap Counterparty dated on or about 19 October 2020, as amended.
Swap Collateral	means the collateral to be provided from time to time by the Swap Counterparty to the Issuer in accordance with the Swap Agreement.
Swap Collateral Account	means the swap collateral account of the Issuer opened on or before the Closing Date with the Account Bank with the following details: BIC: USBKIE22 IBAN: IE86USBK99034582317403 Account Bank: ELAVON FINANCIAL SERVICES DAC or any successor swap collateral account.
Swap Counterparty	means DZ BANK AG Deutsche Zentral-Genossenschaftsbank, Frankfurt am Main, or any successor or replacement thereof.
Swap Fix Rate	means 0.207 per cent.
Swap Notional Amount	means: (a) on the first Payment Date, the Aggregate Outstanding Note Principal Amount of the Class A Notes as of the Closing Date; and (b) on any other Payment Date, the Aggregate Outstanding Note Principal Amount of the Class A Notes as of the previous Payment Date.
Swap Termination Payments	means any netted amounts due by the Issuer under the Swap Agreement following a close out netting under section 6(e) of the relevant ISDA master agreement forming part of the Swap Agreement.
TARGET	means "TARGET2", the Trans-European Automated Real-time Gross Settlement Express Transfer payment system which utilises a single shared platform and which was launched on 19 November 2007.
Taxes	means any public charge (*Abgabe*) and ancillary obligation (*steuerliche Nebenleistung*) regardless of how collected as well as any stamp duty, sales, exercise, registration and other tax (including value added tax, income tax (other than the income tax payable by the Issuer), duties and fees due and payable in connection with the Transaction Documents or the transactions envisaged therein.
Temporary Global Note	has the meaning given to such term in clause 2.3(a) of the Terms and Conditions.
Terms and Conditions	means the terms and conditions of the Notes, as amended.

Transaction	means the transaction established by the Transaction Documents as well as all other acts, undertakings and activities connected therewith.
Transaction Accounts	means (a) the Operating Account; (b) the General Reserve Account; (c) the Swap Collateral Account; (d) the Commingling Reserve Account; (e) the Set-Off Reserve Account; and (f) the Maintenance Reserve Account, and a "**Transaction Account**" means any of them.
Transaction Definitions	has the meaning ascribed to such term in clause 1.1 (Definitions) of the Terms and Conditions.
Transaction Definitions Agreement	means the transaction definitions agreement between the Issuer and the Trustee dated 19 October 2020, as amended.
Transaction Documents	means the Notes, the Transaction Definitions Agreement, the Trust Agreement, the Receivables Purchase Agreement, the Servicing Agreement, the Data Trust Agreement, the Agency Agreement, the Corporate Administration Agreement, the Account Bank Agreement, the Cash Administration Agreement, the Subordinated Loan Agreement, the Subscription Agreement, the Reserve Funding Agreement, the Swap Agreement, the English Security Deed, the Irish Security Deed and the Netting and Settlement Agreement.
Transaction Interpretation	has the meaning ascribed to such term in clause 1.2 (Interpretation) of the Terms and Conditions.
Transaction Parties	means any and all of the parties to the Transaction Documents.
Transparency Report	means any report based on Commission Implementing Regulation (EU) 2020/1225 of 29 October 2019 laying down implementing technical standards with regard to the format and standardised templates for making available the information and details of a securitisation by the originator, sponsor and SSPE which shall be published in order to fulfil the transparency requirements under article 7(1), particularly items (e), (f) and (g) of the Securitisation Regulation.
Trust Agreement	means the trust agreement between the Issuer, the Trustee and the other Secured Parties (other than the Noteholders) dated 19 October 2020, as amended.
Trustee	means Intertrust Trustees GmbH, a limited liability company (*Gesellschaft mit beschränkter Haftung*) incorporated under the laws of the Federal Republic of Germany, registered with the commercial register (*Handelsregister*) of the local court (*Amtsgericht*) of Frankfurt am Main under HRB 98921 and having its registered office at Eschersheimer Landstraße 14,

	60322 Frankfurt am Main, Federal Republic of Germany, or any successor or replacement.
Trustee Claim	means the claim granted to the Trustee pursuant to clause 9 (Trustee Claim) of the Trust Agreement.
Trustee Expenses	means the fees and expenses as well as any indemnities payable to the Trustee under the Trust Agreement.
Trustee Services	has the meaning given to such term in clause 6 (Trustee Services, Limitations) of the Trust Agreement.
UK	means the United Kingdom.
United States or "**US**"	means the United States of America (including the States thereof and the District of Columbia) and its possessions (including Puerto Rico, the US Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands).
Upfront Amount	means the difference between (i) the sum of the gross proceeds of the Class A Notes, the Class B Notes and the Class C Notes, and (ii) the Aggregate Outstanding Note Principal Amount of the Class A Notes, the Class B Notes and the Class C Notes on the Closing Date, in an amount of EUR 3,538,500.
VAT	means any value added tax chargeable in the Federal Republic of Germany and/or in any other jurisdiction.
Vehicle	means any vehicle that qualifies as a passenger vehicle (*PKW*) or light commercial vehicle and which is leased by a Lessee from the Originator in its capacity as lessor pursuant to a Lease Agreement.

INDEX OF DEFINED TERMS

THE ISSUER

Red & Black Auto Lease Germany S.A.,
acting on behalf and for the account of its Compartment 3
6, rue Eugène Ruppert
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Grand Duchy of Luxembourg

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22529 Hamburg
Federal Republic of Germany

THE TRUSTEE

Intertrust Trustees GmbH
Eschersheimer Landstraße 14
60322 Frankfurt am Main
Federal Republic of Germany

THE SWAP COUNTERPARTY

DZ BANK AG Deutsche Zentral-Genossenschaftsbank, Frankfurt am Main
Platz der Republik
60265 Frankfurt am Main
Federal Republic of Germany

THE PAYING AGENT / ACCOUNT BANK

Elavon Financial Services DAC
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Loughlinstown, Dublin
Republic of Ireland

THE CASH ADMINISTRATOR / INTEREST DETERMINATION AGENT

US Bank Global Corporate Trust Limited
125 Old Broad Street
London, EC2N 1AR
United Kingdom

THE DATA TRUSTEE / BACK-UP SERVICER FACILITATOR / BACK-UP MAINTENANCE COORDINATOR FACILITATOR

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