

# RevoCar 2019

## UG (*haftungsbeschränkt*)

(a limited liability company (*Unternehmergeellschaft (haftungsbeschränkt)*) incorporated in the Federal Republic of Germany registered at the local court (*Amtsgericht*) in Frankfurt am Main with registration number HRB 114262)

### EUR 366,000,000 Class A Floating Rate Asset Backed Notes

### EUR 18,700,000 Class B Fixed Rate Asset Backed Notes

### EUR 4,100,000 Class C Fixed Rate Asset Backed Notes

### EUR 7,100,000 Class D Fixed Rate Asset Backed Notes

### EUR 4,100,000 Class E Fixed Rate Asset Backed Notes

Class of Notes	Interest Rate per annum	Issue Price	Ratings by DBRS / Moody's	Legal Maturity Date
Class A Notes	Base Rate + 0.49 %	100 per cent	AAA(sf) / Aaa(sf)	Payment Date falling in April 2033
Class B Notes	1.00 %	100 per cent	A(sf) / A1(sf)	Payment Date falling in April 2033
Class C Notes	2.00 %	100 per cent	BBB(sf) / Baa2(sf)	Payment Date falling in April 2033
Class D Notes	3.50 %	100 per cent	BB (sf) / Ba1(sf)	Payment Date falling in April 2033
Class E Notes	7.50 %	100 per cent	not rated / not rated	Payment Date falling in April 2033

RevoCar 2019 UG (*haftungsbeschränkt*) (the "**Issuer**") will issue the Class A Notes, Class B Notes, Class C Notes, Class D Notes and Class E Notes (each such Class a "**Class of Notes**" and together, the "**Notes**") at the issue price indicated above on or about 24 April 2019 (the "**Closing Date**").

Interest on the Notes will accrue on the outstanding principal amount of each Note and will be payable monthly in arrears on each Payment Date. Payments of interest and principal on the Notes are subject to available funds resulting, in particular, from the collections on a portfolio of fixed rate auto loan receivables (the "**Portfolio**"), such auto loan receivables for the payment of principal and interest (including fees) arising from the Loan Agreements (the "**Receivables**"). Each such Purchased Receivable was underwritten by *Bank11 für Privatkunden und Handel GmbH* ("**Bank11**") and the "**Originator**" and the "**Servicer**" with (i) consumers (*Verbraucher*) resident or (ii) entrepreneurs (*Unternehmer*) located in 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 or about the Closing Date. The Purchased Receivables will be serviced by the Servicer.

The Notes will be subject to and have the benefit of a trust agreement entered into between the Issuer, Wilmington Trust SP Services (Dublin) Limited (the "**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. Furthermore, the Notes will have the benefit of a deed of assignment entered into between the Issuer and the Trustee under which all rights and interests of the Issuer under the Swap Agreement, but without prejudice to and after giving effect to any netting and set-off provisions specified therein, have been assigned to the Trustee (the "**Deed of Assignment**").

This document constitutes a prospectus for the purposes of Article 5 paragraph 3 of the Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 (as amended, inter alia, by Directive 2010/73/EU) (the "**Prospectus Directive**") on the prospectus to be published when securities are offered to the public or admitted to trading.

The Prospectus has been approved by the Commission de Surveillance du Secteur Financier (the "**Luxembourg Competent Authority**"), as competent authority under the Prospectus Directive. The Luxembourg Competent Authority only approves this Prospectus as meeting the requirements imposed under Luxembourg and EU law pursuant to the Prospectus Directive. By approving the Prospectus the Luxembourg Competent Authority does not give any undertaking as to the economic and financial soundness of the operation or the quality or solvency of the Issuer in line with the provisions of Article 7 Section 7 of the Luxembourg law on prospectuses for securities.

Such approval relates to all Classes of Notes which are to be admitted to trading on the regulated market of the Luxembourg Stock Exchange or other regulated markets for the purposes of Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU (as amended from time to time or any successor directive) (the "**MiFID II**") or which are to be offered to the public in any Member State of the European Economic Area.

Application has also been made to the Luxembourg Stock Exchange for the Notes to be admitted to the official list and trading on its regulated market. It is expected that admission to the official list and to trading on the regulated market of the Luxembourg Stock Exchange will be granted on or about the Closing Date subject to the issue of the Global Notes. However, there can be no assurance that any such listing will be obtained, and if obtained, maintained.

The Originator will covenant under the Trust Agreement to retain, on an on-going basis, a material net economic interest of not less than 5% of the nominal value of each of the tranches sold or transferred to the investors, set out in Article 6 para 1 and para 3 (a) of the Regulation (EU) 2017/2402 ("**Securitisation Regulation**"), Article 405 Sec.1 (a) Regulation (EU) No 575/2013 as amended from time to time ("**CR**R"), Article 51 Sec. 1 (a) AIFMR and Article 254 para 2 (a) Solvency II Delegated Regulation. The Originator will make available to the Noteholders an overview of the retention of the material net economic interest on the Closing Date and thereafter in the Investor Reports in accordance with Article 7 of the Securitisation Regulation.

The Notes and interest thereon will be obligations solely of the Issuer and will not be guaranteed by, or be the responsibility of, any other entity. In particular, the Notes will not be obligations of, and will not be guaranteed by, or be the responsibility of the Arranger.

The Notes will be governed by the laws of the Federal Republic of Germany ("**Germany**").

The Notes have not been and will not be registered under the US Securities Act of 1933 (the "**Securities Act**") and, subject to certain exceptions, may not be offered or sold within the United States.

The issuance of the Notes was not designed to comply with the U.S. Risk Retention Rules other than the exemption under Section 20 of the U.S. Risk Retention Rules, and no other steps have been taken by the Issuer, the seller, the Arranger, the Lead Manager or any of their affiliates or any other party to accomplish such compliance.

MIFID II product governance / Professional investors and 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 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 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**"). 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 2002/92/EC ("**IMD**"), 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 Directive 2003/71/EC (as amended, the "**Prospectus Directive**"). Consequently no key information document required by Regulation (EU) No 1286/2014 (the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

Amounts payable under the Class A Notes will be calculated by reference to the Euro Interbank Offered Rate ("**EURIBOR**"), subject to base rate replacement provisions if EURIBOR is discontinued. EURIBOR is provided by European Money Markets Institute, with its office in Brussels, Belgium (the "**Administrator**"). As at the date of this Prospectus, the Administrator does not appear on the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority ("**ESMA**") pursuant to Article 36 of the Benchmark Regulation (Regulation (EU) 2016/1011) (the "**Benchmark Regulation**").

## UniCredit Bank AG

Arranger & Lead Manager

The date of this Prospectus is 18 April 2019.

**The credit ratings included or referred to in this Prospectus have been issued or endorsed by entities of each of DBRS and Moody's which are established in the European Union and registered under Regulation (EC) No. 1060/2009 of the European Parliament and of the Council of 16 September 2009 on rating agencies (as amended by Regulation (EC) No. 513/2011 and by Regulation (EC) No. 462/2013) and are included in the list of registered credit rating agencies published on the website of the European Securities and Markets Authority at <http://www.esma.europa.eu>.**

**Given the complexity of the Terms and Conditions, an investment in the Notes is suitable only for experienced investors who understand and are in a position to evaluate the risks inherent therein.**

**The target market of these Notes in the context of MiFID II is professional clients and eligible counterparties within the meaning of MiFID II. The Notes are not suitable for retail clients within the meaning of MiFID II.**

**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".**

## **RESPONSIBILITY ATTACHING TO THE PROSPECTUS**

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

The Issuer is exclusively responsible for the information contained in this Prospectus except that:

1. the Originator and Servicer is responsible only for the information under "RETENTION OF NET ECONOMIC INTEREST", "THE ORIGINATOR / SERVICER", "DESCRIPTION OF THE PORTFOLIO", "HISTORICAL PERFORMANCE DATA" and "CREDIT AND COLLECTION POLICY";
2. the Substitute Servicer Facilitator is responsible only for the information under "THE SUBSTITUTE SERVICER FACILITATOR";
3. the Trustee and Data Trustee is responsible only for the information under "THE TRUSTEE / DATA TRUSTEE";
4. the Cash Administrator, Paying Agent and Account Bank is responsible only for the information under "PAYING AGENT / CASH ADMINISTRATOR / ACCOUNT BANK";
5. the Corporate Service Provider is responsible only for the information under "THE CORPORATE SERVICE PROVIDER";
6. Swap Counterparty is responsible only for the information under "SWAP COUNTERPARTY"; and

in respect of these parts the liability of the Issuer is limited to the correct reproduction of the content for which the above listed Transaction Party is responsible.

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 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 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 Trustee and Data 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 Substitute Servicer 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/Paying 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 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 Corporate Service Provider 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 following paragraphs, each of the Transaction Parties 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 Notes, if given or made, such information or representation must not be relied upon as having been authorised by the relevant Transaction Party.

Neither the delivery of this Prospectus nor any offering, sale or delivery of any Notes shall, under any circumstances, create any implication:

- (i) that the information in this Prospectus is correct as of any time subsequent to the date hereof or, as the case may be, subsequent to the date on which this Prospectus has been most recently amended or supplemented; or
- (ii) that there has been no adverse change in the financial situation of the Issuer, the Originator or the Servicer which is material in the context of the issue and offering of the 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 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 Originator other than as set out in this Prospectus that would permit a public offering of the Notes, or possession or distribution of this Prospectus or any other offering material in any country or jurisdiction where action for that purpose is required. Accordingly, no 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 Originator has represented that all offers and sales by it (if and when performed) shall be made on such terms.

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 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 Originator 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.

No website or any further items, if any, referred to in this Prospectus forms part of this Prospectus.

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".

## TABLE OF CONTENTS

RESPONSIBILITY ATTACHING TO THE PROSPECTUS .....	4
OVERVIEW 10	
1 Transaction Structure .....	10
2 Transaction Overview .....	11
3 The Parties.....	14
4 The Notes .....	17
5 The Assets and Reserves .....	30
6 The Main Transaction Documents .....	39
RISK FACTORS .....	41
1 Risks relating to the Issuer .....	41
2 Risks relating to the Notes .....	43
3 Risks relating to the Purchased Receivables .....	53
4 Risks relating to the Servicing of the Purchased Receivables .....	60
5 Risks relating to the Swap Agreement .....	62
6 Risks Resulting from German Insolvency Law .....	65
7 Risks resulting from the Regulatory Treatment of the Notes.....	69
8 General.....	75
9 Taxation .....	78
STS CRITERIA .....	80
1 Requirements relating to Simplicity (Art. 20 Securitisation Regulation) .....	80
2 Requirements relating to standardisation (Art. 21 Securitisation Regulation) ....	88
3 Requirements relating to transparency (Art. 22 Securitisation Regulation) .....	94
4 Criteria for STS securitisations qualifying for differentiated capital treatment....	96
RETENTION OF NET ECONOMIC INTEREST .....	97
1 Retention Statement .....	97
2 Investors to assess compliance.....	98
TERMS AND CONDITIONS OF THE NOTES .....	100
1 Definitions and Interpretation.....	101
2 The Notes .....	101
3 Status; Limited Recourse; Security .....	103
4 Interest .....	105
5 Payments.....	107
6 Determinations by the Cash Administrator .....	108
7 Amortisation.....	108
8 Priorities of Payments.....	109
9 Redemption - Maturity.....	112
10 Early Redemption for Default.....	112
11 Early Redemption – Redemption Events.....	113
12 Taxes .....	115
13 Investor Notifications.....	115
14 Form of Notices .....	115
15 Paying Agent.....	116
16 Substitution of the Issuer .....	116
17 Noteholder Resolutions / Noteholders’ Representative .....	118
18 Miscellaneous .....	121
THE TRUST AGREEMENT .....	122
1 Definitions and Interpretation.....	123
OVERVIEW OF FURTHER TRANSACTION DOCUMENTS.....	147
1 The Receivables Purchase Agreement .....	147
2 The Servicing Agreement .....	154
3 The Data Trust Agreement.....	161
4 The Account Bank Agreement.....	162
5 The Cash Administration Agreement.....	163
6 The Agency Agreement.....	168

7	The Corporate Administration Agreement .....	170
8	The Subscription Agreement .....	171
9	The Swap Agreement .....	172
10	The Deed of Assignment.....	173
	DESCRIPTION OF THE PORTFOLIO .....	174
1	Overview over the Key Terms of the Purchased Receivables .....	174
2	Information Tables Regarding the Portfolio .....	174
	HISTORICAL PERFORMANCE DATA .....	182
1	Gross Losses .....	182
2	Recoveries .....	186
3	Delinquencies .....	187
4	Prepayments .....	188
	WEIGHTED AVERAGE LIFE OF THE NOTES .....	189
	CREDIT AND COLLECTION POLICY .....	196
1	Description of General Risk Strategy and Credit Policy .....	196
2	Description of Collection Policy .....	199
3	Remarketing and Enforcement of Related Collateral .....	200
	THE ISSUER 202 .....	
1	Foundation, Ownership, Duration, Purpose .....	202
2	Managing Directors of the Issuer .....	203
3	Capital of the Issuer .....	203
4	Capitalisation of the Issuer .....	203
5	Annual Financial Statements of the Issuer.....	204
6	Auditors of the Issuer .....	204
7	Corporate Administration of the Issuer .....	204
8	Commencement of Operations.....	204
9	Litigation, Arbitration and Governmental Proceedings.....	205
10	Material Adverse Change .....	205
	THE ORIGINATOR/SERVICER .....	206
1	Incorporation, Registered Office and Purpose.....	206
2	History.....	206
3	Management Experience .....	206
4	Auto Loan Market in Germany .....	207
	THE LEAD MANAGER / SWAP COUNTERPARTY .....	208
	THE SUBSTITUTE SERVICER FACILITATOR.....	209
1	Establishment, Duration and Domicile.....	209
2	Objectives .....	209
3	Share Capital.....	209
4	Ownership.....	209
5	Financial Year .....	209
6	Statutory Auditors .....	209
	THE TRUSTEE/DATA TRUSTEE .....	210
	THE CORPORATE SERVICE PROVIDER.....	211
1	Corporate Services .....	211
2	Establishment, Duration and Domicile.....	211
3	Share Capital.....	211
4	Ownership.....	211
5	Financial Year .....	211
6	Statutory Auditors .....	211
	THE PAYING AGENT/CASH ADMINISTRATOR .....	212
	RATING OF THE RATED NOTES .....	214
	TAXATION 216 .....	
1	Germany.....	216
2	Taxation of Noteholders.....	216
3	Taxation of the Issuer .....	219
4	Luxembourg .....	220
	VERIFICATION BY SVI .....	223



SUBSCRIPTION AND SALE .....	224
1 General.....	224
2 United States of America and its Territories.....	224
3 United Kingdom .....	226
4 Republic of France .....	226
5 European Economic Area .....	227
6 No Offer to Retail Investors.....	228
USE OF PROCEEDS.....	229
GENERAL INFORMATION .....	230
1 Authorisation .....	230
2 Payment Information.....	230
3 Assets backing the Notes .....	230
4 Post Issuance Information .....	230
5 Notices .....	231
6 Listing, Approval and Admission to Trading .....	231
7 Publication of Documents.....	231
8 Miscellaneous .....	231
9 Clearing Codes.....	232
10 Availability of Documents .....	232
TRANSACTION DEFINITIONS .....	233

**OVERVIEW**

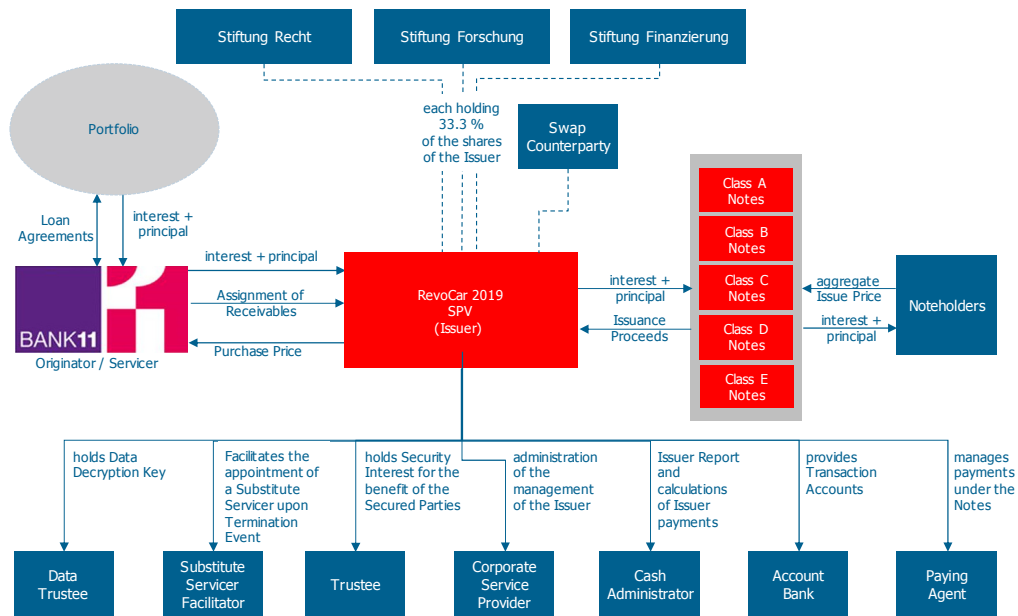
The following overview (the “**Overview**”) should be read as an introduction to the Prospectus.

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

**1 TRANSACTION STRUCTURE**

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



## 2 TRANSACTION OVERVIEW

**Purchase of the Portfolio** On the Closing Date, Bank11 sells and assigns under a Receivables Purchase Agreement a portfolio of auto loan receivables in the nominal amount of EUR 399,989,204.55 fulfilling certain Eligibility Criteria to the Issuer.

On each Purchase Date during the Replenishment Period, the Issuer purchases Additional Receivables offered by the Originator on the immediately preceding Offer Date at the Additional Purchase Price in an amount up to the Replenishment Available Amount, subject to the Available Distribution Amount in accordance with the Pre-Enforcement Priority of Payments.

The Issuer will fund the Additional Purchase Price of any such Additional Receivable using the Available Distribution Amount.

**Shareholder of the Issuer** The share capital of the Issuer will be EUR 4,500 and will be equally held by three German charitable foundations, namely:

- (a) Stiftung Kapitalmarktrecht für den Finanzstandort Deutschland, Frankfurt am Main;
- (b) Stiftung Kapitalmarktforschung für den Finanzstandort Deutschland, Frankfurt am Main; and
- (c) Stiftung Unternehmensfinanzierung und Kapitalmärkte für den Finanzstandort Deutschland, Frankfurt am Main,

each participating in one-third.

These charitable foundations receive together and each a third of EUR 4,500 from Bank11 as a donation, in order to enable the foundations each to make an EUR 1,500 equity investment in the Issuer. There is no equity investment of Bank11 in the Issuer and the donation from Bank11 to the charitable foundations will not qualify as such equity investment.

The Issuer will be liquidated after the final payment to the holders of the last outstanding Note of any Class of Notes.

**Issuance of the Notes and payment on the Notes** In order to fund the Initial Purchase Price, the Issuer will issue five classes of Notes, the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes.

Subject to the Available Distribution Amount and in accordance with the Applicable Priority of Payments, on each Payment Date the Issuer will pay interest on each Class of Notes.

Subject to the Available Distribution Amount and in accordance with the Applicable Priority of Payments, on each Payment Date the Issuer will pay principal on each Class of Notes in full sequential order.

During the Replenishment Period the Issuer will pay no principal on any Class of Notes.

### **Servicing of the Portfolio**

Bank11 will service the Portfolio in its capacity as Servicer and will continue to pursue, *inter alia*, the collection management process on behalf of the Issuer according to a Servicing Agreement.

Until a Debtor Notification Event occurs, the Debtors will not be notified of the assignment of the Receivables to the Issuer and the Debtors will continue to make their monthly instalments under the Loan Agreements to Bank11.

Bank11 will collect from the Debtors the monthly Interest Collections, the monthly Principal Collections as well as the monthly Recovery Collections on Defaulted Receivables according to its Credit and Collection Policy.

The Servicer will transfer all Collections on Purchased Receivables to the Operating Account, such transfer to be made:

- (a) in case of Collections made by a SEPA Direct Debit Mandate, processes as scheduled in the corresponding Loan Agreement, on the same Business Day on which such Collections are received by the Servicer; and
- (b) in case of any amounts received in any other way in a Collection Period on the next Payment Date, unless such amounts are received in form of a posting (*Buchung*) described in Clause 1.4.2 (a) of the Credit and Collection Policy, which are transferred on the same Business Day on which such amounts are received;

in each case to the extent such claim to transfer the Collections has not been extinguished in accordance with the Servicing Agreement.

In case of insolvency of Bank11, the Substitute Servicer Facilitator uses all commercially reasonable efforts to appoint a third party to perform the services.

### **Management of the Issuer**

Management and accounting of the Issuer will be provided by the Corporate Service Provider in accordance with the Corporate Administration Agreement.

### **Trustee Services**

Under the Trust Agreement, the Issuer assigns and transfers and pledges for security purposes its rights and claims (*inter alia*, the Purchased Receivables) to the Trustee who holds such security for the benefit of the Secured Parties. Furthermore, under the Deed of Assignment, the Issuer

assigns its rights under the Swap Agreement to the Trustee who holds such security for the benefit of the Secured Parties, but without prejudice, and after giving effect, to any netting and set-off provisions specified in the Swap Agreement.

Under the Data Trust Agreement the Originator will deliver to the Data Trustee the Decryption Key related to the Encrypted Portfolio Information received by the Issuer from the Originator, in order to comply with the Data Protection Provisions and the Banking Secrecy Duty.

**Other third party services**

Additional supplemental services will be provided by the Paying Agent, the Account Bank, the Cash Administrator and the Swap Counterparty.

Under the Account Bank Agreement, the Issuer appoints the Account Bank to establish and operate the Accounts of the Issuer.

Under the Cash Administration Agreement, the Issuer appoints the Cash Administrator to perform the calculations in respect to the payments due according to the Applicable Priority of Payments (including determining the interest rates) and to prepare the Investor Report of the transaction.

Pursuant to an Agency Agreement, the Issuer appoints the Paying Agent to act as paying agent with respect to the Notes and to make payments of interest and principal hereunder and publish investor information including the Investor Report.

3 **THE PARTIES**

**Issuer** **RevoCar 2019 UG (haftungsbeschränkt)**, a limited liability company (*Unternehmergeellschaft (haftungsbeschränkt)*) under the laws of the Federal Republic of Germany, with its registered office at Steinweg 3-5, 60313 Frankfurt am Main, Federal Republic of Germany and registered in the commercial register at the local court (*Amtsgericht*) in Frankfurt am Main under HRB 114262.

SEE "THE ISSUER".

**Originator** **Bank11 für Privatkunden und Handel GmbH**, a company with limited liability (*Gesellschaft mit beschränkter Haftung*) incorporated under the laws of the Federal Republic of Germany, registered with the commercial register of the local court (*Amtsgericht*) in Neuss under HRB 15804 with its registered office at Hammer Landstraße 91, 41460 Neuss, Federal Republic of Germany.

SEE "THE ORIGINATOR / SERVICER".

**Servicer** **Bank11 für Privatkunden und Handel GmbH**, a company with limited liability (*Gesellschaft mit beschränkter Haftung*) incorporated under the laws of the Federal Republic of Germany, registered with the commercial register of the local court (*Amtsgericht*) in Neuss under HRB 15804 with its registered office at Hammer Landstraße 91, 41460 Neuss, Federal Republic of Germany.

SEE "THE ORIGINATOR / SERVICER".

**Substitute Servicer Facilitator** **Wilmington Trust SP Services (Frankfurt) GmbH**, a company incorporated under the laws of the Federal Republic of Germany, with its registered office at Steinweg 3-5, 60313 Frankfurt am Main and registered in the commercial register at the local court (*Amtsgericht*) in Frankfurt am Main under HRB 76380

SEE "SUBSTITUTE SERVICER FACILITATOR".

**Cash Administrator** **The Bank of New York Mellon Corporation, London Branch**, a corporation, incorporated under the laws of Delaware, United States, registered with the Division of Corporations under the File Number 4299124 and with its registered office at 225 Liberty Street, New York, NY 10286, United States and acting through its London Branch whose office is at One Canada Square, Canary Wharf, London E14 5AL, England, and registered with the Companies House under the UK establishment number BR00818.

SEE "THE PAYING AGENT / THE CASH ADMINISTRATOR".

**Corporate Service Provider** **Wilmington Trust SP Services (Frankfurt) GmbH**, a company incorporated under the laws of the Federal Republic of Germany, with its registered office at Steinweg 3-5, 60313 Frankfurt am Main and registered in the commercial register at the local court (*Amtsgericht*) in

Frankfurt am Main under HRB 76380.

SEE "THE CORPORATE SERVICE PROVIDER".

**Arranger**

**UniCredit Bank AG**, a stock corporation incorporated under the laws of the Federal Republic of Germany, registered with the commercial register of the local court (*Amtsgericht*) in Munich under HRB 42148 with its registered office at Arabellastrasse 12, 81925 Munich, Federal Republic of Germany.

**Trustee**

**Wilmington Trust SP Services (Dublin) Limited**, a limited liability company incorporated under the laws of Ireland and having its registered address at Fourth Floor, 3 George's Dock, IFSC Dublin 1, Ireland.

SEE "THE TRUSTEE / DATA TRUSTEE".

**Data Trustee**

**Wilmington Trust SP Services (Dublin) Limited**, a limited liability company incorporated under the laws of Ireland and having its registered address at Fourth Floor, 3 George's Dock, IFSC Dublin 1, Ireland.

SEE "THE TRUSTEE / DATA TRUSTEE".

**Paying Agent**

**The Bank of New York Mellon Corporation, London Branch**, a corporation, incorporated under the laws of Delaware, United States, registered with the Division of Corporations under the File Number 4299124 and with its registered office at 225 Liberty Street, New York, NY 10286, United States and acting through its London Branch whose office is at One Canada Square, Canary Wharf, London E14 5AL, England, and registered with the Companies House under the UK establishment number BR00818.

SEE "THE PAYING AGENT / CASH ADMINISTRATOR / ACCOUNT BANK".

**Account Bank**

**The Bank of New York Mellon, Frankfurt Branch**

SEE "THE ACCOUNT BANK".

**Lead Manager**

**UniCredit Bank AG**, a stock corporation incorporated under the laws of the Federal Republic of Germany, registered with the commercial register of the local court (*Amtsgericht*) in Munich under HRB 42148 with its registered office at Arabellastrasse 12, 81925 Munich, Federal Republic of Germany.

**Swap Counterparty**

**UniCredit Bank AG**, a stock corporation incorporated under the laws of the Federal Republic of Germany, registered with the commercial register of the local court (*Amtsgericht*) in Munich under HRB 42148 with its registered office at Arabellastrasse 12, 81925 Munich, Federal Republic of Germany.

## **Rating Agencies**

**DBRS Ratings Limited**, a private limited company incorporated under the laws of England and Wales under company number 07139960 with its registered office at 20 Fenchurch Street, 31st Floor, London, England, EC3M 3B, or any entity that is part of DBRS Ratings Limited and any successor to the relevant rating activity.

DBRS is a rating agency having a market share of less than 10 per cent as requested by Article 8d CRA3 according to the latest market share calculation by ESMA from 30 November 2018 (ESMA33-9-281).

**Moody's Investors Services Limited**, a private limited company incorporated under the laws of England and Wales, registered with the Companies House of England and Wales under company number 1950192 with its registered office at One Canada Square, Canary Wharf, London, E14 5FA, United Kingdom.

Moody's is not a rating agency having a market share of less than 10 per cent as requested by Article 8d CRA3 according to the latest market share calculation by ESMA from 30 November 2018 (ESMA33-9-281).

For more information on the decision to have the Rated Notes by the Rating Agencies please

SEE "RATING OF THE RATED NOTES".



4 **THE NOTES**

<b>The Notes</b>	<p>EUR 366,000,000 Class A Floating Rate Asset Backed Notes</p> <p>EUR 18,700,000 Class B Fixed Rate Asset Backed Notes</p> <p>EUR 4,100,000 Class C Fixed Rate Asset Backed Notes</p> <p>EUR 7,100,000 Class D Fixed Rate Asset Backed Notes</p> <p>EUR 4,100,000 Class E Fixed Rate Asset Backed Notes</p>
<b>Form and denomination</b>	<p>The Notes are issued in bearer form with a denomination of EUR 100,000 per Note.</p> <p>Each Global Note shall be issued in a new global note form and shall be kept in custody by the relevant ICSD until all obligations of the Issuer under the Class of Notes represented by it have been satisfied.</p> <p>Copies of the form of the Global Notes are available free of charge at the specified offices of the Paying Agent. The Notes will be deposited with the Common Safekeeper for Clearstream, Luxembourg or Euroclear. The Notes will be transferred by book-entry form only and will not be exchangeable for definitive notes.</p> <p>The Class A Notes are intended to be held in a manner that will allow Eurosystem eligibility.</p>
<b>Status of the Notes</b>	<p>Each Class of Notes constitutes direct and unconditional limited recourse obligations of the Issuer. All Notes rank <i>pari passu</i> within a Class of Notes.</p> <p>Subject to and in accordance with the Applicable Priority of Payments:</p> <ul style="list-style-type: none"> <li>(a) the Class A Notes rank in priority to the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes with respect to payment of principal and interest;</li> <li>(b) the Class B Notes rank subordinated to the Class A Notes and in priority to the Class C Notes, the Class D Notes and the Class E Notes with respect to payment of principal and interest;</li> <li>(c) the Class C Notes rank subordinated to the Class A Notes and the Class B Notes and in priority to the Class D Notes and the Class E Notes with respect to payment of principal and interest;</li> <li>(d) the Class D Notes rank subordinated to the Class A Notes, the Class B Notes and the Class C Notes and in priority to the Class E Notes with respect to payment of principal and interest; and</li> <li>(e) the Class E Notes rank subordinated to the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes with respect to payment of principal and interest.</li> </ul>

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 of, and interest on, the Notes is conditional upon the performance of the Purchased Receivables, as set out herein.

**Interest Rate**

Class A Interest Rate: Base Rate + 0.49%, at least 0 %.

Class B Interest Rate: 1.00 %

Class C Interest Rate: 2.00 %

Class D Interest Rate: 3.50 %

Class E Interest Rate: 7.50 %

**Interest Period**

means each period:

(a) from and including the Closing Date to but excluding the first Payment Date; and

(b) thereafter from and including a Payment Date to but excluding the next following Payment Date.

**Available  
Distribution  
Amount**

The sum of the following amounts:

(a) the Interest Collections and the Loan Administration Fees relating to the previous Collection Period;

(b) the Principal Collections relating to the previous Collection Period;

(c) the Recovery Collections relating to the previous Collection Period;

(d) if a Liquidity Reserve Transfer Event has occurred, the amounts (if any) standing to the credit of the Liquidity Reserve Account, but only to the extent necessary for the fulfilment on the relevant Payment Date of the payment obligations of the Issuer in relation to costs and expenses payable in accordance with items first to sixth of the Applicable Priority of Payments, provided, however, that such amounts shall only be included in the Available Distribution Amount if and to the extent that there would be a shortfall in these amounts by reason of the Liquidity Reserve Transfer Event following the application of the Available Distribution Amount in accordance with Applicable Priority of Payments, as applicable;

(e) the amount standing to and interest accrued on the Operating Account at the previous Determination Date (to the extent not included in (a) to (d) above);

(f) the amount standing to and interest accrued on the Replenishment Shortfall Account at the previous Determination Date (if any);

(g) any amounts to be received by the Issuer under the Swap Agreement (other than any early termination amount, any

Replacement Swap Premium, any Swap Collateral other than any proceeds from such Swap Collateral applied in satisfaction of payments due to the Issuer in accordance with the Swap Agreement upon early termination of such Swap Agreement, any Swap Tax Credits, any Excess Swap Collateral, or any other amount standing to the credit of any Swap Collateral Account);

- (h) notwithstanding item (g) above, (i) any early termination amount received from the Swap Counterparty in excess of the amount required and applied by the Issuer to purchase one or more replacement Swap Agreements and (ii) any Replacement Swap Premium received from a replacement Swap Counterparty in excess of the amount required and applied to pay any outgoing Swap Counterparty;
- (i) the amounts (if any) standing to the credit to the Commingling Reserve Account, but only to the extent necessary for the fulfilment on the relevant Payment Date of the payment obligations of the Issuer under items first to twenty-one (inclusive) of the Pre-Enforcement Priority of Payments or under items first to fifteen (inclusive) of the Post-Enforcement Priority of Payments as applicable, provided, however, that such amounts shall only be included in the Available Distribution Amount if and to the extent that the Servicer have, as of the relevant Payment Date, failed to transfer to the Issuer any Collections (other than Deemed Collections within the meaning of item (b) (i) of the definition of Deemed Collections) received or payable by the Originator or (if different) the Servicer during, or with respect to, the Collection Period ending on the Determination Date immediately preceding the relevant Payment Date; and
- (j) the amounts (if any) standing to the credit of the Set-Off Risk Reserve Account, but only to the extent necessary for the fulfilment on the relevant Payment Date of the payment obligations of the Issuer under items first to nineteen (inclusive) of the Pre-Enforcement Priority of Payments or under items first to fifteen (inclusive) of the Post-Enforcement Priority of Payments as applicable, provided, however, that such amounts shall only be included in the Available Distribution Amount if and to the extent that any amounts that would otherwise have to be transferred to the Issuer as Deemed Collections within the meaning of item (b) of the definition of Deemed Collections for the Collection Period ending on the relevant Determination Date were not received by the Originator as a result of any of the actions described in item (b) of the definition of Deemed Collections.

**Issuer Proceeds**

The sum of

- (i) the Available Distribution Amount,
- (ii) the Enforcement Proceeds; and
- (iii) (to the extent not included in the Available

Distribution Amount or Enforcement Proceeds) any credit balance on the Operating Account (as applicable in each case, but without prejudice to clause 7 of the Cash Administration Agreement).

<b>Determination Date</b>	The last calendar day of each Collection Period.
<b>Collection Period</b>	The one month period commencing on and including the first calendar day of a month and ending on and including the last calendar day of that month and with respect to the first Collection Period, the period commencing on 01 April 2019 and ending on 30 April 2019.
<b>Calculation Date</b>	means the second Business Day preceding a Payment Date.
<b>Closing Date</b>	24 April 2019, or such other date as the Issuer and the Arranger may agree.
<b>Scheduled Maturity Date</b>	Payment Date falling in April 2030.
<b>Legal Maturity Date</b>	Payment Date falling in April 2033.
<b>Payment Date</b>	means each 21 <sup>st</sup> calendar day of each month, in each case subject to the Business Day Convention. The first Payment Date will be 21 May 2019, the last Payment Date, unless the Notes are redeemed earlier in full, shall be the Legal Maturity Date.
<b>Redemption - Maturity</b>	<p>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.</p> <p>Any Class of Notes not fully redeemed on the Scheduled Maturity Date will be redeemed on the subsequent Payment Dates subject to and in accordance with the Applicable Priority of Payments until the Legal Maturity Date, unless previously fully redeemed in accordance with the Terms and Conditions.</p> <p>No Noteholder of any Class of Notes will have any rights under the Notes after the Legal Maturity Date, accordingly a Noteholder will fall short with claims against the Issuer which could have arisen after such time.</p> <p>Claims arising from a bearer note (<i>Inhaberschuldverschreibung</i>) (prior to or on the Legal Maturity Date), i.e. claims to interest and principal, cease to exist with the expiration of five (5) years after the Legal Maturity Date, unless the bearer note is submitted to the Issuer for redemption prior to the expiration of five (5) years after the Legal Maturity Date. In the case of such a submission, the claims will be time-barred in two (2) years beginning with the end of the period for presentation (ending five (5) years after the Legal Maturity Date in accordance with the Terms and Conditions). The commencement of judicial proceedings in respect of the claim arising from a bearer note has the same effect as a presentation of such bearer note.</p>
<b>Limited Recourse</b>	Prior to the Enforcement Conditions being fulfilled the following

applies: If the Available Distribution Amount, subject to the Pre-Enforcement Priority of Payments is insufficient to pay to the Noteholders their relevant share of such 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 Available Distribution Amount. After payment to the Noteholders of their relevant share of such 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 Issuer Proceeds, subject to the Post-Enforcement Priority of Payments, are 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 pursuant to the Post-Enforcement Priority of Payments, the claims of such Noteholders against the Issuer shall be limited to their respective share of such remaining Issuer Proceeds. After payment to the Noteholders of their relevant share of such remaining Issuer Proceeds, 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.

Remaining Issuer Proceeds shall be deemed to be “ultimately insufficient” at such time when, in the reasonable 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.

**Early redemption for default**

Any Noteholder may declare due the Notes held by it at the then current Note Principal Amount plus accrued interest by delivery of a written notice to the Issuer with a copy to the Trustee if any Issuer Event of Default with respect to the relevant Note held by it has occurred and has not been remedied prior to receipt by the Issuer of such notice.

Upon receipt by the Issuer of a notice from a Noteholder to the effect that an Issuer Event of Default in respect of Notes held by it has occurred:

- (a) the Issuer shall promptly (*unverzüglich*) notify the Trustee hereof in writing; and
- (b) provided that such Issuer Event of Default is continuing at the time such notice is received by the Issuer, all Notes (but not some only) will become due for redemption on the Payment Date following the Termination Date in an amount equal to their then current Note Principal Amounts plus accrued but unpaid interest.

Immediately upon the earlier of being informed of the occurrence of an Issuer Event of Default in accordance with the Terms and Conditions or in any other way, the Trustee serves an Enforcement

Notice to the Issuer.

Upon the delivery of an Enforcement Notice by the Trustee to the Issuer, the Trustee:

- (a) enforces the Security Interest over the Security Assets to the extent the Security Interest over the Security Assets has become enforceable; and
- (b) applies any available Issuer Proceeds on the Payment Date following the Termination Date and thereafter on each subsequent Payment Date in accordance with the Post-Enforcement Priority of Payments.

**Early redemption by the Issuer – Redemption Event**

The Notes will be subject to optional redemption in whole but not in part if a Redemption Event has occurred.

If a Redemption Event has occurred, the Issuer (with a copy to the Trustee) may exercise its options set out in clause 11.1 (*Notes Redemption upon the occurrence of a Tax Event*) of the Terms and Conditions and clause 11.2 (*Notes Redemption upon the occurrence of a Regulatory Change Event*) of the Terms and Conditions to initiate the redemption of the Notes.

The Issuer shall sell all (but not only some) of the Purchased Receivables whereby the Originator shall have the right to match the Repurchase Price for the Purchased Receivables in order to purchase them.

The sale is subject to the following conditions:

- (a) The Purchased Receivables are sold at the Repurchase Price.
- (b) The Issuer confirms to the Trustee that it is not aware of the Insolvency of the purchaser of the Purchased Receivables or any circumstances which lead or may lead to the purchaser of the Purchased Receivables becoming Insolvent.

Such sale shall become effective at the Repurchase Price on the Payment Date immediately following conclusion of the sale. The purchaser of the Purchased Receivables shall pay the Repurchase Price to the Operating Account.

Upon receipt by the Issuer of the Repurchase Price and all other payments owed by the purchaser of the Purchased Receivables on the Operating Account with discharging effect (*Erfüllungswirkung*), the Issuer shall assign all Repurchased Receivables (including the Related Claims and Rights) and transfer the Related Collateral to the purchaser of the Purchased Receivables at the cost of the purchaser of the Purchased Receivables.

**Early redemption in case of a Clean-up Call Event**

If a Clean-Up Call Event has occurred, the Originator may, upon at least 10 (ten) 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 at the Repurchase Price.

Such repurchase shall be made at the Repurchase Price on the

Payment Date immediately following receipt of the Repurchase Notice by the Issuer.

The Originator shall pay the Repurchase Price to the Operating Account.

Conditionally upon the receipt by the Issuer of the Repurchase Price and all other payments owed by the Originator and if the Originator is identical to the Servicer, the Servicer to the Issuer, on the Operating Account with discharging effect (*Erfüllungswirkung*), the Issuer shall assign all Repurchased Receivables (including the Related Claims and Rights) and transfer the Related Collateral to the Originator at the Originator's cost.

Such repurchase of the Purchased Receivables will cause an early redemption of the Notes, subject to and in accordance with the Pre-Enforcement Priority of Payments. For the avoidance of doubt, the Repurchase Price does not need to be sufficient to repay all Classes of Notes, Clause 3.3 (Limited Recourse) of the Terms and Conditions applies.

**Pre-Enforcement  
Priority of  
Payments**

Prior to the Enforcement Conditions being fulfilled, the Issuer will distribute the 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 priorities of payments (in each case, only if and to the extent that payments or provisions of a higher priority have been made in full):

- (i) any due and payable Statutory Claims;
- (ii) any due and payable Trustee Expenses;
- (iii) any due and payable Administration Expenses;
- (iv) any due and payable Servicing Fee to the Servicer;
- (v) all amounts (if any) due and payable to the Swap Counterparty under the Swap Agreement (Including termination payments, but excluding any Subordinated Swap Amounts);
- (vi) to the payment of Class A Notes Interest Amount due and payable on such Payment Date, on a pro rata and pari passu basis on the Class A Notes
- (vii) if no Class B Principal Deficiency Event is occurring, to the payment of Class B Notes Interest Amount due and payable on such Payment Date, on a pro rata and pari passu basis on the Class B Notes;
- (viii) if no Class C Principal Deficiency Event is occurring, to the payment of Class C Notes Interest Amount due and payable on such Payment Date, on a pro rata and pari

passu basis on the Class C Notes;

- (ix) if no Class D Principal Deficiency Event is occurring, to the payment of Class D Notes Interest Amount due and payable on such Payment Date, on a pro rata and pari passu basis on the Class D Notes;
- (x) if no Class E Principal Deficiency Event is occurring, to the payment of Class E Notes Interest Amount due and payable on such Payment Date, on a pro rata and pari passu basis on the Class E Notes;
- (xi) during the Replenishment Period, to the payment of the Additional Purchase Price for Additional Receivables;
- (xii) during the Replenishment Period, to the Payment of the Replenishment Shortfall Amount to the Replenishment Shortfall Account;
- (xiii) after expiration of the Replenishment Period, to the payment (on a pro rata and pari passu basis) of the Class A Principal Redemption Amount in respect of the redemption of the Class A Notes until the Class A Principal Amount is reduced to zero;
- (xiv) if a Class B Principal Deficiency Event is occurring, to the payment of Class B Notes Interest Amount due and payable on such Payment Date, on a pro rata and pari passu basis on the Class B Notes;
- (xv) after expiration of the Replenishment Period, to the payment (on a pro rata and pari passu basis) of the Class B Principal Redemption Amount in respect of the redemption of the Class B Notes until the Class B Principal Amount is reduced to zero;
- (xvi) if a Class C Principal Deficiency Event is occurring, to the payment of Class C Notes Interest Amount due and payable on such Payment Date, on a pro rata and pari passu basis on the Class C Notes;
- (xvii) after expiration of the Replenishment Period, to the payment (on a pro rata and pari passu basis) of the Class C Principal Redemption Amount in respect of the redemption of the Class C Notes until the Class C Principal Amount is reduced to



zero;

- (xviii) if a Class D Principal Deficiency Event is occurring, to the payment of Class D Notes Interest Amount due and payable on such Payment Date, on a pro rata and pari passu basis on the Class D Notes;
- (xix) after expiration of the Replenishment Period, to the payment (on a pro rata and pari passu basis) of the Class D Principal Redemption Amount in respect of the redemption of the Class D Notes until the Class D Principal Amount is reduced to zero;
- (xx) if a Class E Principal Deficiency Event is occurring, to the payment of Class E Notes Interest Amount due and payable on such Payment Date, on a pro rata and pari passu basis on the Class E Notes;
- (xxi) after expiration of the Replenishment Period, to the payment (on a pro rata and pari passu basis) of the Class E Principal Redemption Amount in respect of the redemption of the Class E Notes until the Class E Principal Amount is reduced to zero;
- (xxii) to the payment of the Commingling Reserve Adjustment Amount to the Commingling Reserve Account;
- (xxiii) to the payment of the Set-Off Risk Reserve Adjustment Amount to the Set-Off Risk Reserve Account;
- (xxiv) any Subordinated Swap Amounts;
- (xxv) to the payment of the Additional Servicing Fee to the Servicer;
- (xxvi) to the payment of the Transaction Gain to the shareholders of the Issuer.

**Post-Enforcement  
Priority of  
Payments**

After the Enforcement Conditions being fulfilled, the Trustee applies all Issuer Proceeds 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 each case, only if and to the extent that payments or provisions of a higher priority have been made in full):

- (i) any due and payable Statutory Claims;
- (ii) any due and payable Trustee Expenses;
- (iii) any due and payable Administration

Expenses;

- (iv) any due and payable Servicing Fee;
- (v) all amounts (if any) due and payable to the Swap Counterparty under the Swap Agreement (including termination payments but excluding Subordinated Swap Amounts);
- (vi) to the payment of Class A Notes Interest Amount due and payable on such Payment Date, on a *pro rata* and *pari passu* basis on the Class A Notes;
- (vii) to the payment (on a *pro rata* and *pari passu* basis) in respect of the redemption of the Class A Notes until the Class A Principal Amount is reduced to zero;
- (viii) to the payment of Class B Notes Interest Amount due and payable on such Payment Date, on a *pro rata* and *pari passu* basis on the Class B Notes;
- (ix) to the payment (on a *pro rata* and *pari passu* basis) in respect of the redemption of the Class B Notes until the Class B Principal Amount is reduced to zero;
- (x) to the payment of Class C Notes Interest Amount due and payable on such Payment Date, on a *pro rata* and *pari passu* basis on the Class C Notes;
- (xi) to the payment (on a *pro rata* and *pari passu* basis) in respect of the redemption of the Class C Notes until the Class C Principal Amount is reduced to zero;
- (xii) to the payment of Class D Notes Interest Amount due and payable on such Payment Date, on a *pro rata* and *pari passu* basis on the Class D Notes;
- (xiii) to the payment (on a *pro rata* and *pari passu* basis) in respect of the redemption of the Class D Notes until the Class D Principal Amount is reduced to zero;
- (xiv) to the payment of Class E Notes Interest Amount due and payable on such Payment Date, on a *pro rata* and *pari passu* basis on the Class E Notes;
- (xv) to the payment (on a *pro rata* and *pari passu* basis) in respect of the redemption

of the Class E Notes until the Class E Principal Amount is reduced to zero;

- (xvi) any Subordinated Swap Amounts;
- (xvii) to the payment of the Additional Servicing Fee to the Servicer;
- (xviii) to the payment of the Transaction Gain to the shareholders of the Issuer.

**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, in particular, the purchase of the Purchased Receivables from the Originator on the Closing Date.

**Subscription**

The Lead Manager will subscribe and pay for all 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 Notes to be admitted to the official list of the Luxembourg Stock Exchange and to be admitted to trading on its regulated market.

**Settlement**

Clearstream Banking, *société anonyme*, Luxembourg, 42 Avenue J.F. Kennedy, L-1855 Luxembourg; and

Euroclear Banking S.A./N.V., 1 Boulevard du Roi Albert II 1, B-1210 Brussels, Kingdom of Belgium.

**Governing Law**

The Notes will be governed by the laws of the Federal Republic of Germany.

**Ratings**

The Class A Notes are expected to be rated AAA(sf) by DBRS and Aaa(sf) by Moody's.

The Class B Notes are expected to be rated A(sf) by DBRS and A1(sf) by Moody's.

The Class C are expected to be rated BBB(sf) by DBRS and Baa2(sf) by Moody's.

The Class D Notes are expected to be rated BB(sf) by DBRS and

Ba1(sf) by Moody's.

The Class E Notes are not expected to be rated.

**Credit Enhancements**

The Notes benefit from security granted over the Security Assets by the Issuer to the Trustee.

The Notes profit, to different degrees, from the subordination of payments to more junior ranking other Classes of Notes and other obligations, in each case in accordance with the Applicable Priority of Payments, please SEE "TRANSACTION OVERVIEW - THE NOTES - Status of the Notes".

The Class A Notes profit, in respect of payments of interest, in case of a Liquidity Reserve Transfer Event from the amount standing to the credit of the Liquidity Reserve Account. SEE "TRANSACTION OVERVIEW - THE ACCOUNTS - Reserve Account".

The Notes profit in respect of mitigation of commingling risk from the amount standing to the Commingling Reserve Account. Please SEE "RISK FACTORS - Commingling Risk".

**Resolutions of Noteholders**

In accordance with the German Act on Debt, the Terms and Conditions contain provisions pursuant to which the Noteholders of any Class of Notes may agree by resolution to amend the Terms and Conditions and to decide upon certain other matters regarding the Notes including, without limitation, the appointment or removal of a common representative for the Noteholders of any Class of Notes.

Resolutions of Noteholders of any Class of Notes properly adopted, by vote taken without a meeting in accordance with the Terms and Conditions, are binding upon all Noteholders of such Class of Notes.

Resolutions which do not provide for identical conditions for all Noteholders of any Class of Notes are void, unless Noteholders of such Class of Notes which are disadvantaged expressly consent to their being treated disadvantageously.

In no event, however, may any obligation to make any payment or render any other performance be imposed on any Noteholder of any Class of Notes by resolution.

As set out in the Terms and Conditions, resolutions require a majority of not less than 75% of the votes cast.

No amendment of the Terms and Conditions (including the Trust Agreement) passed by a Resolution of the Noteholders of a Class of Notes shall be effective and the Trustee shall not be bound by a direction of the Noteholders passed by a resolution of a Class of Notes unless:

- (a) resolutions of all other outstanding Classes of Notes have been cast in favour of such amendment or direction;
- (b) such other Classes of Notes are not affected thereby; or
- (c) if any other Class of Notes is affected thereby, the Noteholders of such other Class have expressly consented to such amendment or direction by way of resolution,

in each case, in accordance with these Terms and Conditions.

5 **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.

During the Replenishment Period, the Issuer may purchase further Receivables from the Originator pursuant to the Receivables Purchase Agreement subject to certain conditions including (i) that each such Additional Receivable is in compliance with the Eligibility Criteria; (ii) the Pool Eligibility Criteria are met and (iii) that no Early Amortisation Event has occurred.

The Issuer will fund the Additional Purchase Price of any such Additional Receivable using the Available Distribution Amount. The Replenishment Shortfall Amount will be credited to the Replenishment Shortfall Account on each Payment Date during the Replenishment Period subject to the Available Distribution and in accordance with the Pre-Enforcement Priority of Payments.

This aims to have the effect that the collateralisation level is maintained throughout the Replenishment Period by way of Purchased Receivables or cash collateral held on the Replenishment Shortfall Account.

Thereafter the collateralisation level is intended to be maintained by a repayment of the Notes in an Amount equal to the decrease of the Aggregate Principal Balance during the Relevant Collection Period.

However, there is no assurance or guarantee that a specific collateralisation level is achieved at the Closing Date or maintained thereafter.

**Eligibility Criteria**

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

- (a) the Receivable derives from a Loan Agreement which:
  - (i) has been entered into between a Debtor and the Originator relating to the financing of a Vehicle, excluding any Loan Agreement under any employee programme of the Originator (if any);
  - (ii) constitutes legal valid and binding and enforceable obligations of the respective Debtor in accordance with the laws of Germany;
  - (iii) is based on the Originator's general terms and conditions

- being in force as at such Loan Agreement's execution date;
- (iv) is governed by the laws of the Federal Republic of Germany;
  - (v) has been originated in accordance with the Credit and Collection Policy;
  - (vi) in case of a Loan Agreement with a Balloon Instalment the Balloon Instalment, is equal to or lower than 90% of the Vehicle Sale Price;
  - (vii) is a Loan Agreement for which the loan-to-value does not exceed 150% whereas for the purpose of calculating the loan-to-value the outstanding loan balance is calculated as the original principal balance of the loan amount (Ursprünglicher Nettodarlehensbetrag) and the value is equal to the purchase price of the vehicle;
  - (viii) is a fully disbursed loan;
  - (ix) has not been terminated;
  - (x) provides for regular monthly instalments until the full amortisation and/or regular monthly instalments plus one higher Balloon Instalment at the end of the contract term;
  - (xi) provides for a Remaining Term of at least two months;
  - (xii) provides for an Original Term not longer than 120 months;
  - (xiii) has been created in compliance with applicable German law, 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;
  - (xiv) sets out the correct effective rate

- of interest (*effektivem Jahreszins*);
  - (xv) is not a subordinated loan (*Nachrangdarlehen*);
  - (xvi) is not a syndicated loan (*Syndizierte Finanzierung*);
  - (xvii) is not a leveraged loan;
  - (xviii) cannot be repaid by the Borrower by handing over the Vehicle in settlement of the Loan Agreement;
- (b) each Debtor is an Eligible Debtor;
- (c) each Receivable:
- (i) is freely assignable and the Originator can dispose of the Receivable free from third party rights, in particular such transfer is not subject to any legal or contractual restrictions which prevents the valid transfer thereof to the Issuer and upon such transfer, such Receivable will not be available to the creditors of the Originator upon its insolvency;
  - (ii) is free of rights of third parties, and has not been, in whole or in part, pledged, assigned, discounted, subrogated, transferred or seized or attached in any way and is free and clear of any adverse claim;
  - (iii) is denominated in EUR;
  - (iv) is amortised on a monthly basis and gives rise to monthly instalment payments consisting of principal and interest;
  - (v) gives rise to monthly instalment payments above or equal to EUR 20.00;
  - (vi) has an Outstanding Principal Amount of at least EUR 300.00;
  - (vii) is payable by SEPA Direct Debit Mandate;



- (viii) is secured by the security transfer (*Sicherungsübereignung*) of legal title to the relevant used or new passenger Vehicle to the Originator;
  - (ix) has no instalments in arrears;
  - (x) is not a Delinquent Receivable or a Defaulted Receivable;
  - (xi) may 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 Receivables;
  - (xii) bears a fixed effective Loan Interest Rate above or equal to 0.30 % which is not subject to an ordinary interest reset from time to time;
  - (xiii) does not constitute or include a claim of the Originator against the respective Debtor for the payment of arrangement fees (*Bearbeitungsgebühren*) received for concluding the loan agreement (*Darlehensvertragsabschluss*);
  - (xiv) is not a transferable security, as defined in point (44) of Article 4(1) of Directive 2014/65/EU; and
  - (xv) is not a Securitisation Position;
- (d) the Vehicle to which the Receivable relates:
- (i) is existing;
  - (ii) is situated in the Federal Republic of Germany on the date on which the title to the Vehicle is transferred to the Issuer; and
  - (iii) has an initial Vehicle Sale Price not exceeding EUR 150,000.00;
- (e) the Originator:

- (i) is the sole creditor of the Receivable;
  - (ii) has not entered into an agreement with a Debtor in respect of the Receivable according to which the repayment of the Receivable would be suspended (other than in accordance with the Credit and Collection Policy of the Servicer); or
  - (iii) has not commenced enforcement proceedings against a Debtor in respect of the Receivable; and
- (f) to the best knowledge of the Originator:
- (iv) no Debtor is in breach of any of its obligations in respect of the Receivable in any material respect; or
  - (v) no Debtor is entitled to or has threatened to invoke any right of rescission, counterclaim, contest, challenge or other defence in respect of such Receivable; or
  - (vi) no Debtor has declared a set-off in respect of the Receivable; and
  - (vii) no litigation is pending in respect of the Receivable.

**Pool Eligibility Criteria**

means the following criteria

- (a) the weighted average Loan Interest Rate in relation to all Purchased Receivables is at least equal to 3.25 % per annum;
- (b) the portion of the Aggregate Principal Balance of Additional Receivables purchased at the relevant Purchase Date that relates to Loan Agreements financing New Vehicles is at least equal to 30 %;
- (c) the weighted average Remaining Term of the Loan Agreements does not exceed 65 months;
- (d) the portion of the Aggregate Principal Balance that relates to private customers (consumers) is at least equal to 90 %; and
- (e) the portion of the Aggregate Principal

Balance that relates to Loan Agreements with Balloon Instalment does not exceed 25 %.

**Transaction Accounts**

On the Closing Date, the Issuer will open and maintain certain accounts with the Account Bank:

- (a) the Operating Account;
- (b) the Liquidity Reserve Account;
- (c) the Replenishment Shortfall Account;
- (d) the Set-Off Risk Reserve Account;
- (e) the Commingling Reserve Account; and
- (f) the Swap Collateral Account.

The Account Bank must fulfil the Required Rating. Should the Account Bank cease to have the Required Rating, the Account Bank shall be replaced by a bank having the Required Rating within 30 days after having lost the Required Rating.

**Operating Account**

The Operating Account of the Issuer will be maintained with the Account Bank.

The Issuer will use the Collections standing to the credit of the Operating Account together with the other amounts forming the Available Distribution Amount and will apply those amounts according to the Applicable Priority of Payments.

**Liquidity Reserve Account**

The Liquidity Reserve Account of the Issuer will be maintained with the Account Bank.

The amount standing to the credit of the Liquidity Reserve Account as of the Closing Date will be EUR 2,800,000. Thereafter, the amount on each Payment Date will be at least 0.7 % multiplied by the Outstanding Principal Amounts of all Purchased Receivables as of the relevant Determination Date.

If a Liquidity Reserve Transfer Event has occurred, the amounts (if any) standing to the credit of the Liquidity Reserve Account, but only to the extent necessary for the fulfilment on the relevant Payment Date of the payment obligations of the Issuer in relation to costs and expenses payable in accordance with items first to six of the Applicable Priority of Payments, provided, however, that such amounts shall only be included in the Available Distribution Amount if and to the extent that there would be a shortfall in these amounts by reason of the Liquidity Reserve Transfer Event following the application of the Available Distribution Amount in accordance with Applicable Priority of Payments.

The initial amount standing to the credit of the Liquidity Reserve Account will be funded by the Originator subject to the Receivables Purchase Agreement.

The distribution of the amounts standing to the credit of the Liquidity Reserve Account in accordance with the Applicable Priority of Payments aims at mitigating the risk of non-payments of interest on the Class A Notes in case of a Liquidity Reserve Transfer Event.

**Replenishment Shortfall Account**

The Replenishment Shortfall Account of the Issuer will be maintained with the Account Bank.

On any Payment Date during the Replenishment Period, the Replenishment Shortfall Amount (if any) will be credited to the Replenishment Shortfall Account.

On any Payment Date , the amounts standing to the credit of the Replenishment Account (if any) will form part of the Available Distribution Amount.

After the expiry of the Replenishment Period the Replenishment Shortfall Account will be closed.

<b>Set-Off Account</b>	<b>Risk</b>	<b>Reserve</b>	
			<p>The Set-Off Risk Reserve Account of the Issuer will be maintained with the Account Bank.</p> <p>The amounts (if any) standing to the credit of the Set-Off Risk Reserve Account, but only to the extent necessary for the fulfilment on the relevant Payment Date of the payment obligations of the Issuer under items first to twenty-two (inclusive) of the Pre-Enforcement Priority of Payments or under items first to fifteen (inclusive) of the Post-Enforcement Priority of Payments as applicable, provided, however, that such amounts shall only be included in the Available Distribution Amount if and to the extent that any amounts that would otherwise have to be transferred to the Issuer as Deemed Collections within the meaning of item (b) of the definition of Deemed Collections for the Collection Period ending on the relevant Determination Date were not received by the Originator as a result of any of the actions described in item (b) of the definition of Deemed Collections.</p> <p>The purpose of the amount standing to the Set-Off Risk Reserve Account is to address the risk that the Originator does not comply with obligation to pay a Deemed Collection where item (b) of the definition of Deemed Collection applies.</p> <p>The amount standing to the credit of the Set-Off Risk Reserve Account as of the Closing Date will be zero.</p> <p>The amount standing to the credit of the Set-Off Risk Reserve Account will be replenished up to the Set-Off Risk Reserve Required Amount (i) by the Originator and (ii) if the Originator has failed to do so through the Available Distribution Amount through the Pre-Enforcement Priority of Payments.</p>

<b>Commingling Account</b>	<b>Reserve</b> The Commingling Reserve Account of the Issuer will be maintained with the Account Bank.
	<p>The amounts (if any) standing to the credit to the Commingling Reserve Account, but only to the extent necessary for the fulfilment on the relevant Payment Date of the payment obligations of the Issuer under items first to twenty-one (inclusive) of the Pre-Enforcement Priority of Payments or under items first to fifteen (inclusive) of the Post-Enforcement Priority of Payments as applicable, provided, however, that such amounts shall only be included in the Available Distribution Amount if and to the extent that the Servicer have, as of the relevant Payment Date, failed to transfer to the Issuer any Collections (other than Deemed Collections within the meaning of item (b) (i) of the definition of Deemed Collections) received or payable by the Originator or (if different) the Servicer during, or with respect to, the Collection Period ending on the Determination Date immediately preceding the relevant Payment Date.</p> <p>The purpose of the amount standing to the Commingling Reserve Account is to address the risk of non-payment from the Originator/Servicer to the Issuer in case of the payments made under the Purchased Receivables are commingled with any other assets of the Servicer in an Insolvency of the Servicer.</p> <p>The amount standing to the credit of the Commingling Reserve Account as of the Closing Date will be EUR 10,000,000.</p> <p>The initial amount standing to the credit of the Commingling Reserve Account will be funded by the Originator subject to the Receivables Purchase Agreement. The amount standing to the credit of the Commingling Reserve Account will be replenished up to the Commingling Reserve Required Amount (i) through the Originator and (ii) if the Originator has failed to do so through the Available Distribution Amount through the Pre-Enforcement Priority of Payments.</p>
<b>Swap Collateral Account</b>	<p>The Swap Collateral Account of the Issuer will be maintained with the Account Bank.</p>
	<p>To the extent not directly credited to the Swap Collateral Account, the Cash Administrator shall procure that all Swap Collateral (if any) and all interest earned on Swap Collateral will be credited to the Swap Collateral Account.</p>
<b>Reserve Funding Fee</b>	<p>The Originator will receive the Reserve Funding Fee as compensation for the funding of the amount standing to the credit of the Commingling Reserve Account, the Set-Off Risk Reserve Account and the Liquidity Reserve Account on the first Payment Date.</p>

## 6 THE MAIN TRANSACTION DOCUMENTS

**Account Bank Agreement** With effect as of or before the Closing Date, the Issuer has opened certain Transaction Accounts with the Account Bank in accordance with the Account Bank Agreement. Pursuant to the Account Bank Agreement, the Account Bank performs certain administrative services in connection with the Transaction Accounts.

See "OVERVIEW OF FURTHER TRANSACTION DOCUMENTS — The Account Bank Agreement".

**Agency Agreement** Pursuant to the Agency Agreement, the Issuer has appointed the Paying Agent to do certain calculations with respect to the payments due according to the Applicable Priority of Payments based on the information received from the Issuer in the Investor Report and, *inter alia*, to prepare and publish the Investor Report.

See "OVERVIEW OF FURTHER TRANSACTION DOCUMENTS — The Agency Agreement".

**Cash Administration Agreement** Pursuant to the Cash Administration agreement between the Issuer and the Cash Administrator, the Cash Administrator has agreed to do certain calculations with respect to the payments due according to the Applicable Priority of Payments based on the information in the Investor Report and, *inter alia*, to provide the Investor Report to the Issuer, the Paying Agent and the Rating Agencies and to perform certain cash administration services (including determining the interest rates).

See "OVERVIEW OF FURTHER TRANSACTION DOCUMENTS — The Cash Administration Agreement".

**Corporate Administration Agreement** Pursuant to the Corporate Administration Agreement, the Corporate Service Provider has agreed to provide certain corporate administration services to the Issuer.

See "OVERVIEW OF FURTHER TRANSACTION DOCUMENTS - the Corporate Administration Agreement".

**Data Trust Agreement** Pursuant to the Data Trust Agreement, the Data Trustee shall, *inter alia*, hold the Decryption Key delivered to it on trust (*treuhänderisch*) for the Issuer.

See "OVERVIEW OF FURTHER TRANSACTION DOCUMENTS — The Data Trust 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".

**Receivables Purchase Agreement**

Pursuant to the Receivables Purchase Agreement, the Originator, *inter alia*, shall sell and assign the Receivables the Related Claims and Rights and Related Collateral (if any), to the Issuer.

See "OVERVIEW OF FURTHER 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 FURTHER TRANSACTION DOCUMENTS — The Servicing Agreement".

**Swap Agreement**

means the 2002 ISDA Master Agreement in respect of the Class A Notes between the Issuer and the Swap Counterparty dated on or about the Signing Date, including (i) the ISDA Schedule, (ii) the ISDA Credit Support Annex, (iii) any other credit support documents related thereto and (iv) any Transactions evidenced by confirmations entered into from time to time, each as amended, restated or supplemented from time to time (or such replacement swap agreement(s) as the Issuer may enter into in accordance with the Transaction Documents).

**Trust Agreement**

Pursuant to the Trust Agreement, the Issuer, *inter alia*, grants security over its assets to the Trustee.

See "THE TRUST AGREEMENT".

**Deed of Assignment**

Under the Deed of Assignment, the Issuer assigns its rights under the Swap Agreement to the Trustee who holds such security for the benefit of the Secured Parties, but without prejudice, and after giving effect, to any netting and set-off provisions specified in the Swap Agreement.

See "DEED OF ASSIGNMENT".

**Governing Law**

The Transaction Documents are governed by the laws of the Federal Republic of Germany, with the exception of the Swap Agreement and the Deed of Assignment where provisions (including any non-contractual obligations arising out of or in connection with them) are governed by the laws of England and Wales.



## **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 MAKE SUCH INQUIRIES AS THEY DEEM NECESSARY WITHOUT RELYING ON THE ISSUER OR THE ORIGINATOR.

As more than one risk factor can affect the Notes simultaneously, the effect of a single risk cannot be accurately predicted. Additionally, risk factors may have a cumulative effect so that the combined effect on the Notes cannot be accurately predicted. No binding statement can be given on the effect of a combination of risk factors on the Notes.

Each prospective purchaser of Notes must determine, based on its own independent review and such professional advice as it deems appropriate under the circumstances, that its acquisition of the Notes:

- is fully consistent with its (or if it is acquiring the Notes in a fiduciary capacity, the beneficiary's financial) needs, objective and condition;
- complies and is fully consistent with all investment policies, guidelines and restriction applicable to it; and
- is a fit, proper and suitable investment for it, notwithstanding the substantial risks inherent to investing in or holding the Notes.

The following is a description of factors which prospective investors should consider before deciding to purchase the Notes. These risk factors are material to an investment in the Notes. The following statements are not exhaustive as they are limited to the risk factors specific to the situation of the Issuer and/or the Notes and those that are material for taking investment decisions. 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.

### **1 RISKS RELATING TO THE ISSUER**

#### **1.1 Liability under the Notes**

- 1.1.1 The Notes represent obligations of the Issuer only, and do not, in particular, represent an interest in, or constitute a liability or other obligations, of any kind of the Transaction Parties or any of their respective Affiliates or any other third Person. See "TERMS AND CONDITIONS OF THE NOTES - Status; Limited Recourse; Security - Obligations under the Notes".
- 1.1.2 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.

1.1.3 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.

1.2 **Limited Source of Payment for the Notes**

1.2.1 The Issuer's ability to satisfy its payment obligations under the Notes will be wholly dependent upon receipt by it of sufficient payments:

- (a) of principal and interest and other amounts payable under the Purchased Receivables including Related Claims and Rights as Collections from the Servicer;
- (b) under the Transaction Documents to which it is a party; and/or
- (c) of proceeds resulting from enforcement of the security granted by the Issuer to the Trustee over the Security Assets and the Transaction Accounts (to the extent not covered by (a) or (b)).

1.2.2 Other than the sources of 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. Upon the Enforcement Conditions being fulfilled the following applies: if the Issuer Proceeds, subject to the Post-Enforcement Priority of Payments, are 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 pursuant to the Post-Enforcement Priority of Payments, the claims of such Noteholders against the Issuer shall be limited to their respective share of such remaining Issuer Proceeds. After payment to the Noteholders of their relevant share of such remaining Issuer Proceeds, 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.

Remaining Issuer Proceeds shall be deemed to be "ultimately insufficient" at such time when, in the reasonable 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.

See "TERMS AND CONDITIONS OF THE NOTES - Status; Limited Recourse; Security - Limited Recourse".

1.3 **No Recourse, No Petition**

1.3.1 Each party entering into a Transaction Document has agreed that no recourse under any obligation, covenant, or agreement of the Issuer contained in the Transaction Documents shall be held against any Senior Person of the Issuer. Any personal liability of a Senior Person of the Issuer is explicitly excluded and the Parties (other than the Issuer) waive such personal liability regardless of whether it is based on law or agreement.

1.3.2 Each party entering into a Transaction Document has agreed that it shall not, until the expiry of four years and one day after the payment of all sums outstanding and owing under the Transaction Documents:

- (a) petition or take any other action for the liquidation or dissolution of the Issuer nor file a creditor's petition to open Insolvency Proceedings in

relation to the assets of the Issuer nor instruct any other Person to file such petition; or

- (b) have any right to take any steps, except in accordance with the Transaction Documents, for the purpose of obtaining payment of any amounts payable to it under the Transaction Documents by the Issuer or to recover any debts whatsoever owed by the Issuer.

## 2 **RISKS RELATING TO THE NOTES**

### 2.1 **Status and Subordination of the Notes**

The Notes are direct and unconditional obligations of the Issuer, subject to the Applicable Priority of Payments.

SEE "TERMS AND CONDITIONS OF THE NOTES - Status; Limited Recourse; Security".

### 2.2 **Credit Enhancement provides only limited Protection against Losses**

The credit enhancement mechanisms established provide only limited protection to the holders of the Notes. Although the credit enhancement mechanisms are intended to reduce the effect of delinquent payments or incurred under the Purchased Receivables, the amounts available under such credit enhancement mechanisms are limited and once reduced to zero, the holders of the Notes, may suffer from losses and not receive all amounts of interest and principal due to them.

### 2.3 **Subordination**

- (a) The Class A Notes rank with respect to the payment of principal and interest *pari passu* and rateably without any preference or priority among themselves for all purposes, but in priority to the Class B Notes, Class C Notes, Class D Notes and the Class E Notes;
- (b) the Class B Notes rank with respect to the payment of principal and interest *pari passu* and rateably without any preference or priority among themselves for all purposes, but in priority to the Class C Notes, Class D Notes and the Class E Notes and subordinated to the Class A Notes;
- (c) the Class C Notes rank with respect to the payment of principal and interest *pari passu* and rateably without any preference or priority among themselves for all purposes; but in priority to the Class D Notes and the Class E Notes and subordinated to the Class A Notes and the Class B Notes;
- (d) the Class D Notes rank with respect to the payment of principal and interest *pari passu* and rateably without any preference or priority among themselves for all purposes; but in priority to the Class E Notes and subordinated to the Class A Notes, the Class B Notes and the Class C Notes
- (e) the Class E Notes rank with respect to the payment of principal and interest *pari passu* and rateably without any preference or priority among themselves for all purposes, but subordinated to the Class A Notes, the Class B Notes; Class C Notes and the Class D Notes;

in each case subject to the Available Distribution Amount and the Issuer Proceeds (as applicable) and the Applicable Priority of Payments.

#### 2.4 **Conflicts of Interest**

Pursuant to the Trust Agreement the Trustee is required in case of a conflict of interest between the Secured Parties to give priority to their respective interest in the order set out in the Applicable Priority of Payments. In particular, if there is a conflict of interest between the holders of different Classes of Notes the Trustee shall, pursuant to the Trust Agreement, give priority to the interests of the holders of the Class A Notes over the interests of the holders of the Class B Notes, Class C Notes, Class D Notes and Class E Notes. 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.

#### 2.5 **The Notes may not be a suitable Investment for all Investors**

The Notes may involve substantial risks and are suitable only for sophisticated investors who have the knowledge and experience in financial and business matters necessary to prospective investors to enable them to evaluate the risks and the merits of an investment in the Notes. Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

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

#### 2.6 **Deferred Interest Payment in case of Insufficient Funds**

- 2.6.1 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 or Classes of Notes shall become due and payable on such Payment Date and the claim of a Noteholder to receive such interest payment will be deferred in accordance with Clause 4.7 (*Interest Shortfall*) of the Terms and Conditions, unless the Issuer does not have sufficient funds for the payment of interest on the Class A Notes on such Payment Date in which case any interest payable on the Notes is due and payable pursuant to the Post-Enforcement Priority of Payments. However, a Noteholder will have a claim to receive such deferred interest on the next Payment Date(s) on which, and to the extent that, sufficient funds are available to

pay such interest amount in accordance with the Applicable Priority of Payments. Interest will not accrue on such deferred interest amounts.

- 2.6.2 If such deferred interest amounts are finally discharged in accordance with Clause 3.3 (*Limited Recourse*) of the Terms and Conditions, the amount of interest on the Notes expected to be received will be reduced. This will correspondingly adversely affect the yield on the Notes (see "TERMS AND CONDITIONS OF THE NOTES" - Clause 3.3 (*Limited Recourse*)).

## 2.7 **Potential U.S. Withholding Tax and Compliance with Reporting Requirements**

Under certain provisions of FATCA, the Issuer will become subject to a 30 per cent withholding tax on certain payments it receives unless it enters into a FATCA Agreement with the IRS pursuant to which it agrees to report to the IRS information regarding the U.S. account and comply with certain procedures to be further determined by the IRS. On 31 May 2013 the United States and Germany concluded the intergovernmental agreement ("**IGA**"). Under the IGA, the United States and Germany have agreed to implement FATCA through domestic reporting duties for financial institutions, an automatic exchange of account information between the public authorities of the two countries and on the basis of existing bilateral tax treaties. The German Federal Ministry of Finance issued regulations stating the respective duties of financial institutions and the due diligence process which shall be implemented in order to identify U.S. accounts. Therefore, an issuer located in Germany does not have to enter into a FATCA Agreement, but has to comply with the requirements under German provisions in order to become a participating foreign financial institution according to FATCA avoiding respective withholding tax. The Issuer as a participating foreign financial institution has to report to the German Federal Central Tax Office (*Bundeszentralamt für Steuern*) (and thus, indirectly) to the IRS U.S. accounts for purposes of U.S. federal income taxation.

In addition, the Issuer (or if payments on the Notes are made through an intermediary such as a clearing system or broker that is a participating foreign financial institution, such participating foreign financial institution) may then be required, pursuant to IGA (or if payments on the Notes are made through an intermediary pursuant to the intermediary's FATCA agreement or an applicable intergovernmental agreement) to apply a 30 per cent withholding tax to any payment made on the Notes after 31 December 2016 to a foreign financial institution that is not a participating foreign financial institution or to accountholders who have not identified themselves as not being a United States person or United States owned foreign entity for purposes of U.S. federal income taxation, to the extent the payment is considered to be a "foreign passthru payment". Under current guidance, the term "foreign passthru payment" is not defined (although conceptually the term refers to the portion of U.S. source income relative to the overall income of a participating foreign financial institution) and it is not yet clear whether or to what extent payments on the Notes will be treated as "foreign passthru payments".

Whilst the Notes are in global or dematerialised form and held within the Clearing System respectively, it is expected that FATCA will not affect the amount of any payments made under, or in respect of, the Notes by the Issuer, any Paying Agent and the Clearing System, given that each of the entities in the payment chain above the Issuer up to (and including) the Clearing System is a major financial institution whose business is dependent on compliance with FATCA or the respective German provisions and that any alternative approach introduced under an intergovernmental agreement will be unlikely to affect the Notes. However,

FATCA may affect payments made to custodians or intermediaries in the subsequent payment chain leading to the ultimate investor if any such custodian or intermediary generally is unable to receive payments free of FATCA withholding (in particular if it is not compliant with FATCA or the respective German provisions). It also may affect payments 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 including any IGA legislation, 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. Holders of Notes should consult their tax advisers regarding the application of FATCA to an investment in the Notes and their ability to obtain a refund of any amounts withheld under FATCA. Pursuant to the Terms and Conditions, the Issuer will not make any gross-up payments in compensation of any withheld tax.

## 2.8 **Common Reporting Standard**

In addition to the reporting requirements under FATCA, the Organisation for Economic Co-operation and Development has developed a new global standard for the annual automatic exchange of financial information between tax authorities (the "CRS"). Germany is a signatory jurisdiction to the CRS and conducted its first exchange of information with tax authorities of other signatory jurisdictions in September 2017 as regarded reportable financial information gathered in relation to fiscal year 2016.

The CRS has been implemented into German domestic law via the law dated 21 December 2015 concerning the automatic exchange of information on financial accounts and tax matters and implementing the EU Directive 2014/107/EU.

The regulation may impose obligations on the Issuer and its shareholder / Noteholders, if the Issuer is actually regarded as a reporting financial institution under the CRS, so that the latter could be required to conduct due diligence and obtain (among other things) confirmation of the tax residency (through the issuance of self-certifications forms by the shareholder / Noteholders), tax identification number and CRS classification of the shareholder / Noteholders in order to fulfil its own legal obligations from 1 January 2016.

Investors should contact their own tax advisers regarding the application of CRS to their particular circumstances.

## 2.9 **Potential Financial Transaction Tax**

The European Commission and several EU member states including Germany have been discussing the introduction of a financial transaction tax ("**FTT**") for a number of years.

The scope of the FTT is still under political debate. FTT may apply to trading in the Notes but also to derivative transactions (for example, interest rate swaps) to be entered into by the Issuer.

FTT could therefore potentially reduce the amounts that become available to the Issuer in the future to make payments under the Notes and it could reduce the proceeds that Noteholders effectively receive from the disposal of the Notes.

Prospective holders of the Notes should consult their own tax advisers in relation to the consequences of the FIT associated with subscribing for, purchasing, holding and disposing of the Notes.

## 2.10 **Withholding or Deduction under the Notes**

If in respect of amounts payable under the Notes any withholding or deduction for or on account of taxes are imposed by law (including FTT, FATCA or any domestic provisions referring to the implementation of an automatic exchange of account information for financial institutions) or otherwise neither the Issuer nor any other person is obliged to gross up or otherwise compensate Noteholders for receiving an amount under the Notes reduced by such withholding or deduction. If such obligation to withhold or deduct qualifies as a Redemption Event the Originator may, but is not obliged to, repurchase all outstanding Purchased Receivables in accordance with the Receivables Purchase Agreement. Such repurchase will lead to an early redemption of the Notes pursuant to Clause 11 (*Early Redemption – Redemption Events*) of the Terms and Conditions. This will shorten the average lives of the Notes and will reduce the amount of interest on the Notes expected to be received and will correspondingly adversely affect the yield on the Notes.

## 2.11 **Redemption of the Notes**

2.11.1 The Notes will be redeemed at the latest on the Legal Maturity Date, subject to the Available Distribution Amount or the Issuer Proceeds, as applicable and in accordance with the Applicable Priority of Payments.

2.11.2 No Noteholder of any Class of Notes will have any rights under the Notes after the Legal Maturity Date, accordingly a Noteholder will fall short with claims against the Issuer which could have arisen after such time.

2.11.3 Claims arising from a bearer note (*Inhaberschuldverschreibung*) (prior to or on the Legal Maturity Date), i.e. claims to interest and principal, cease to exist with the expiration of five (5) years after the Legal Maturity Date, unless the bearer note is submitted to the Issuer for redemption prior to the expiration of five (5) years after the Legal Maturity Date. In the case of such a submission, the claims will be time-barred in two (2) years beginning with the end of the period for presentation (ending five (5) years after the Legal Maturity Date in accordance with the Terms and Conditions). The commencement of judicial proceedings in respect of the claim arising from a bearer note has the same effect as a presentation of such bearer note.

See "TERMS AND CONDITIONS OF THE NOTES - Redemption - Maturity - Redemption on the Legal Maturity Date".

## 2.12 **Early Redemption for Default**

Each Noteholder may declare the Notes held by it to be due and payable by delivery of a written notice to the Issuer with a copy to the Trustee if an Issuer Event of Default with respect to a Note held by such Noteholder has occurred and has not been remedied prior to receipt by the Issuer of such notice. If any Noteholder exercises such right, the Issuer will redeem all (but not only some) Notes as described herein. In case of such early redemption of all Notes, the overall interest payments under the Notes may be lower than expected.

See "THE TERMS AND CONDITIONS OF THE NOTES - Early Redemption for Default".

**2.13 Early Redemption - Repurchase Option upon the Occurrence of a Redemption Event or Clean-Up Event**

- 2.13.1 If a Redemption Event has occurred, the Issuer may exercise its option to sell all (but not only some) of the Purchased Receivables at the Repurchase Price, whereby the Originator shall have the right to match the Repurchase Price for the Purchased Receivables in order to purchase them. Such repurchase of the Purchased Receivables will cause an early redemption of the Notes, subject to and in accordance with and the Applicable Priority of Payments. The Repurchase Price does not need to be sufficient to repay all Classes of Notes and Clause 3.3 (*Limited Recourse*) of the Terms and Conditions shall apply.
- 2.13.2 If a Clean-Up Call Event has occurred the Originator may repurchase all (but not only some) of the Purchased Receivables at the Repurchase Price. Such repurchase of the Purchased Receivables will cause an early redemption of the Notes, subject to and in accordance with the Pre-Enforcement Priority of Payments. The Repurchase Price does not need to be sufficient to repay all Classes of Notes and Clause 3.3 (*Limited Recourse*) of the Terms and Conditions shall apply.
- 2.13.3 In such events, the Issuer will not pay the Noteholders a premium or any other compensation for the redemption of the Notes prior to the Legal Maturity Date. The Repurchase Price is determined as described in more detail in the definition of "Repurchase Price" and will be made by an Independent Appraiser in respect to Delinquent Receivables or Defaulted Receivables. In case of such early redemption of all Notes, the overall interest payments under the Notes may be lower than expected.

See "THE TERMS AND CONDITIONS OF THE NOTES - Early Redemption - Repurchase Options - Repurchase upon the occurrence of a Redemption Event".

**2.14 Trustee Claim**

- 2.14.1 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 in the Trust Agreement.
- 2.14.2 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.

**2.15 Security Interest in Security Assets**

- 2.15.1 Noteholders are subject to the risk that the Security Interest over the Security Assets has not been granted for the benefit of an individual Noteholder, but for the benefit of the Secured Parties. The Enforcement Proceeds form part of the Available Distribution Amount (and the Issuer Proceeds) which are distributed in accordance with the Applicable Priority of Payments. As a consequence, the Noteholders will not receive payment arising from such Enforcement Proceeds if and to the extent they are consumed by payments that rank prior in the Applicable Priority of Payments. The payments to Noteholders that rank equal in respect of the Applicable Priority of Payments are distributed *pari passu* and *pro rata*. As a



consequence, the payment to the individual Noteholder may be further reduced. In addition, the Noteholders rely on the enforcement by the Trustee and have no individual right to influence the enforcement process.

- 2.15.2 No person (in particular, no Noteholder) other than the Trustee shall be entitled to enforce any Security Interest in the Security Assets or exercise any rights, claims, remedies or powers in respect of the Security Interest in the Security Assets or have otherwise any direct recourse to the Security Interest in or to the Security Assets except through the Trustee.

2.16 **Enforcement of Security Interest in Security Assets**

- 2.16.1 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 loan receivables such as the Purchased Receivables. Accordingly, there is a risk that the Trustee will not be able to sell the Purchased Receivables on appropriate economic terms. This may adversely affect the payment of interest and the repayment of principal of the Notes.

- 2.16.2 The amounts standing to the credit of the Commingling Reserve Account, the Liquidity Reserve Account and the Set-Off Risk Reserve Account serve solely as collateral for specific risks. This limitation does also bind the Trustee having the consequence that these amounts can only be applied by the Trustee as part of the Issuer Proceeds to the extent such specific risks have materialised.

2.17 **Noteholder Resolutions and Noteholders' Representative**

- 2.17.1 The German Act on Debt Securities applies to the Notes. The Conditions of the Notes provide for resolutions of Noteholders of any Class of Notes 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 Conditions may be amended or reduced or even cancelled.

- 2.17.2 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.

2.18 **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. Any such activity which is to the detriment of the Noteholders may adversely affect payments to the Noteholders under the Notes.

## 2.19 **Rating**

- 2.19.1 The ratings assigned to the Rated Notes by the Rating Agencies take into consideration among other things the structural and legal aspects associated with the Rated Notes and the underlying Purchased Receivables, the extent to which the Debtors' payments under the Purchased Receivables are adequate to make the payments required under the Rated Notes as well as other relevant features of the structure, including, *inter alia*, the credit quality of the Account Bank, the Paying Agent, the Originator and the Servicer.
- 2.19.2 Each Rating Agency's rating reflects only the view of that Rating Agency. DBRS's ratings address the likelihood of receiving payments in accordance with the terms and conditions of the notes, as described in transaction documents, unless specific provisions apply. A Moody's rating addresses the risk of expected loss in proportion to the initial Notes Outstanding Amount of such Class of Notes posed to holders of any Notes of such Class of Notes by the legal redemption date. The Moody's rating addresses only the credit risk associated with this transaction.
- 2.19.3 The ratings may not reflect the potential impact of all risks related to structure, market and additional factors discussed in this Section and other factors which may affect the value of the Rated Notes.
- 2.19.4 Any Rating Agency may lower its ratings assigned to the Rated Notes or withdraw its rating if, in the sole judgment of such Rating Agency, *inter alia*, the credit quality of the Rated Notes has declined or is in question. If the rating assigned to the Rated Notes is lowered or withdrawn, the market value of the Rated Notes may be reduced.
- 2.19.5 In the event that the ratings initially assigned to the Rated Notes are subsequently lowered or withdrawn for any reason, no person or entity will be obliged to provide any credit facilities or credit enhancement for the original rating assigned to the Rated Notes to be restored.
- 2.19.6 A security rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time by the rating organisation. The ratings assigned to the Rated Notes should be evaluated independently from similar ratings on other types of securities.
- 2.19.7 The Issuer has not requested a rating of any Class of Notes by any rating agency other than the Rating Agencies. However, rating organisations other than the Rating Agencies may seek to rate any Class of Notes and, if such "shadow ratings" or "unsolicited ratings" are lower than the comparable ratings assigned to Rated Notes by the Rating Agencies, such shadow or unsolicited ratings could have an adverse effect on the value of the Rated Notes. Future events, including events affecting the Transaction Parties could also have an adverse effect on the ratings of any Rated Notes. Such risk, however, is partly mitigated, as the Account Bank, is obliged to transfer its respective obligations to another bank with the Required Ratings if it ceases to have the Required Rating, as provided in the Account Bank Agreement.
- 2.19.8 When relying on ratings prospective investors should note the provisions of CRA3. CRA3 provides for certain additional disclosure requirements in relation to structured finance transactions. Such disclosures need to be made via a website to be set up by the European Securities and Markets Authority (ESMA). The scope, extent and manner in which such disclosure should be made is detailed in the Commission Delegated Regulation 2015/13 on disclosure requirements for structured finance instruments that was published in the Official Journal on 6

January 2015. Such delegated regulation contains technical standards specifying, the information that issuers, originators and sponsors must publish to comply with the CRA3, the frequency with which this information should be updated and a standardised disclosure template for the disclosure of this information. The delegated regulation should have been applicable from 1 January 2017 to structured finance instruments issued after the entry into force of the delegated regulation on 26 January 2015, but the website has never been available to the reporting entities.

- 2.19.9 Further, it should be noted that the information and disclosure requirements under CRA3 are repealed by Article 40 para 5 Securitisation Regulation. But ESMA does consider the possible use of the standardised templates under the CRA3 as one of the possible options to meet the applicable mandate under the Securitisation Regulation.
- 2.19.10 Additionally, CRA3 has introduced a requirement that issuers or related third parties of structured finance instruments solicit two independent ratings for their obligations and should consider appointing at least one rating agency having less than a 10 per cent market share. Where the issuer or a related third party does not appoint at least one credit rating agency with no more than 10 per cent market share, this must be documented. Moody's and DBRS have been engaged to rate the Class A, Class B, Class C and Class D Notes and this decision has been documented. DBRS has a market share of less than 10 per cent as requested by CRA3 according to the latest market share calculation by ESMA from 30 November 2018 (ESMA33-9-281).
- 2.19.11 Investors should consult their legal advisers as to the applicability of CRA3 and the consequences resulting therefrom in respect of their investment in the Notes.

## 2.20 **Potential Reform of EURIBOR Determinations**

- 2.20.1 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. A number of initiatives to reform reference rate setting have been launched as a consequence by the regulatory and supervisory communities as well as the financial markets. These include the Final Report of ESMA-EBA on Principles for Benchmark-Setting Processes in the European Union published in June 2013 and the 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 (the "**Benchmark Regulation**"), which entered into force on 30 June 2016.
- 2.20.2 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.
- 2.20.3 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, 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. Although thus far there has been no specific indication from the European Central Bank that EURIBOR may be phased out or discontinued during the life of the Notes, this cannot be ruled out as possibility in the current regulatory climate.

- 2.20.4 Following the implementation of any such potential reforms, the manner of administration of benchmarks may change, with the result that they may perform 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, or result in other consequences, in respect of any Notes linked to such benchmark (including but not limited to the Class A Notes whose interest rates are linked to EURIBOR). Further, (i) the index could no longer be used as such, if its administrator does not obtain authorization/registration and the securities have to be de-listed, adjusted, redeemed prior to maturity or otherwise impacted; or (ii) the methodology of the index is changed in order to comply with the terms of the Benchmark Regulation, and such changes could have the effect of reducing or increasing the rate or level or affecting the volatility of the published rate or level and could lead to adjustments to the terms of the Class A Notes.
- 2.20.5 Any such consequence could have a material adverse effect on the value of and return on the Class A Notes.
- 2.20.6 It is, however, not possible to ascertain as at the date of this Prospectus if and to which extent such reforms may impact the determination of EURIBOR for the purposes of the Notes and the Swap Agreement, whether this will result in an increase or decrease in (or even a phase out or discontinuation of) EURIBOR rates or whether such changes will have an adverse impact on the liquidity or the market value of the Notes.
- 2.20.7 The discontinuation of EURIBOR will constitute a Base Rate Modification Event, i.e. an event or circumstance which constitutes a Benchmark Trigger Event under the Swap Agreement which requires a modification of the Base Rate to effectively hedge the interest rate risk associated with the Class A Notes. If such Base Rate Modification Event has occurred, the Alternative Base Rate Determination Agent (acting on behalf of the Issuer) will determine in accordance with Clause 17.3 (*Modification of the definition of Alternative Base Rate*) of the Terms and Conditions of the Notes an Alternative Base Rate in cooperation with the Swap Counterparty (or if the Alternative Base Rate Determination Agent has been informed by the Swap Counterparty or the Swap Calculation Agent that a Benchmark Trigger Event under the Swap Agreement has occurred).
- 2.20.8 Where a change is proposed to be made to the Swap Benchmark Rate, i.e. the floating rate option of the Swap Agreement, (including, without limitation, the designation of another floating rate option and/or the inclusion of an Adjustment Spread and/or Adjustment Payment), the Alternative Base Rate Determination Agent after being notified by the Swap Calculation Agent shall determine a corresponding change to be made to the Base Rate, provided that such Base Rate Adjustment is not, in the Alternative Base Rate Determination Agent's reasonable determination, materially prejudicial to the interests of the Noteholders of the Class A Notes.
- 2.20.9 There can be no definitive assurance that the amendment of the Base Rate described in 2.20.7 and 2.20.8 would effectively mitigate any interest rate risk on

the Class A Notes. This, in turn, could cause a risk of mismatch of interest and reduced payments on the Class A Notes which could have significant negative effects on the yield and the market value of the Note. However, such risks are mitigated by the review of the modification of the Base Rate by the Rating Agencies in accordance with Clause 17.3.4 of the Terms and Conditions and the option set out in Clause 17.3.8 of the Term and Conditions that, the Base Rate Modification is not completed within 90 calendar days after the Base Rate Modification Event or if a Rejection Event has occurred, the Alternative Base Rate Determination Agent, and the Noteholders of the Class A Notes shall in consultation with the Swap Calculation Agent consensually determine a process for the determination of the Alternative Base Rate.

- 2.20.10 Prior to the occurrence of a Base Rate Modification Event, fall-back definitions for determining EURIBOR, i.e. the floating rate of the Class A Notes, are in place under the Terms and Conditions of the Notes. As per Clause 4.3.1(b) of the Terms and Conditions, in case EURIBOR 01 as per Reuters is not available, the Cash Administrator as responsible calculation and determination agent shall either specify another page or service displaying the relevant rate or use the Reference Bank Rate (expressed as a percentage rate per annum) as determined by it for one-month deposits (with respect to the first Interest Period, for one (1) month deposit) in euro at approximately 11:00 a.m. (Brussels time) on the relevant Determination Date. If none of these fall-back methods can be applied on grounds that the EURIBOR tenor is no longer calculated, administered or otherwise discontinued by its respective administrator, pursuant to Clause 4.3.2 of the Terms and Conditions of the Notes, EURIBOR for such Interest Period shall be EURIBOR as determined on the previous Interest Determination Date in which case EURIBOR would effectively become a fixed rate. The application of this fallback mechanism could have significant negative effects on the yield and the market value of the Note particularly because the EURIBOR immediately prior to its definitive disappearance might be subject to high volatility.

### 3 **RISKS RELATING TO THE PURCHASED RECEIVABLES**

#### 3.1 **No Independent Investigation**

- 3.1.1 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 Loan Agreements or to establish the creditworthiness of any Debtor, 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.
- 3.1.2 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 as at 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.

### 3.2 **Factors Affecting the Payment under the Purchased Receivables**

- 3.2.1 The payment of interest on and the repayment of principal of the Notes is, *inter alia*, dependent on the performance of the Purchased Receivables. If Debtors 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.
- 3.2.2 The payment of amounts due by the Debtors under the Purchased Receivables may be affected by various factors and is generally subject to credit risk, liquidity risk and interest rate risk. The factors negatively affecting payments by the Debtors 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 Debtors are concentrated may adversely affect the ability of such Debtors to make payments on the Purchased Receivables. Further, the financial standing of the relevant Debtor, loss of earnings, illness, divorce and other comparable factors may negatively affect payments by the Debtors on the Loan Agreements.
- 3.2.3 Such factors may lead to an increase in defaults under Loan Agreements and ultimately to insufficient funds of the Issuer to pay the full amount of interest and/or repay the Notes in full.

### 3.3 **Historical and Other Information**

- 3.3.1 The historical information set out in particular in "DESCRIPTION OF THE PORTFOLIO" is based on the historical information provided by the Originator. None of the Transaction Parties other than the Originator or any of their respective Affiliates has undertaken or will undertake any investigation or review of or search to verify the historical information.
- 3.3.2 Further, the information set out, in particular in "DESCRIPTION OF THE PORTFOLIO", is based on information relating to the status of the Portfolio on the Initial Cut-Off Date. The Portfolio, however, is actually transferred on or about the Closing Date. Accordingly, the information set out, in particular in "DESCRIPTION OF THE PORTFOLIO", does not summarise the status of the portfolio at the time of sale and does not reflect the developments and changes in the Portfolio between the Initial Cut-Off Date and the Closing Date.
- 3.3.3 There can be no assurance that the historical performance of the receivables set out, in particular in "DESCRIPTION OF THE PORTFOLIO", should not be taken as an indication of future performance.

### 3.4 **Market Value of Purchased Receivables and level of collateralisation**

- 3.4.1 Even though the transaction is structured in a way to ensure that the Aggregate Principal Balance (together with the amount standing to the credit of the Replenishment Shortfall Account) is equal to the Aggregate Note Principal Amount of all Classes of Notes, there is no security that a specific collateralisation level is achieved at the Closing Date or maintained thereafter. Furthermore collateral over the Purchased Receivables is also granted to secure the claims of the Transaction Parties, hence the benefit of the Noteholders may be reduced due to such claims. In particular the level of collateralisation may decrease if an unexpected proportion of the Purchased Receivables become Defaulted Receivables.

3.4.2 There is no assurance that the market value of the Purchased Receivables will at any time be equal or greater than the principal amount of the then outstanding Notes.

3.4.3 Further, the market value of the cars securing the Purchased Receivables might be impacted by prohibitive legislation in respect of the use of Diesel cars (e.g. currently, driving restrictions in cities are already being discussed).

### 3.5 **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 of 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.

### 3.6 **Early Termination Rights of Debtors under a Loan Agreement - Right of Revocation**

3.6.1 Certain Loan Agreements are entered into with consumers (*Verbraucher*). The German statutory law provisions on consumer protection provide for a right of revocation (*Widerrufsrecht*) of the Debtors. The Originator is, pursuant to the consumer protection provisions of the German Civil Code (for example section 495 BGB in connection with section 355 *et seqq.* BGB and Article 247 paragraph 2 EGBGB), obliged to properly instruct each Debtor about its right of revocation (*Widerrufsbelehrung*).

3.6.2 Such instruction by the Originator needs to comply with certain legal specifications. If the relevant Debtor is not properly instructed about its right of revocation such instruction may be held void. If the instruction is void or if the Originator does not inform the Debtor about the right of revocation (*Widerrufsbelehrung*) at all (e.g. the Debtor did not receive a copy of the Loan Agreement and the conditions of the loan including the notice of the right of revocation) the Debtor is entitled to revoke the Loan Agreement at any time. In respect of a Loan Agreement which qualifies as a "distance contract" (*Fernabsatzvertrag*) within the meaning of section 312c BGB a Debtor has a right to revoke such Loan Agreement at any time if the Debtor has not been provided with the relevant information, for example set out in section 312d BGB in connection with Article 246a paragraph 1 and 2 EGBGB and section 492 para 2 BGB in connection with Article 247 para 6 EGBGB. There have been several lower court decisions confirming that violating the information obligations do in fact cause the revocation right to not expire.

3.6.3 If a Debtor revokes a Loan Agreement, such Loan Agreement will be deemed to have never been concluded. Hence, the Debtor would be obliged to repay the loan amount it had received in full. If the market interest rate at the time when the Loan Agreement was entered into was lower than the interest rate agreed between the Originator and the relevant Debtor, the Debtor may have a claim for

compensation of the difference between the market interest rate and the agreed interest rate. The Debtor may potentially set off its compensation claim against its obligation to repay the loan amount.

- 3.6.4 The risks described above are mitigated by the obligation of the Originator under the Receivables Purchase Agreement to repurchase all Purchased Receivables which have not been created in compliance with all applicable laws, rules and regulations. 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.

3.7 **Right to Early Termination for Serious Cause  
(*Kündigung aus wichtigem Grund*)**

- 3.7.1 Pursuant to section 314 paragraph 1 sentence 1 BGB a Debtor may early terminate a Loan Agreement (which qualifies as an agreement for the performance of a continuing obligation (*Dauerschuldverhältnis*)) for serious cause (*aus wichtigem Grund*) without notice. Pursuant to section 314 paragraph 1 sentence 2 BGB a serious 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 serious cause will lead to an early repayment of the relevant Purchased Receivables without the obligation of the Debtor to pay a compensation for such early termination.

- 3.7.2 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.

3.8 **Reduction of Interest Rate**

- 3.8.1 Pursuant to section 494 paragraph 2 BGB the interest rate under a Loan Agreement entered into with a consumer (*Verbraucher*) is reduced to the statutory interest rate if the Loan Agreement does not state the applicable interest rate (*Sollzinssatz*), the effective annual rate of interest (*effektiver Jahreszinssatz*) or the total amount (*Gesamtbetrag*). If the effective annual rate of interest (*effektiver Jahreszinssatz*) is understated, the interest rate applicable to the Loan Agreement is reduced by the percentage amount by which the effective annual rate of interest (*effektiver Jahreszinssatz*) is understated (section 494 paragraph 3 BGB).

- 3.8.2 The risk of such reduction of collection of interest on a Loan Agreement is mitigated by the obligation of the Originator under the Receivables Purchase Agreement to repurchase each Purchased Receivable which has not been created in compliance with all applicable laws, rules and regulations. 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.



### 3.9 **Impact of the Banking Secrecy Duty and Data Protection Provisions**

- 3.9.1 The Banking Secrecy Duty, the GDPR and the Federal Data Protection Act (*Bundesdatenschutzgesetz*) restrict the transfer of personal data. Under the Banking Secrecy Duty a bank may not disclose information regarding its customer without the prior consent of such customer. Such Banking Secrecy Duty results from the bank's contractual duty of loyalty in respect of its agency relationship with its customer and the specific relationship built on trust between the bank and its customer. According to the Federal Data Protection Act a transfer of personal data is not admissible unless, *inter alia*, the individual has consented to such transfer.
- 3.9.2 In order to protect the interests of the Debtors, the transfer of the Purchased Receivables is structured substantially in compliance with the BaFin Circular 4/97 regarding the sale of customer receivables in connection with asset backed securities transactions by German credit institutions and the corresponding publications by BaFin in respect thereof. This includes the implementation of a data trustee structure and the obligation to generally encrypt Debtor-related personal data. However, no final suitable guidance by any statutory or judicial authority exists regarding the manner in which an assignment of a loan claim must be made to comply with Banking Secrecy Duty and the Federal Data Protection Act. Further, there is no specific statutory or judicial authority supporting the view that compliance with the procedures set out in the BaFin Circular 4/97 and its corresponding publications prevents a violation of Banking Secrecy Duty and the Federal Data Protection Act.
- 3.9.3 The German Federal Supreme Court (*Bundesgerichtshof*) stated repeatedly that the assignment of loan receivables is valid even if the assigning bank violates either banking secrecy rules (*Bankgeheimnis*) or data protection rules in making the assignment (BGH judgment dated 27 February 2007, XI ZR 195/05, reported in the BaFin journal 4/2007, confirmed by the German Constitutional Court (*Bundesverfassungsgericht*), decision dated 11 July 2007, 1 BvR 1025/07; confirmed by BGH judgment dated 27 October 2009, XI ZR 225/08).
- 3.9.4 On 4 May 2016 official texts of the Regulation (EU) 2016/679 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation) and the Directive (EU) 2016/680 on the protection of natural persons with regard to the processing of personal data by competent authorities for the purposes of the prevention, investigation, detection or prosecution of criminal offences or the execution of criminal penalties, and on the free movement of such data, and repealing Council Framework Decision 2008/977/JHA have been published in the EU Official Journal in all the official languages. While the General Data Protection Regulation entered into force on 24 May 2016, it applies from 25 May 2018. The corresponding directive entered into force on 5 May 2016 and EU Member States have transposed it into their national law by 6 May 2018. As a consequence of this ongoing reform the applicable Data Protection Law has been amended and/or replaced. In the Federal Republic of Germany, the General Data Protection Regulation and the directive have been implemented by a new Federal Data Protection Act (*Bundesdatenschutzgesetz*), which has come into force on 25 May 2018. As the future Data Protection Law cannot be predicted in its full detail, especially regarding the application details, a risk of legal uncertainty remains and as a consequence, the impact on the Transaction cannot be predicted.
- 3.9.5 Correspondingly there is a limited risk that a Debtor may, in case of disclosure of its personal data in the securitisation transaction, have the right to terminate the respective Loan Agreement for serious cause (*wichtiger Grund*).

### 3.10 **Payment Protection Insurance (*Restschuldversicherung*)**

With regard to certain Loan Agreements, the Debtor has entered into payment protection insurance (*Restschuldversicherung*) and/or a GAP insurance (*Kaufpreisversicherung*). Pursuant to the German consumer protection provisions the costs of such payment protection insurance must be set out within the loan agreement. If a Debtor has entered into payment protection insurance and the Loan Agreement does not set out the costs of this payment protection insurance, the relevant Loan Agreement is void unless the full loan amount has been disbursed.

### 3.11 **Linked Contracts (*Verbundene Verträge*) and Ancillary Contracts (*Zusammenhängende Verträge*)**

- 3.11.1 The Loan Agreements have been entered into between the Originator and a Debtor to finance the purchase of Vehicles, i.e. the supply of goods (*Lieferung einer Ware*). Accordingly, such Loan Agreements and the Vehicle purchase agreements constitute linked contracts (*verbundene Verträge*) within the meaning of sections 358 and 359 BGB. It cannot be excluded that this also applies to Loan Agreements which are connected with an additional insurance agreement (for example a payment protection insurance). Statutory German law imposes upon the Originator an extended instruction obligation regarding the Debtor's revocation right in respect of such linked contract. If the Debtor effectively revokes its declaration within the statutory revocation period to enter into such contract for the supply of goods or rendering of other services or additional insurance, such Debtor is no longer bound by its declaration to enter into the relevant Loan Agreement. The Debtor would then be obliged to repay the loan amount it had received in full. If the market interest rate at the time when the Loan Agreement was entered into was lower than the Interest Rate agreed between the Originator and the relevant Debtor, the Debtor may have a claim for compensation of the difference between the market interest rate and the agreed Interest Rate which it may set off against the repayment claim of the Issuer relating to the loan amount.
- 3.11.2 The same applies to an ancillary contract (*zusammenhängender Vertrag*). Ancillary contract means a contract by which the consumer acquires goods or services related to a distance contract or an off-premises contract and where those goods are supplied or those services are provided by the trader or by a third party on the basis of an arrangement between that third party and the trader.
- 3.11.3 Further, in the context of linked contracts (*verbundene Verträge*) the Debtor may raise any defences it may have against the insurance company under payment protection insurance, or the relevant party under a contract for the supply of goods (*Lieferung einer Ware*) or the rendering of other services (*Erbringung einer anderen Leistung*) also in connection with payment obligations under the relevant Loan Agreement.
- 3.11.4 For example, in case of any termination of a payment protection insurance due to the insolvency of the relevant insurance company (including by way of statutory termination), such insurance company may be obliged to repay any unutilised part of the insurance premium. It cannot be excluded that a German court would consider any claim of the relevant Debtor being a consumer (*Verbraucher*) for the repayment of such insurance premium as a defence which such Debtor being a consumer (*Verbraucher*) could raise against its payment obligations relating to the financing of the insurance premium under the relevant Loan Agreement. As a relevant part of Debtors (See "DESCRIPTION OF THE PORTFOLIO" below) have entered into group insurance contracts providing payment protection for an insurance (*Restschuldversicherung*) with Credit Life International N.V. and RiMaXX

International N.V. and/or a GAP insurance with RheinLand Versicherungs AG there are some concentration risks in case of an insolvency of the relevant insurer and the relevant Debtors raising such payment claims as regards the utilised part of the relevant insurance premium.

3.11.5 However, in case of life protection insurances, a Debtor being a consumer (*Verbraucher*) may have a claim to obtain the amount which corresponds to his share of the minimum amount of the security fund (*Sicherungsvermögen*) pursuant to section 66 paragraph 1a German Insurance Supervisory Act (*Versicherungsaufsichtsgesetz*).

3.11.6 The risks described above are addressed by the facts that:

- (a) most Receivables relate to Loan Agreements where at least two instalments have been paid and therefore the relevant revocation period should have lapsed in usual circumstances by then; and
- (b) even if a Debtor was entitled to revoke the linked contract and/or the Loan Agreement, the Originator has agreed in the Receivables Purchase Agreement to pay Deemed Collections if the relevant Debtor has validly exercised such right of revocation.

Correspondingly, investors rely on the creditworthiness of the Originator in this respect.

### 3.12 **Set-Off Rights - General Set-Off Rights**

3.12.1 The Debtor may, according to section 406 BGB set-off against the Issuer an existing counterclaim which the relevant Debtor has against the Originator, unless the Debtor knew of the assignment at the time it acquired the counterclaim, or unless the counterclaim has only become due after (i) the relevant Debtor had acquired knowledge of the assignment to the Issuer and (ii) maturity of the claim against which the Debtor declares the set-off. A counterclaim of the relevant Debtor may arise, *inter alia*, from any claims the relevant Debtor may have against the Originator arising from any breach of contract by the Originator (if any).

3.12.2 First of all, under the Receivables Purchase Agreement, the Originator will represent and warrant that the Purchased Receivables are not subject to set-off and free of third party rights. The ability of the Issuer to make payments on the Notes may be adversely affected in case of a set-off by a Debtor if the Originator does not meet its payment obligations under the afore-mentioned representation.

3.12.3 Moreover, set-off rights could result from deposits of Debtors which are made in accounts maintained with the Originator after the assignment of the Purchased Receivables to the Issuer. Such set-off risk is mitigated as of the relevant Cut-Off Date as the Originator represents, that the Debtors do not hold any deposit with the Originator. However, it cannot be excluded that the relevant Debtors open deposit account with the Originator after transfer of the corresponding Receivables.

3.12.4 Set-off risks are more generally addressed by an undertaking of the Originator to pay to the Issuer a Deemed Collection in relation to any Purchased Receivable that are subject to a set-off exercised by the relevant Borrower. Such risk is further mitigated by the obligation of the Originator to deposit the Set-Off Risk Reserve Required Amount, an amount equal to the Debtor Deposit Amount on the Set-Off Risk Reserve Account of the Issuer to secure this obligation of the Issuer.

### 3.13 **Notification of Debtors**

- 3.13.1 The assignment of the Purchased Receivables will be notified by the Servicer, or if it does not comply with its obligation to do so, the Substitute Servicer or, if no Substitute Servicer has been appointed, a third party appointed by the Substitute Servicer Facilitator to the Debtors following the occurrence of a Debtor Notification Event.
- 3.13.2 Until a Debtor has been notified of the assignment of the Purchased Receivables owed by it, it may pay (or declare a set-off as described above) with discharging effect to the Originator. Each Debtor may further raise defences against the Issuer arising from its relationship with the Originator which are existing at the time of the assignment of the Receivables.
- 3.13.3 According to section 404 BGB, each Debtor may invoke against the Issuer all defences that it had against the Originator at the time of assignment of the Purchased Receivables to the Issuer.
- 3.13.4 Prior to the notification of the Debtors of the assignment of the Purchased Receivables to the Issuer, the Issuer will be required to give credit to an act of performance by the Debtors in favour of the Originator after the assignment of the Purchased Receivables and any other legal transaction entered into between the Debtor and the Originator in respect of the Purchased Receivable after the assignment of such Purchased Receivable (section 407 BGB). However, this risk that funds are commingled with own funds of the Originator is mitigated by the Commingling Reserve Required Amount which is funded by the Originator and maintained on the Commingling Reserve Account (please see "RISK FACTORS", Clause 4.2 (*Commingling Risk*) below for more details).

### 3.14 **Limited Liquidity; Absence of Secondary Market**

There is currently only a limited secondary market for the Notes and there is no guarantee that a liquid secondary market will be established in the near future nor that such limited secondary market for the Notes will continue.

Consequently, any purchaser of the Notes must be prepared to hold such Notes for an indefinite period of time or until final redemption or maturity of such Notes. The market values of the Notes are likely to fluctuate. Any such fluctuation may be significant and could result in significant losses to investors in the Notes. In addition, the forced sale into the market of asset-backed securities held by structured investment vehicles, hedge funds, issuers of collateralised debt obligations and other similar entities that are currently experiencing funding difficulties could adversely affect an investor's ability to sell, and/or the price an investor receives for, the Notes in the secondary market.

## 4 **RISKS RELATING TO THE SERVICING OF THE PURCHASED RECEIVABLES**

### 4.1 **Reliance on the Servicer and Substitution of Servicer**

- 4.1.1 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 subject to the 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.

- 4.1.2 Pursuant to the Servicing Agreement, the Issuer has appointed the Substitute Servicer Facilitator which shall facilitate the appointment of a Substitute Servicer upon the occurrence of a Servicer Termination Event in respect of the Servicer. Upon its appointment by the Issuer the Substitute Servicer shall comply with all material duties and obligations of the Servicer. Subject to any mandatory provision of German law, the Servicer will continue to perform its duties under the Servicing Agreement until a Substitute Servicer has been appointed to replace the Servicer.
- 4.1.3 The Issuer's ability to meet its obligations under the Notes will be dependent on the performance of the duties by the Servicer (or following its appointment the Substitute Servicer (as applicable)).
- 4.1.4 Accordingly, the Noteholders are relying, *inter alia*, on the business judgment and practices of the Servicer and following its appointment the Substitute Servicer in administering the Purchased Receivables and enforcing claims against Debtors.
- 4.1.5 There can be no assurance that the Servicer or following its appointment the Substitute Servicer 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 the appointment of a Substitute Servicer by the Issuer can be facilitated by the Substitute Servicer Facilitator within a reasonable timeframe or at all that provides for at least equivalent services at materially the same costs.

#### 4.2 **Replacement of the Servicer following a Servicer Termination Event**

- 4.2.1 There can be no assurance that the services provided by the Substitute Servicer Facilitator shall result in the appointment of a Substitute Servicer within ninety (90) days upon the occurrence of a Servicer Termination Event.
- 4.2.2 There can be no assurance that the services provided by the Substitute Servicer Facilitator shall result in the appointment of a Substitute Servicer at all.

#### 4.3 **Commingling Risk**

- 4.3.1 The Servicer will collect Collections onto its own Collection Accounts, as a consequence, such amounts could become commingled with the own funds of the Servicer in case of the insolvency of the Servicer. 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. Accordingly, Noteholders rely on the creditworthiness of the Servicer to a certain extent.
- 4.3.2 This risk is mitigated by the fact that the Servicer has undertaken in the Servicing Agreement to transfer all Collections received by SEPA Direct Debit Mandate, processes as scheduled in the corresponding Loan Agreement, on the same Business Day on which such Collections are received to the Operating Account any amounts received in any other way in a Collection Period will be transferred on the next Payment Date. All Purchased Receivables have to be payable by direct debit. Even though this may change in respect of individual receivables in accordance with the Credit and Collection Policy, this has the consequence that the majority of the Collections received will stand to the Collection Accounts only for a certain timespan on one Business Day.
- 4.3.3 A further mitigation of this risk is achieved by the amounts standing to the Commingling Reserve Account which serves as collateral for the potential shortfall.

- 4.3.4 Furthermore, the risk is mitigated by the fact that upon termination of the appointment of the Servicer, the Servicer or the Substitute Servicer (if appointed) shall notify all Debtors to a Purchased Receivable of the sale and transfer of the relevant Purchased Receivable to the Issuer by sending to each such Debtor a notification letter. In such notification the Servicer shall instruct the relevant Debtor to make any future payments in respect of the relevant Purchased Receivable directly to the Operating Account. The risk is further mitigated by the fact that upon the occurrence of a Servicer Termination Event, a third party appointed by the Substitute Servicer Facilitator to the extent this has not happened before in accordance with Clause 2.9.1(b) of the Overview of the Servicing Agreement, notify each Debtor to a Purchased Receivable of the sale and transfer of the relevant Purchased Receivable to the Issuer by sending to each such Debtor a notification letter within 5 (five) Business Days following the delivery of the Data Decryption Key. In such notification the third party appointed by the Substitute Servicer Facilitator shall instruct the relevant Debtor to make any future payments in respect of the relevant Purchased Receivable directly to the Operating Account.

## 5 **RISKS RELATING TO THE SWAP AGREEMENT**

### 5.1 **Interest Rate Risk**

- 5.1.1 Interest payable on the Class A Notes is calculated on a EURIBOR basis. Amounts of interest payable by the Debtors under the Loan Agreements in respect of the Purchased Receivables are calculated on the basis of fixed rates. In order to mitigate a mismatch of amounts of interest paid under the Loan Agreements and amounts of interest due under the Class A Notes, the Issuer has entered into the Swap Agreement with the Swap Counterparty pursuant to which the Issuer will make payments to the Swap Counterparty by reference to a certain fixed rate and the Swap Counterparty will make payments to the Issuer by reference to a rate based on EURIBOR.

- 5.1.2 If the floating rate payable under the hedging transactions entered into pursuant to the Swap Agreement is negative, the Issuer would not receive the floating rate amounts from the Swap Counterparty and instead would be obliged to pay the floating rate amounts to the Swap Counterparty (along with the fixed rate amounts).

- 5.1.3 At the commencement of each relevant period in respect of a hedging transaction under the Swap Agreement, the notional amount of such hedging transaction will, subject to a minimum in the amount of the Lower Bound for such period, equal the lower of (a) the Class A Notes Principal Amount as at the first day of such period and (b) the Upper Bound for such period. As a result, in certain circumstances, it could be possible that the notional balance in respect of the Swap Agreement would be lower or higher than the Class A Notes Principal which could have an impact on the amounts available to make payments on the Notes.

- 5.1.4 If an Event of Default or a Termination Event (as defined in the Swap Agreement) occurs under the terms of the Swap Agreement, then a termination payment may become due and payable by the Issuer under the Swap Agreement.

- 5.1.5 For further details on the Swap Counterparty and the Swap Agreement, please see "OVERVIEW OF FURTHER TRANSACTION DOCUMENTS – The Swap Agreement".

### 5.2 **Credit risk of the Swap Counterparty**

- 5.2.1 The Class A Notes are exposed to the credit risk of the Swap Counterparty

- 5.2.2 If the Swap Counterparty fails to provide the Issuer with any amount due from it under the Swap Agreement on any Payment Date or the Swap Agreement is otherwise terminated, the Issuer may have insufficient funds to make payments under the Class A Notes.

### 5.3 **Ranking of the Swap Counterparty**

All payments to be made by the Issuer under the Swap Agreement (other than Subordinated Swap Amounts) will be made in priority to the Noteholders.

### 5.4 **Termination of the Swap Agreement**

- 5.4.1 Generally, the Swap Agreement may only be terminated upon the occurrence of certain events of default or termination events set forth in the Swap Agreement. In the event of the insolvency of the Swap Counterparty, the Issuer will be treated as a general creditor of the Swap Counterparty and is consequently subject to the credit risk of the Swap Counterparty.

- 5.4.2 To mitigate this risk, if the relevant ratings of the Swap Counterparty are below certain levels (which are set out in the Swap Agreement and described in further detail in "OVERVIEW OF FURTHER TRANSACTION DOCUMENTS – The Swap Agreement") while the Swap Agreement is outstanding, the Swap Counterparty will, in accordance with the terms of the Swap Agreement, be required to take certain remedial measures within the applicable time frame stipulated in the Swap Agreement (at its own cost) which may include providing collateral in support of its obligations under the Swap Agreement, arranging for its obligations under the Swap Agreement to be transferred to an entity with the relevant required ratings, procuring another entity with the required ratings to become co-obligor or guarantor in respect of its obligations under the Swap Agreement, or taking such other action as required to maintain or restore the rating of the Class A Notes.

- 5.4.3 However, no assurance can be given that, at the time that such actions are required, sufficient collateral will be available to the Swap Counterparty for posting or that another entity with the required ratings will be available to become a replacement Swap Counterparty, co-obligor or guarantor or that the Swap Counterparty will be able to take other necessary measures. If the remedial measures following a downgrade of the Swap Counterparty below the required ratings are not taken within the applicable time frames, this will permit the Issuer to terminate the Swap Agreement only.

- 5.4.4 Where an early termination of the Swap Agreement occurs for any reason, no assurance can be given that the Issuer will be able to enter into any replacement swap agreement or a replacement swap agreement with similar terms. In that situation, there is also no assurance that the amount of credit enhancement will be sufficient to cover any additional amounts payable as a result of fluctuations in the interest rate. In addition, a failure to enter into a replacement swap agreement may result in the reduction, qualification or withdrawal of the then current ratings of the Notes.

### 5.5 **Termination payments on the termination of the Swap Agreement**

- 5.5.1 If the Swap Agreement is terminated, the Issuer may be obliged to make a termination payment to the Swap Counterparty. The amount of the termination payment will be based on the cost of entering into a replacement swap agreement on terms equivalent to the Swap Agreement. There can be no assurance that the Issuer will have sufficient funds available to make any termination payment due under the Swap Agreement.

5.5.2 Except where the Issuer has terminated the Swap Agreement as a result of the Swap Counterparty's default or ratings downgrade (as to which see further below), any termination payable due by the Issuer following termination of the Swap Agreement (including any extra costs incurred if the Issuer cannot immediately enter into a replacement swap agreement) will also rank, in the case of the Swap Agreement, in priority to the Notes.

5.5.3 Therefore, if the Issuer is obliged to make a termination payment to the Swap Counterparty or pay any other additional amounts as a result of the termination of the Swap Agreement or any Swap Agreement (if there are multiple Swap Agreements), this could affect the Issuer's ability to make timely payments on the Notes.

5.5.4 In the event that any of the above parties were to fail to perform their obligations under the respective agreements to which they are a party, investors may be adversely affected.

## 5.6 **Insolvency proceedings and subordination provisions**

5.6.1 There is uncertainty as to the validity and/or enforceability of a provision which (based on the contractual and/or trust principles) subordinates certain payment rights of a creditor to the payment rights of other creditors of its counterparty upon the occurrence of insolvency proceedings relating to that creditor. In particular, recent cases have focused on provisions involving the subordination of a hedging counterparty's payment rights in respect of certain termination payments upon the occurrence of insolvency proceedings or other default on the part of such counterparty (so-called "flip clauses"). Such provisions are similar in effect to the terms which will be included in the Transactions Documents relating to the subordination of Subordinated Swap Amounts.

5.6.2 The UK Supreme Court has held in *Belmont Park Investments Pty Limited v BNY Corporate Trustee Services Ltd and Lehman Brothers Special Financing Inc* [2011] UKSC 38 ("**Belmont**") that a flip clause as described above is valid under English law. Contrary to this, however, the US Bankruptcy Court held that such a subordination provision is unenforceable under US bankruptcy law and that any action to enforce such provision would violate the automatic stay which applies under such law in the case of a US bankruptcy of the counterparty. The implications of this conflict remain unresolved, particularly as several subsequent challenges to the US decision have been settled and certain other actions which raise similar issues are pending but have not progressed for some time.

5.6.3 If a creditor the Issuer (such as the Swap Counterparty) or a related entity becomes subject to insolvency proceedings in any jurisdiction outside England and Wales (including, but not limited, the US), and it is owed a payment by the Issuer, a question arises as to whether the insolvent creditor or any insolvency official appointed in respect of that creditor could successfully challenge the validity and/or enforceability of subordination provisions included in the English law governed Transaction Documents (such as a provision in the Applicable Priority of Payments which refers to the ranking of each Swap Counterparty's payment rights in respect of Subordinated Swap Amounts). In particular, based on the decision of the US Bankruptcy Court referred to above, there is a risk that such subordination provisions would not be upheld under US bankruptcy laws. Such laws may be relevant in certain circumstances with respect to the Swap Counterparty, notwithstanding that it is a non-US established entity (and/or with respect to any replacement counterparty, depending on certain matters in respect of that entity). In general, if a subordination provision included in the Transaction Documents was successfully challenged under the insolvency laws of any relevant jurisdiction



outside England and Wales, there can be no assurance that such actions would not adversely affect the rights of the Noteholders, the market value of the Notes and/or the ability of the Issuer to satisfy its obligations under the Notes (particularly the Class A Notes).

5.6.4 Lastly, given the general relevance of the issues under discussion in the judgments referred to above and that the Transaction Documents will include terms providing for the subordination of Subordinated Swap Amounts, there is a risk that the final outcome of the dispute in such judgments (including any recognition action by the English courts) may result in negative rating pressure in respect of the Notes. If any rating assigned to the Notes is lowered, the market value of the Notes may reduce.

5.6.5 See "OVERVIEW OF FURTHER TRANSACTION DOCUMENTS - The Swap Agreement".

## 6 RISKS RESULTING FROM GERMAN INSOLVENCY LAW

### 6.1 Re-Qualification Risk

6.1.1 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 paragraph 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 enforce 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 enforcing the Purchased Receivables assigned to it.

(b) The insolvency administrator would be obliged to transfer the proceeds from the enforcement of such Receivables to the Issuer. The insolvency administrator may, however, deduct from such enforcement proceeds its enforcement costs amounting to 4 per cent (for the determination of the relevant assets and the existing rights of assets (*Feststellungskosten*)) plus 5 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 5 per cent of the enforcement proceeds, the actual costs shall be applied (*sind anzusetzen*).

6.1.2 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.

### 6.2 German Recovery and Resolution Act (Sanierungs- und Abwicklungsgesetz)

6.2.1 On 1 January 2015 the German Recovery and Resolution Act (*Sanierungs- und Abwicklungsgesetz* - "SAG") came into force implementing provisions of Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014

establishing a framework for the recovery and resolution of credit institutions and investment firms into German national law. SAG provides for various actions and measures that can be taken by the Federal Agency for Financial Market Stabilisation ("**FMSA**") in order to avoid systemic risks for the financial markets or the necessity of a public bail-out if a credit institution that is subject to SAG is in financial difficulties. Amongst other things, the FMSA could, under certain circumstances, require creditors of such credit institution to "bail-in" by a conversion of their claims into core capital or the reduction of the amount of such claims (Section 90 SAG). Furthermore, the FMSA could decide to transfer certain assets and liabilities of such credit institution to another entity or a bridge institution or an asset management vehicle under the control of the FMSA (cf. Section 107 SAG).

- 6.2.2 The SAG is applicable, inter alia, with respect to credit institutions within the meaning of Art. 4(1) No. 1 of the CRR, i.e. to every undertaking the business of which is to take deposits or other repayable funds from the public and to grant credits for its own account. SAG therefore also applies to the Originator and, consequently, the FMSA could take any of the above described measures and actions with regard to the Originator provided that the prerequisites for the taking of reorganisation measures pursuant to the SAG are met. However, the Issuer has been advised that, even if the Originator should be in financial difficulties and measures pursuant to the SAG are being taken, these measures should only have limited impact on the claims of the Issuer against the Originator for the following reasons: Claims of the Issuer against the Originator (in its capacity as Originator or Servicer) for payment of Collections received in respect of the Purchased Receivables and other claims under the Servicing Agreement are subject to a trust arrangement (*Treuhandverhältnis*) and, in principle, the Collections (unless commingled) are subject to substitute segregation (*Ersatzaussonderung*) and should therefore be excluded from any bail-in measures pursuant to Section 91(2) No. 4 SAG. The Purchased Receivables should not be subject to bail-in pursuant to the SAG as long as the sale and transfer of the Purchased Receivables from the Originator to the Issuer will not be recharacterized as a secured loan. However, even if the sale and transfer of the Purchased Receivables was recharacterised as a secured loan, claims against the Originator would not become subject to bail-in to the extent these claims are secured claims within the meaning of Section 91(2) No. 2 SAG. Consequently, if and to the extent the relevant claims against the Originator are secured by Purchased Receivables (including Loan Collateral) they should not be affected by bail-in. Finally, although the Issuer will not be in a position to prevent the transfer of any of the Originator's assets to another entity, such transfer pursuant to Section 110(1) SAG may only occur in conjunction with a transfer of the security provided therefor and vice versa. A separation of the Purchased Receivables from the Loan Collateral should therefore not result from any such transfer (see also Section 110(3) No. 4 SAG).
- 6.2.3 In addition, the risk of loss for the Issuer with regard to its claims against the Originator due to a bail-in or other measure under the SAG is further mitigated by the following: (i) Pursuant to Section 97 SAG, the claims of the Issuer against the Originator would only become subject to a bail-in after the equity and capital positions set out in Section 90(1) No. 1 through 3 SAG have been exhausted and (ii) Section 147 SAG provides creditors with a compensatory claim against the restructuring fund pursuant to Section 8 of the Restructuring Fund Act (*Restrukturierungsfondsgesetz*) if and to the extent the restructuring measures under the SAG put them into a worse position than they would be in if insolvency proceedings had been opened over the assets of the relevant credit institution.
- 6.2.4 However, absent any court rulings which explicitly confirm the above analysis, there remains legal uncertainty.

6.2.5 In addition, credit institutions within the meaning of Section 1 (1) of the German Banking Act (*Kreditwesengesetz*), such as the Originator, may under certain circumstances become subject to restructuring proceedings (*Sanierungsverfahren*) and/or reorganisation proceedings (*Reorganisationsverfahren*) in accordance with the Act on the Reorganisation of Credit Institutions (*Kreditreorganisationsgesetz*) that became effective on 1 January 2011.

6.2.6 All these proceedings may also result in an impairment of the rights of creditors of such credit institutions such as the Issuer. In particular, if during restructuring proceedings the affected credit institution enters into new financing arrangements as a borrower, the creditors of such new financing arrangements may rank ahead of existing creditors of such credit institution in any insolvency proceedings that will be commenced in respect of the affected credit institution within a period of three years after the commencement of such restructuring proceedings has been ordered. Reorganisation proceedings may, for example, result in a reduction or deferral of the claims and other rights of creditors (such as the Issuer) of the affected credit institution and resolution actions may, for example, result in the deferral or suspension of payment or delivery obligations of creditors (such as the Issuer) of the affected credit institution or in a change in the nature of the receivables or claims into equity of the affected credit institution, which may, in the worst case, have no value. If such proceedings are applied to the Originator and the Issuer has at that time claims for payments outstanding against the Originator (e.g. under the Servicing Agreement) such claims may be subordinated or deferred as set out above and the Issuer may not or not timely receive such amounts required to make payments under the Notes.

### 6.3 **Restructuring Proceedings**

6.3.1 Credit institutions within the meaning of section 1 paragraph 1 KWG, such as the Originator, may, under certain circumstances, become subject to restructuring proceedings (*Sanierungsverfahren*) and/or reorganisation proceedings (*Reorganisationsverfahren*) in accordance with the Act on the Reorganisation of Credit Institutions (*Kreditreorganisationsgesetz*) that became effective on 1 January 2011.

6.3.2 Both these proceedings may result in an impairment of the rights of creditors of such credit institutions such as the Issuer. In particular, if during restructuring proceedings the affected credit institution enters into new financing arrangements as a borrower, the creditors of such new financing arrangements may rank ahead of existing creditors of such credit institution in any insolvency proceedings that will be commenced in respect of the affected credit institution within a period of three years after the commencement of such restructuring proceedings has been ordered (*Anordnung der Durchführung*), and reorganisation proceedings may, for example, result in a reduction or deferrals of the claims and other rights of creditors of the affected credit institution (such as the Issuer).

6.3.3 If such proceedings are applied to the Originator and the Issuer has at that time claims for payments outstanding against the Originator (for example under the Receivables Purchase Agreement), such claims may be subordinated as set out above and the Issuer may not or not timely receive such amounts required to make payments under the Notes.

### 6.4 **Direct Debit Arrangement in case of Insolvency of a Debtor**

6.4.1 The Debtors under the Loan Agreements have granted to the Originator the right to collect monies due and payable under the relevant Purchased Receivable by making use of a SEPA Direct Debit Mandate.

- 6.4.2 Pursuant to recent decisions, the chamber of the BGH specialising in insolvency law (*IX. Zivilsenat*) and the chamber of the BGH specialising in banking law (*XI. Zivilsenat*) have developed uniform principles on the insolvency administrator's authority to object to direct debits. Both chambers agree that both the preliminary and the final insolvency administrator (*vorläufiger und endgültiger Insolvenzverwalter*) have the right to object to direct debits for a period of six weeks upon receipt (*Zugang*) of the last balance of accounts (*Rechnungsabschluss*) in order to preserve the Debtor'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*).
- 6.4.3 Both chambers further agree that the insolvency administrator shall only have a right to object to the extent that the Debtor has not approved (*genehmigt*) the relevant direct debit contractually or implicitly (for example if the Debtor 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 Debtor has approved the relevant direct debit implicitly.
- 6.4.4 Thus, where the Originator collects monies owed under the Purchased Receivables by making use of a SEPA Direct Debit Mandate, the insolvency administrator of a Debtor 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 Debtor as the collection of monies owed by the Debtor under the Purchased Receivable may be delayed (e.g. if legal actions have to be taken against the Debtor).

## 6.5 **Reliance on the Creditworthiness and Performance of Third Parties**

- 6.5.1 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.

- 6.5.2 The risk is to a certain extent addressed by replacement provisions in the relevant Transaction Documents.

## 6.6 **Termination for Serious Cause (*Kündigung aus wichtigem Grund*)**

As a general principle of German law any contract providing for continuing obligations (*Dauerschuldverhältnis*) may be terminated for serious 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 serious cause (*wichtiger Grund*). This may apply even if the documents contain any limitations of the right of the parties to terminate for serious cause (*wichtiger Grund*).

## 7 RISKS RESULTING FROM THE REGULATORY TREATMENT OF THE NOTES

### 7.1 Risk Retention

- 7.1.1 In Europe, the US and elsewhere a large number of measures increasing the regulation of securitisation transactions and asset-backed securities have been implemented and are expected to be implemented. Such regulations may have an adverse impact on the regulatory capital charge to certain investors in securitisation exposures and may thereby affect the liquidity of asset-backed securities.
- 7.1.2 Investors in the Notes are responsible for analysing their own regulatory position and none of the Issuer or the Originator makes any representation to any prospective investor or purchaser of the Notes regarding the regulatory capital treatment of their investment on the Closing Date or at any time in the future.
- 7.1.3 The Basel Committee on Banking Supervision (the "**Committee**") published in July 2009 "Revisions to the Basel II market risk framework" and "Enhancements to the Basel II framework", which provide for a number of enhancements targeting each of the three Pillars "minimum capital requirements", "supervisory review process" and "market discipline" set-forth by the Committee in its June 2006 publication "Basel II: International Convergence of Capital Measurement and Capital Standards: A Revised Framework (Comprehensive Version)" and in its Basel III-publications "Basel III leverage ratio framework and disclosure requirements", "A global regulatory framework for more resilient banks and banking systems", "Basel III: International framework for liquidity risk measurement, standards and monitoring", "Guidance for national authorities operating the countercyclical capital buffer", "The Liquidity Coverage Ratio and liquidity risk monitoring tools", "The net stable funding ratio and "Revisions to the securitisation framework" (these Basel III publications together the "**Basel III Framework**", all Basel II and Basel III Publications together the "**Framework**"). The Basel III Framework included new capital and liquidity requirements intended to reinforce capital standards and to establish minimum liquidity standards for institutions (such as credit institutions). These include, without limitation, new requirements for the capital base, measures to strengthen the capital requirements for counterparty credit exposures arising from certain transactions and the introduction of a leverage ratio as well as short-term and longer-term standards for funding liquidity (referred to as the Liquidity Coverage Ratio and Net Stable Funding Ratio, respectively).
- 7.1.4 In December 2017, the Committee has published "Basel III: Finalising post-crises reforms". The proposed amendments therein shall generally be applicable from 1 January 2022.
- 7.1.5 The European Parliament and the Council adopted a new set of legislation to implement the Basel III Framework in the European Union. The relevant legislation encompasses the CRD IV governing, amongst other things, the basic rules and requirements for the banking business and its supervision and the CRR containing detailed requirements regarding liquidity, capital base, leverage and counterparty credit risks. CRD IV had to be transposed into national law by each of the EU Member States in general by 31 December 2013, provided that certain provisions may be applied after that date. CRR has direct binding effect in the EU Member States and applies from 1 January 2014 (subject to certain exceptions and transitional provisions).
- 7.1.6 The CRR, and the CRD IV or (as the case may be) the Framework and its amendments could affect the risk-based capital treatment of the Notes for investors which are subject to bank capital adequacy requirements under the CRR

and relevant national legislation implementing the CRD IV and/or requirements that follow or are based on the Framework.

- 7.1.7 In particular, the CRR provides that where an institution (i.e., a credit institution or an investment firm within the meaning of the CRR) does not meet the requirements set out in Articles 405, 406 and 409 CRR in any material respect by reason of the negligence or omission of the institution, the competent authorities shall impose a proportionate additional risk weight of no less than 250 per cent of the risk weight (the total risk weight being capped at 1,250 per cent) to the relevant securitisation positions. The additional risk weight shall progressively increase with each subsequent infringement of the due diligence provisions. Pursuant to Article 405 CRR, an institution, other than when acting as an originator, a sponsor or original lender, may hold the credit risk of a securitisation position in its trading book or non-trading book only if the originator, sponsor or original lender has explicitly disclosed to the institution that it will retain, on an on-going basis, a material net economic interest which, in any event, will not be less than 5 per cent. Article 406 CRR imposes certain due diligence requirements on investor institutions. Article 409 CRR requires, *inter alia*, that prospective investors have readily available access to all materially relevant data on the credit quality and performance of the individual underlying exposures, cash flows and collateral supporting the securitisation exposure as well as such information that is necessary to conduct comprehensive and well informed stress tests on the cash flows and collateral values supporting the underlying exposures. Hence, the additional risk weight does not only apply in case of a relevant non-compliance with the due diligence obligations on the part of an institution investing in the Notes. Also non-compliance of the Originator with Articles 405 and 409 CRR may result in such additional risk weights and hence negatively affect the price received for, and/or the ability of the Noteholders to sell, the Notes in the secondary market.
- 7.1.8 Similar requirements to those set out in Article 405 *et seqq.* CRR have been implemented and may be implemented in the future for certain other EU or EEA regulated investors such as, by way of example, investment firms, insurance and reinsurance undertakings under Solvency II and the Solvency II Delegated Regulation, certain fund managers under the AIFMD and AIFMR and funds which require authorisation under the Directive 2009/65/EC on Undertakings for Collective Investment in Transferable Securities. Although the retention and disclosure requirements may be similar to those which apply under Article 405 *et seqq.* CRR, the requirements need not be identical, and in particular, but without limitation, additional due diligence obligations may apply.
- 7.1.9 The Originator has declared that it will retain a material net economic interest in the Transaction as contemplated by Article 405 CRR, Article 51 AIFMR and Article 254 Solvency II Delegated Regulation. At the date of this Prospectus, it is intended that the Originator retains of not less than 5% of the nominal value of each of the tranches sold or transferred to the investors set out in Article 6 para 1 and para 3 (a) of the Regulation (EU) 2017/2402 ("**Securitisation Regulation**"), Article 405 Sec.1 (a) CRR, Article 51 Sec. 1 (a) AIFMR and Article 254 para 2 (a) Solvency II Delegated Regulation. If the retention of a material net economic interest is not complied with, the price at which investors (whether or not they qualify as EU regulated credit institutions) will be able to sell the Notes held by them in the secondary market (if any) may be materially adversely affected. In particular, there is no assurance that any reference to the Originator's retention of net economic risk in this Prospectus constitutes sufficient disclosure by the Originator in view of adequately supporting the due diligence investigation on the part of the Noteholders for the purposes of Article 406 CRR or the corresponding other regulations.

- 7.1.10 Article 406 and 409 CRR; Chapter 3, Section 5 AIFMR and Title I Chapter VII Solvency II Delegated Regulation also requires institutions to be able to demonstrate that it has undertaken certain due diligence in respect of its investment, the underlying exposures and the structure of the transaction and that procedures are established for such activities to be conducted on an on-going basis. Negligent failure to comply with one or more of the requirements may result in the imposition of a punitive regulatory capital charge on the investment made in the securitisation by the relevant regulated institution.
- 7.1.11 Investors which are EU regulated institutions should therefore make themselves aware of their investment requirements and any implementing rules including but not limited to the Retention RTS in addition to any other regulatory requirements applicable to them with respect to their investment in the Notes. Relevant investors are required to independently assess and determine the sufficiency of the information described in this Prospectus and in any investor reports provided in relation to the transaction for the purpose of complying with the relevant regulatory rules including but not limited to the Retention RTS and none of the Issuer or the Originator makes any representation that the information described herein is sufficient in all circumstances for such purposes.
- 7.1.12 There remains uncertainty with respect risk retention and any implementing rules including but not limited to the Retention RTS and it is not clear what will be required to demonstrate compliance to national regulators. Investors who are uncertain as to the requirements that will need to be complied with in order to avoid the additional regulatory charges for non-compliance with risk retention requirements by the Originator and any implementing rules including but not limited to the Retention RTS and any implementing rules in a relevant jurisdiction should seek guidance from their regulator.
- 7.1.13 It is reasonable to expect further amendments to the regulatory framework.
- 7.1.14 In February 2015 the European Commission unveiled its plan to boost funding and growth across Europe by creating a Capital Markets Union (the "**CMU**"), by publishing a Green Paper on Building a Capital Markets Union and launching a technical consultation as "simple, transparent and standardised securitisation". On 12 May 2015, the Joint Committee of the three European Supervisory Authorities published a report detailing its findings and recommendations regarding the disclosure requirements and obligations relating to due diligence, supervisory reporting and retention rules in existing EU law on securitisation, including but not limited to the CRR, the AIFMR, the Solvency II Regulation and CRA3 as well as a proposal to amend the CRR to make the capital treatment of securitisations more risk-sensitive.
- 7.1.15 In December 2017, the Regulation 2017/2401 was published, which amended the CRR (the "**CRR Amending Regulation**") and contains provisions regarding the treatment of securitisation positions in the context of regulatory capital requirements. The CMU is a long term EU project that aims to create a single capital market. Since 1 January 2019, the CRR Amending Regulation is applicable and changes the CRR in certain facts.
- 7.1.16 Furthermore, in December 2017, the Securitisation Regulation was published, which introduced a single, uniform regulatory framework for securitisation, and which sets out requirements for simple, transparent and standardised ("**STS**") securitisations. Since 1 January 2019, the Securitisation Regulation is applicable.
- 7.1.17 Apart from the introduction of STS securitisations, the new rules aim, inter alia, to update and streamline existing regulatory requirements surrounding securitisations,

including risk retention and transparency requirements imposed on the issuer, originator, sponsor and/or original lender of a securitisation, due diligence requirements imposed on certain institutional investors in securitisations and a substantial increase of the risk weights attached to securitisation exposures.

7.1.18 Investors should be aware that the Securitisation Regulation and CRR Amending Regulation have resulted in additional regulation, not only for the Issuer but also for investors and other parties to the transaction. In addition, it should be noted that a new set of regulatory technical standards ("**RTS**") and implementing technical standards ("**ITS**") are required to add detail to the Securitisation Regulation and the CRR Amending Regulation, the impact of which is difficult to predict, since not all technical standards have been published. Only draft regulatory and implementing technical standards for the Securitisation Regulation have been published by ESMA and EBA in respective consultation papers.

7.1.19 Hence, no assurance can be given as to the effect of the additional regulation or the cost of compliance, yet. Investors should therefore carefully consider (and, where appropriate, take independent advice and consult their own legal advisers regarding the effect of any loss and/ or withdrawal of the Transaction's STS status) the changes introduced by the Securitisation Regulation and the CRR Amending Regulation, in particular, the effects of the change to the capital charges associated with an investment in the Notes. Such changes to the regulatory treatment of the Notes, any further amendments to financial regulation in general or the applicable regulatory capital and liquidity requirements may negatively impact the regulatory position of individual investors and, in addition, have a negative impact on the price and liquidity of the Notes in the secondary market.

## 7.2 **EMIR**

### 7.2.1 European Market Infrastructure Regulation

7.2.2 EMIR, which entered into force on 16 August 2012, establishes certain requirements for OTC derivatives contracts, including a mandatory clearing obligation, margin posting and other risk mitigation techniques for OTC derivatives contracts not cleared by a central counterparty (a "**CCP**"), and reporting and record-keeping requirements.

7.2.3 Under EMIR, (a) a financial counterparty (a "**FC**") and (a) a non-financial counterparty whose positions, together the positions of all other non-financial counterparties within its "group" (as defined in EMIR), in OTC derivatives (excluding hedging positions) exceed any of the specified clearing thresholds (a "**NFC+**" and, together with a FC, the "**In-scope Counterparties**") must in either case clear an OTC derivatives contract entered into on or after the effective date for the clearing obligation for that OTC derivatives contract (the "**Clearing Start Date**"). In addition, some market participants will have to, from the Clearing Start Date, clear relevant OTC derivatives contracts entered into during a given period leading up to the relevant Clearing Start Date, a requirement known as "frontloading". OTC derivatives contracts which are declared subject to the clearing obligation will have to be cleared through an authorised or recognised CCP when In-Scope Counterparties trade with each other or with equivalent third-country entities, unless an exemption applies. Subject to certain conditions, intragroup transactions will not be subject to the clearing obligation. At this moment, CCPs have been authorised to offer services and activities in the European Union in accordance with EMIR. It is important to note that a number of interest rate swaps have already become subject to the clearing obligation (including those that reference EURIBOR).



- 7.2.4 On the basis that the Issuer is currently a non-financial counterparty whose positions, together with the positions of all other non-financial counterparties in its "group", in OTC derivatives contracts (after the exclusion of hedging positions) do not exceed any of the specified clearing thresholds (that is, the Issuer is a "NFC-"), OTC derivatives contracts that are entered into by the Issuer would not in any event be subject to any mandatory clearing or frontloading requirements. If the Issuer's counterparty status as a NFC- changes, then certain OTC derivatives contracts that are entered into by the Issuer may become subject to mandatory clearing and frontloading requirements.
- 7.2.5 Under EMIR, OTC derivatives contracts that are not cleared by a CCP may be subject to margining requirements. Once again, 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 margining requirements. If the Issuer's counterparty status as an NFC- changes, then certain OTC derivatives contracts that are entered into by the Issuer may become subject to margining requirements.
- 7.2.6 Furthermore, OTC derivatives contracts that are not cleared by a CCP are also subject to certain risk mitigation techniques, including arrangements for timely confirmation of OTC derivatives contracts, portfolio reconciliation, dispute resolution and arrangements for monitoring the value of outstanding OTC derivatives contracts. These requirements, as well as the requirement to report outstanding OTC derivatives contracts to authorised or recognised trade repositories or the European Markets and Securities Authority, are already in force. In order to comply with them, the Issuer has included appropriate provisions in the Swap Agreement.
- 7.2.7 On 18 December 2018 the EBA and ESMA published two joint draft Regulatory Technical Standards to amend the Regulators Technical Standards on the clearing obligation and risk mitigation techniques for non-cleared OTC derivatives in accordance with Articles 4 and 11 of EMIR as amended under Article 42 Securitisation Regulation. The date of application of some of the EMIR provisions and the EMIR technical standards remain uncertain.
- 7.2.8 Further, it should be mentioned that changes will be made to the EMIR framework in the context of the EMIR review process, including mandatory delegated reporting. On 4 May 2017, the European Commission published legislative proposals providing for certain amendments to EMIR. On 5 February 2019 political agreement between the European Council, European Parliament and European Commission was reached on the reform of EMIR, although the technical details and timing are still to be confirmed. The final text of this reform is expected to be published in the first quarter of 2019, which will still be subject to the adoption by the EU legislative bodies. As the legislative procedure has not concluded yet, no assurances can be given that any changes made to EMIR would not lead to some or all of the potentially adverse consequences outlined above.
- 7.2.9 Regulatory Changes of EMIR and further changes proposed by the reform of EMIR could have the effect, that relevant Transaction Documents may need to be amended during the course of the Transaction without the consent of any Noteholder. They may lead to more administrative burdens and higher costs for the Issuer which may in turn reduce the amounts available to make payments with respect to the Notes. Furthermore, 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.

### 7.3 **MiFID II**

- 7.3.1 The official texts of MiFID II and MiFIR were published in the EU Official Journal on 12 June 2014, entered into force on 2 July 2014 and are applicable since 3 January 2018 either directly or through implementation legislation in the EU Member States. MiFID II and MiFIR are so-called level 1 regulations and require secondary, so-called level 2, rules for full implementation of all elements. The implementing measures that supplement MiFID II and MiFIR have taken the form of delegated acts (the majority of these are RTS and ITS). Generally, all relevant delegated acts (including RTS and ITS) have been published.
- 7.3.2 Prospective investors should be aware that the regulatory changes arising from MiFID II and MiFIR may still raise the costs of entering into derivative contracts and may adversely affect the Issuer's ability to engage in transactions in OTC derivatives, even though the relevant legislation is generally already in place, since some investment firms may still be in the process of implementing the necessary measures. As a result of such increased costs or increased regulatory requirements, investors may receive less interest or return, as the case may be. 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 MiFID II and MiFIR in making any investment decision in respect of the Notes.

### 7.4 **Liquidity Coverage Ratio**

- 7.4.1 Under Article 460 CRR, the liquidity coverage ratio was introduced in 2015 with the minimum requirement of 60 per cent and reached 100 per cent as from 1 January 2018.
- 7.4.2 On 10 October 2014 the European Commission published the Commission Delegated Regulation to supplement Regulation (EU) 575/2013 with regard to liquidity coverage requirement for credit institutions (the "**LCR Regulation**"). Although the first notification of the original liquidity coverage ratio according to CRR already took place in March 2014 and was completely revised in September 2016 (first application) in the context of the introduction of the LCR Regulation, the European Commission decided on 13 July 2018 to adjust the liquidity coverage ratio again. According to the EU Commission, the main objective of this initiative is to better align liquidity requirements with international standards and to enable institutions to manage their liquidity more efficiently. The LCR Regulation was amended on the basis of DeIVO (EU) 2018/1620, which was published in the Official Journal of the European Union on 30 October 2018 and entered into force on 19 November 2018. The date of first application of the amended LCR Regulation is 30 April 2020. In August 2018, the European Banking Authority (EBA) published a draft consultation on the amendment of the Implementing Regulation (EU) 680/2014 to reflect the amended requirements for determining and reporting the liquidity coverage ratio. This contains the liquidity coverage ratio's reporting form specifications in accordance with the amended LCR Regulation.
- 7.4.3 Hence, to the effect of the additional regulation and on the interpretation of the LCR Regulation generally and the criteria applicable to Level 2B assets in particular, no assurance can be given, yet, whether the Class A Notes qualify as Level 2B assets for purposes of the liquidity coverage ratio.
- 7.4.4 Investors should therefore make themselves aware of the requirements of the liquidity coverage ratio, where applicable to them, and are required to independently assess and determine the sufficiency of the information described

herein for the purposes of assessing the qualification of the Class A Notes for purposes of the liquidity coverage ratio. None of the Issuer, the Originator, the Corporate Servicer, the Lead Manager, nor any other Transaction Party makes any representation that the information described above is sufficient in all circumstances for such purposes.

- 7.4.5 For the avoidance of doubt, no other Class of Notes is of a type that is generally eligible to qualify as a Level 2B asset for the purpose of the LCR Regulation.

## 8 GENERAL

### 8.1 Reliance on Verification by STS Verification International GmbH

- 8.1.1 STS Verification International GmbH 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. 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. The aim of the Securitisation Regulation is to restart high-quality securitisation markets, and the intention of implementing a framework for simple, transparent and standardised transactions with corresponding STS Criteria shall contribute to this. However, it should be noted that the SVI verification does not affect the liability of such originator or special purpose vehicle in respect of their legal obligations under the Securitisation Regulation. Furthermore, the use of such verification by SVI shall not affect the obligations imposed on institutional investors as set out in Article 5 of the Securitisation Regulation. Notwithstanding confirmation by SVI which verifies compliance of a securitisation with the STS Criteria, such verification by SVI does not ensure the compliance of a securitisation with the general requirements of the Securitisation Regulation.

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

- 8.1.2 SVI has carried out no other investigations or surveys in respect of the Issuer or the notes concerned other than as such set out in SVI's final Verification Report and disclaims any responsibility for monitoring the Issuer's continuing compliance with these standards or any other aspect of the Issuer's activities or operations. Furthermore, SVI has not provided any form of advisory, audit or equivalent service to the Issuer.

- 8.1.3 Investors should therefore not evaluate their notes investments on the basis of this verification.

### 8.2 Reliance on Representations and Warranties

If any Purchased Receivable does not correspond, in whole or in part, to the representations and warranties made by the Originator in the Receivables Purchase Agreement, the Issuer has certain rights of recourse against the Originator. These rights are not collateralised with respect to the Originator except that the title in the Vehicles and additional collateral in respect to the Purchased Receivables have been transferred for security purposes (*Sicherungsübereignung*) to secure the Purchased Receivables. In case of a breach of certain representations and warranties, the Originator will be required to, *inter alia*, indemnify the Issuer. Consequently, a risk of loss exists in the event that such representation or warranty is breached. This could potentially cause the Issuer to default under the Notes.

### 8.3 **Reliance on Administration and Collection Procedures**

The Servicer will carry out the administration, collection and enforcement of the Purchased Receivables and the related collateral in accordance with the Servicing Agreement.

Accordingly, the Noteholders are relying on the business judgment and practices of the Servicer and any agents appointed by the Servicer when enforcing claims against the relevant Debtors, including taking decisions with respect to enforcement in respect of the Purchased Receivables and the related collateral.

### 8.4 **Change of Law**

The structure of the Transaction and, *inter alia*, the issue of the Notes and the Transaction Documents are based on German law and administrative practice in effect as at the date of this Prospectus. No assurance can be given as to the impact of any possible change to German law or administrative practice after the date of this Prospectus, nor can any assurance be given as to whether any such change could adversely affect the Issuer's ability to make payments in respect of the Notes.

### 8.5 **Limited Information**

None of, in particular, the Originator or any other person is under an obligation to, and none of such persons will, provide the Issuer, the Trustee or the Noteholders with financial or other information with respect to the Purchased Receivables or the Debtors other than as set out in the Transaction Documents.

### 8.6 **Conflicts of Interest**

8.6.1 Bank11, The Bank of New York Mellon Corporation (through their London Branch), The Bank of New York Mellon (through their Frankfurt Branch), Wilmington Trust SP Services (Dublin) Limited and Wilmington Trust SP Services (Frankfurt) GmbH are acting in a number of capacities in connection with the Transaction. They shall have only the duties and responsibilities expressly agreed by them 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. These companies, in their 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.

8.6.2 The directors of the Issuer are also directors of Wilmington Trust SP Services (Frankfurt) GmbH which has agreed to provide corporate services subject to and in accordance with the Corporate Administration Agreement.

8.6.3 In particular, Bank11 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 Debtor other receivables in addition to a Purchased Receivable, where such Debtor 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.

8.6.4 As a consequence of the above conflicts of interest may arise.

## 8.7 **Forecasts and Estimates**

8.7.1 Any projections, forecasts and estimates contained in this Prospectus are forward looking statements. Such projections are speculative in nature and it can be expected that some or all of the assumptions underlying the projections will not prove to be wholly correct or will vary from actual results. Consequently, the actual results might differ from the projections and such differences might be significant.

## 8.8 **Eurosystem Eligibility**

8.8.1 The Class A Notes are intended to be issued in a manner which will allow for participation in the Eurosystem liquidity scheme. However, there is no guarantee and neither the Issuer nor the Originator nor any other person takes responsibility for the Class A Notes being recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the Class A Notes satisfying the Eurosystem eligibility criteria (as amended from time to time). For the avoidance of doubt, the Class B Notes, Class C Notes, Class D Notes and Class E Notes will not satisfy the Eurosystem eligibility criteria.

8.8.2 Under the Eurosystem discounts (*haircuts*) are applied to eligible collateral and, in case of non-marketable collateral the value of eligible collateral is determined on a theoretical basis. Such valuation is subject to variations influenced by a number of factors, including the structure of the securitisation, the underlying assets, general market developments etc. The value of eligible collateral for Eurosystem transactions may therefore be significantly less than the nominal value of the eligible collateral.

8.8.3 The Eurosystem requires the relevant parties to submit comprehensive and standardised loan-level data on the pool of cash flow generating assets underlying an asset-backed security. Details are as set out in particular in appendix 8 (loan-level data reporting requirements for asset-backed securities) of the Guideline of the European Central Bank of 20 September 2011 on monetary policy instruments and procedures of the Eurosystem (re-cast) (ECB/2011/14) and/or the Guideline of the European Central Bank of 19 December 2014 on the implementation of the Eurosystem monetary policy framework (re-cast) (ECB/2014/60) as amended and applicable from time to time. Loan-level data must be reported at least on a quarterly basis, no later than one month following the due date for payment of interest on the asset-backed security in question. Non-compliance with the provision of loan-level data will lead to suspension of or refusal to grant eligibility to the asset-backed security transaction in question.

## 8.9 **ABSPP**

8.9.1 On 19 November 2014 the ECB decided to implement the asset-backed securities purchase programme ("**ABSPP**"), (ECB/2014/45). Under the ABSPP, the ECB instructed its agents to purchase asset backed securities fulfilling certain eligibility criteria on its behalf in the primary and secondary markets from eligible counterparties which were fulfilled by the Class A Notes.

8.9.2 This period of ABSPP net asset purchases ended on 19 December 2018. As of January 2019, the ECB no longer conducts net purchases, but continues to reinvest redemptions from securities held in the ABSPP portfolio.

8.9.3 In view of the weaker growth prospects, the ECB may consider resuming net purchases of securities. However, there is no guarantee for another period of the ABSPP or a similar programme and neither the Issuer nor the Originator nor any other Transaction Party or Person takes responsibility for the Class A Notes being recognised as or to remain eligible for the outright purchase under another possible ABSPP.

8.9.4 For the avoidance of doubt, no Class of Notes other than the Class A Notes is of a type that may generally be eligible under another possible ABSPP.

## 8.10 **Political Uncertainty**

8.10.1 On 23 June 2016 the United Kingdom of Great Britain and Northern Ireland (“**UK**”) held a referendum on the UK’s continued membership of the European Union. This resulted in a vote for the UK to exit the European Union (“**Brexit**”). Under the current arrangement, the UK’s secession from the European Union will take place in 2019. Most recently, an extension to the existing Brexit deadline was granted by European Union leaders until 31 October 2019 (the “**Revised Deadline**”). However, current British Prime Minister Theresa May is seeking to enable the UK to leave the European Union earlier than the Revised Deadline, so uncertainty remains in relation to the general timing of Brexit.

8.10.2 As of now, the terms of Brexit also remain uncertain. It is not clear whether there will be a transitional/implementation phase for the UK’s withdrawal from the European Union or whether the UK will leave without a formal deal governing the terms of its departure. For example, due to the Revised Deadline, the UK must now hold European elections in May 2019 or otherwise leave the European Union on 1 June 2019 without a deal. Meanwhile, negotiations surrounding a revised deal continue.

8.10.3 There are also uncertainties as to what the impact will be on the fiscal, monetary and regulatory landscape in the UK, including inter alia, the UK’s tax system, the conduct of cross-border business and export and import tariffs.

8.10.4 There is also uncertainty in relation to how, when and to what extent these developments would impact on the economy in the UK and EU, and on levels of investor activity and confidence, on market performance and on exchange rates.

8.10.5 There is also still a risk that the vote by the UK to leave could eventually result in other member states re-considering their respective membership of the European Union. Accordingly, the Issuer and the Noteholders face potential risks associated with the referendum in the UK and the resultant uncertainty.

## 9 **TAXATION**

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 advisors as to the tax consequences of purchasing, holding and disposing of the Notes under the tax laws of the country of which they are residents.

### 9.1 **Taxation in Germany**

9.1.1 Payments of interest and principal on the Notes will be subject to income tax and any other taxes, including applicable withholding taxes, and neither the Issuer nor any other party will be obliged to pay additional amounts in relation thereto. See “THE TERMS AND CONDITIONS OF THE NOTES - Taxes”.

9.1.2 Germany does not offer a general legal framework relating to the tax treatment of securitisations. Therefore, any German transaction has to rely on the application of general principles of German tax law. The Issuer believes that the risks described in the Section "TAXATION" (for clarity), reflect the principle tax risks inherent in the transaction for Noteholders, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with the Notes may occur for other reasons and the Issuer does not represent that the statements regarding the risks of holding the Notes are exhaustive. Although the Issuer believes that the various structural elements described in this document address some of these risks for Noteholders, there can be no assurance that these measures will be sufficient to ensure payment to Noteholders of interest, principal or any other amounts on or in connection with the Notes on a timely basis or at all.

## 9.2 **Withholding tax in respect of the Swap Agreement**

9.2.1 All payments to be made by a party under the Swap Agreement are to be made without withholding or deduction for or on account of any tax unless such withholding or deduction is required under applicable law (as modified by the practice of any relevant tax authority). Each of the Issuer and the Swap Counterparty will represent on entering into the Swap Agreement that it is not obliged to make any such deduction or withholding under current taxation law and practice (save in respect of certain payments of interest and deliveries, transfers and payments to be made pursuant to the credit support annex to the Swap Agreement). If, as a result of a change in law (or the application or official interpretation thereof), the Issuer is required to make such a withholding or deduction from any payment to be made to the Swap Counterparty under the Swap Agreement, the Issuer will not be obliged to pay any additional amounts to such Swap Counterparty in respect of the amounts so required to be withheld or deducted. If the Swap Counterparty is required to make such a withholding or deduction from any payment to the Issuer under the Swap Agreement, it shall pay to the Issuer such additional amount as is necessary to ensure that the net amount actually received by the Issuer will equal the full amount the Issuer would have received had no such deduction or withholding been required. The party receiving a reduced payment or that is required to make an additional payment, as the case may be, will have the right to terminate the Swap Agreement (subject to the Swap Counterparty's obligation to use all reasonable efforts (provided that such efforts will not require the Swap Counterparty to incur a loss, excluding immaterial, incidental expenses) to transfer its rights and obligations under the Swap Agreement to another of its offices or affiliates such that payments made by or to that office or affiliate under the Swap Agreement can be made without any withholding or deduction for or on account of tax). If a transaction under the Swap Agreement is terminated, the Issuer may be unable to meet its obligations under the Notes in full, with the result that the Noteholders may not receive all of the payments due to them in respect of the Notes.

## **STS CRITERIA**

The Originator will make available to the investors the STS Notification in accordance with the requirements set out in the Securitisation Regulation and according to the STS Guidelines.

The STS Guidelines are interlinked with the ESMA regulatory technical standards on STS notifications. These regulatory technical standards are focused on specifying the format for notification of compliance with the STS Criteria. On the Closing Date, these regulatory technical standards for the Securitisation regulation have not been published yet and therefore certain uncertainty as to the details of the requirements under future regulatory technical standards on STS notifications exist.

Further, as the STS Guidelines have been published only most recently and will come into force only on 15 May 2019, there is no final clarity on the details of the interpretation of the STS Criteria.

### **1 REQUIREMENTS RELATING TO SIMPLICITY (ART. 20 SECURITISATION REGULATION)**

The Issuer believes that the Transaction fulfils the requirements in relation to simplicity set out in Art. 20 Securitisation Regulation because the criteria of that provision are met in its view.

#### **1.1 True Sale**

1.1.1 Art. 20 para. 1 Securitisation Regulation requires, that the title to the Purchased Receivables shall be acquired by the Issuer by means of a transfer or assignment (*Abtretung*) which corresponds to a true sale or assignment or transfer with the same legal effect, i.e. in a manner that the Purchased Receivables are enforceable against the Originator as the seller or any other third party.

1.1.2 Under the terms of the Receivable Purchase Agreement and as set out in more detail in Clause 1.1 (*Purchase of Initial Receivables*) and Clause 1.2 (*Purchase of Additional Receivables*) of the "Overview of Further Transaction Documents – The Receivables Purchase Agreement" section, the title to the Purchased Receivables shall be acquired by the Issuer by means of a transfer.

1.1.3 Such transfer corresponds in the view of the Issuer to a true sale or assignment or transfer with the same legal effect, i.e. in a manner that the Purchased Receivables are enforceable against the Originator as the seller or any other third party. This view has been assessed and confirmed by qualified external counsel; the relating legal opinion is accessible to the STS Verifying Party and any relevant competent authority. Therefore, in the view of the Issuer, the requirements set out in Art. 20 para. 1 Securitisation Regulation are fulfilled.

#### **1.2 No Claw Back Provisions**

1.2.1 Art. 20 para. 1 Securitisation Regulation also requires, that the transfer of the title to the Issuer shall not be subject to severe clawback provisions in the event of the Originator's insolvency.

1.2.2 According to Art. 20 para. 2 Securitisation Regulation any of the following shall constitute severe clawback provisions for the purpose of Art. 20 para. 1 Securitisation Regulation:



- (a) provisions which allow the liquidator of the Originator to invalidate the sale of the Purchased Receivables solely on the basis that it was concluded within a certain period before the declaration of the Originator's insolvency;
  - (b) provisions where the Issuer can only prevent the invalidation referred to in point (a) if it can prove that it was not aware of the insolvency of the Originator at the time of sale.
- 1.2.3 In that context, according to Art. 20 para. 3 Securitisation Regulation clawback provisions in national insolvency laws, that allow the liquidator or a court to invalidate the sale of the Purchased Receivables in the case of fraudulent transfers, unfair prejudice to creditors or transfers intended to improperly favour particular creditors over others shall not constitute severe clawback provisions in the sense Art. 20 para. 1 Securitisation Regulation.
- 1.2.4 Section 129 InsO states that the insolvency administrator can challenge legal acts (*Rechtshandlungen*) (including failures and omissions) which are to the detriment of insolvency creditors pursuant to Sections 130 to 146 InsO prior to the opening of insolvency proceedings.
- 1.2.5 Section 130 paragraph 1 InsO states that any legal act (*Rechtshandlung*) will be voidable (*anfechtbar*) if it grants to, or enables an insolvency creditor to receive security (*Sicherheit*) or satisfaction (*Befriedigung*):
  - (a) if (aa) the legal act was undertaken within the last three months prior to the application for opening of insolvency proceedings (*Eröffnungsantrag*), (bb) the debtor was already unable to pay its due debts (*zahlungsunfähig*) at the time the relevant legal act was undertaken, and (cc) the creditor had positive knowledge (or should have reached such conclusion by evaluating the given circumstances, Section 130 paragraph 2 InsO) that the debtor was unable to pay its due debts at that time when the legal act was undertaken;
  - (b) if (aa) the legal act was undertaken after the application for opening of insolvency proceedings, and (bb) the creditor had positive knowledge (or should have reached such conclusion by evaluating the given circumstances, Section 130 paragraph 2 InsO) that the debtor was unable to pay its due debts or of the application for opening of insolvency proceedings when the legal act was undertaken.
- 1.2.6 This does not apply to the extent that the legal act was based on a security agreement (*Sicherungsvereinbarung*) containing the obligation to grant financial collateral (*Finanzsicherheit*), other or additional financial collateral (*Finanzsicherheit*) in the meaning of Section 1 paragraph 17 KWG, for the purposes of complying with the ratio between the value of the secured obligation and the value of the security granted as set out in such security agreement (*Margensicherheit*).
- 1.2.7 Pursuant to Section 130 paragraph 3 InsO any person related (*nahestehend*) to the debtor at the time the legal act was undertaken (within the meaning of Section 138 InsO) will be deemed to have had knowledge of the debtor's inability to pay due debts or of the application for opening of the insolvency proceedings.
- 1.2.8 Further, the sale of the Receivables against payment of the purchase price constitutes a cash transaction (*Bargeschäft*) which cannot be contested by an insolvency administrator other than in circumstances which are not relevant

according to Art. 20 para. 3 Securitisation Regulation (paragraph 142 Insolvency Code).

1.2.9 For conclusion, in the view of the Issuer, such transfer of the title to him will not be subject to severe clawback provisions in the event of the Originator's insolvency. Therefore, in the view of the Issuer, the requirements set out in Art. 20 para. 1 Securitisation Regulation are fulfilled.

### 1.3 **Original Lender**

1.3.1 Art. 20 para. 4 Securitisation Regulation requires, that where the Originator is not the original lender, the true sale or assignment or transfer with the same legal effect of the Purchased Receivables to that Originator, whether that true sale or assignment or transfer with the same legal effect is direct or through one or more intermediate steps, meet Article 20 para. 1 to 3 of the Securitisation Regulation.

1.3.2 The Originator as the seller of the Purchased Receivables is the original lender.

1.3.3 Therefore, in the view of the Issuer, Art. 20 para. 4 Securitisation Regulation is not applicable.

### 1.4 **Replenishment Restrictions**

1.4.1 Art. 20 para. 5 Securitisation Regulation requires, that where the transfer of the Purchased Receivables is performed by means of an assignment and perfected at a later stage than at the closing Date of the transaction, the triggers to effect such perfection shall include at least the following events:

- (a) severe deterioration in the seller credit quality standing;
- (b) insolvency of the Originator; and
- (c) unremedied breaches of contractual obligations by the Originator, including the Originator's default.

1.4.2 The acceptance of the Issuer in relation to Additional Receivables is subject to the condition precedent (*aufschiebende Bedingung*), inter alia, that no Early Amortisation Event has occurred on or prior to the corresponding Purchase Date. Such Early Amortisation Event would occur if, *inter alia*, (i) an Originator Event of Default or (ii) an Issuer Event of Default or (iii) a Servicer Termination Event has occurred. The events described in Art. 20 para. 5 Securitisation Regulation would constitute in the view of the Issuer an Early Amortisation Event. Further, under the terms of the Receivables Purchase Agreement and as set out in Clause 1.2.2 of the "Overview of Further Transaction Documents – The Receivables Purchase Agreement" the perfection of the transfer of Additional Receivables, which will be sold and transferred at a later stage than the Closing Date, will occur immediately following their sale and not at a later stage.

1.4.3 Therefore, in the view of the Issuer, the requirements set out in Art. 20 para. 5 Securitisation Regulation are fulfilled.

### 1.5 **Assets Unencumbered**

1.5.1 Art. 20 para. 6 Securitisation Regulation requires, that the Originator provides representations and warranties that, to the best of its knowledge, the Receivables included in the Transaction are 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.

- 1.5.2 Under the terms of the Receivables Purchase Agreement and as set out in detail in Clause 1.6(e) of the "*Overview of Further Transaction Documents – The Receivables Purchase Agreement*", the Originator represents and warrants by way of an independent guarantee within the meaning of section 311 BGB irrespective of fault (*selbstständiges verschuldensunabhängiges Garantieverprechen*) that upon the assignments becoming effective, the Receivables and the Related Collateral have been validly and in accordance with all applicable form requirements transferred to the Issuer and that, in particular, the Receivables are 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.
- 1.5.3 Therefore, in the view of the Issuer, the requirements set out in Art. 20 para. 6 Securitisation Regulation are fulfilled.

## 1.6 **No Active Portfolio Management**

- 1.6.1 Art. 20 para. 7 Securitisation Regulation requires, that the Purchased Receivables transferred from the Originator to the Issuer meet predetermined, clear and documented eligibility criteria, which do not allow for active portfolio management on a discretionary basis. Receivables transferred to the Issuer after the Closing Date of the Transaction shall meet the eligibility criteria applied to the Initial Receivables.
- 1.6.2 The Eligibility Criteria are defined in the referenced Transaction Definition Schedule. As a consequence of such reference and as set out in Clause 2.2.2 of the "*Overview of Further Transaction Documents – The Servicing Agreement*") as well as in Clause 1.14.2 of the "*Overview of Further Transaction Documents – The Servicing Agreement*", the Originator must not carry out Active Portfolio Management of Purchased Receivables on a discretionary basis. Further, the Issuer represents in the Terms and Conditions of the Notes that it ensures that no Active Portfolio Management is allowed under the terms of the Servicing Agreement.
- 1.6.3 As set out in Clause 1.6(d) of the "*Overview of Further Transaction Documents – The Receivables Purchase Agreement*", the Originator represents and warrants on the relevant Offer Date with respect to the relevant Additional Receivables by way of an independent guarantee within the meaning of section 311 BGB irrespective of fault, that each of the Receivables complies with the Eligibility Criteria on the relevant Cut-Off Date. Therefore the Additional Receivables transferred to the Issuer after the Closing Date of the Transaction shall meet the Eligibility Criteria applied to the Initial Receivables.
- 1.6.4 For the purpose of Article 20 para. 7 Securitisation Regulation, the substitution of Purchased Receivables that are in breach of representations and warranties shall not be considered Active Portfolio Management. Further, as set out in item 15 of Art. 4.2 STS Guidelines, the techniques of portfolio management, which are not to be considered as Active Portfolio Management include the substitution or repurchase of Purchased Receivables, that are subject to regulatory dispute or investigation to facilitate the resolution of the dispute or the end of the investigation or in the context of the exercise of clean-up call options, in accordance with item (g) of Art. 244 para. 3 CRR.
- 1.6.5 As set out in Clause 1.15 (*Repurchase upon the occurrence of a Clean-Up Call Event*) and in Clause 1.16 (*Sale upon the occurrence of a Redemption Event*) of the

"*Overview of Further Transaction Documents – The Receivables Purchase Agreement*", the Originator will repurchase the Purchased Receivables upon the occurrence of a Redemption Event or upon the occurrence of a Clean-Up Call Event. Such repurchase is final and leads to a termination of the Transaction. Such repurchase does not constitute active portfolio management according to item 16 (g) of Art. 4.2 STS Guidelines. The repurchase options of the Originator are restricted to such events.

1.6.6 In conclusion, in the view of the Issuer, the requirements set out in Art. 20 para. 7 Securitisation Regulation are fulfilled.

## 1.7 **Homogeneity**

1.7.1 Art. 20 para. 8 Securitisation Regulation requires, that the Transaction shall be backed by a pool of Receivables that are homogeneous in terms of asset type, taking into account the specific characteristics relating to the cash flows of the asset type including their contractual, credit-risk and prepayment characteristics. A pool of Receivables shall comprise only one asset type. The Receivables shall contain obligations that are contractually binding and enforceable, with full recourse to Debtors.

1.7.2 In detail, Art. 1 EBA/RTS/2018/02 sets out, that the Receivables referred to in Art. 20 para. 8 Securitisation Regulation shall be deemed to be homogeneous where all of the following conditions apply:

- (a) the Receivables in the pool have been underwritten according to similar underwriting standards which apply similar approaches to the assessment of credit risk associated with the Receivables;
- (b) the Receivables in the pool are serviced according to similar servicing procedures with respect to monitoring, collection and administration of cash receivables from the Receivables on the asset side of the Issuer;
- (c) the Receivables in the pool all fall within the same asset category;
- (d) the Receivables are homogeneous with reference to at least one homogeneity factor from among those available for the respective asset category.

1.7.3 In accordance with the Credit and Collection Policy, in particular according to the underwriting standards set out in the Credit and Collection Policy, the Purchased Receivables are serviced according to standards which also apply to receivables which are not sold to the Issuer.

1.7.4 As set out in the Eligibility Criteria, the Purchased Receivables have defined periodic payment streams, the instalments of which may differ in their amounts, relating to rental, principal, or interest payments, or to any other right to receive income from assets supporting such payments. The Receivables derive from Loan Agreements which provide for regular monthly instalments until the full amortisation and/or regular monthly instalments plus one higher Balloon Instalment at the end of the contract term and is amortised on a monthly basis and gives rise to monthly instalment payments consisting of principal and interest. Therefore, the Purchased Receivables contain only obligations that are contractually binding and enforceable, with full recourse to Debtors.

1.7.5 As set out in Clause 1.1.2 of the "*Overview of Further Transaction Documents – The Receivables Purchase Agreement*" and item (a)(i) in the Eligibility Criteria, the

pool of Purchased Receivables comprise only "auto loans". Hence, the Receivables all fall within the same category "auto loans", mentioned in item (e) of Art. 2 EBA/RTS/2018/02.

1.7.6 As set out in item (a)(iv) of the Eligibility Criteria, the Receivable derives from a Loan Agreement, which is governed by the laws of the Federal Republic of Germany. Further, as set out in item (d) of the definition of the Eligible Debtor, the Debtor is a resident in Germany. Hence, the "auto loans" are entered into between the Originator and either (i) consumers (*Verbraucher*) resident or (ii) entrepreneurs (*Unternehmer*) located, in the Federal Republic of Germany. Therefore, the homogeneity factor "jurisdiction" is, in the view of the Issuer, fulfilled.

1.7.7 Therefore, in the view of the Issuer, the Purchased Receivables are homogeneous in terms of asset type, taking into account the specific characteristics relating to the cash flows of the asset type including their contractual, credit-risk and prepayment characteristics and the requirements set out in Art. 20 para. 8 Securitisation Regulation are fulfilled.

## 1.8 Exclusion of Securities

1.8.1 Art. 20 para. 8 subpara. 3 Securitisation Regulation requires, that the Purchased Receivables shall not include transferable securities, as defined in point 44 of Art. 4 para. 1 Directive 2014/65/EU, other than corporate bonds that are not listed on a trading venue.

1.8.2 As set out explicitly in item (c)(xiv) of the definition of the Eligibility Criteria, each Receivable is not a transferable security, as defined in point 44 of Art. 4 para.1 Directive 2014/65/EU.

1.8.3 Therefore, the requirements set out in Art. 20 para. 8 subpara. 3 Securitisation Regulation are fulfilled.

## 1.9 Exclusion of Securitisation Position

1.9.1 Art. 20 para. 9 Securitisation Regulation requires, that the Purchased Receivables do not include any securitisation position.

1.9.2 As set out in item c (xv) of the definition of the Eligibility Criteria, this is the case. It is not a re-securitisation.

1.9.3 Therefore, the requirements set out in Art. 20 para. 9 Securitisation Regulation are fulfilled.

## 1.10 Same Origination Standards

1.10.1 Art. 20 para. 10 Securitisation Regulation requires, that the Purchased Receivables shall be originated in the ordinary course of the Originator's business pursuant to underwriting standards that are no less stringent than those that the Originator applied at the time of origination to similar exposures that are not securitised. The underwriting standards pursuant to which the Purchased Receivables are originated and any material changes from prior underwriting standards shall be fully disclosed to potential investors without undue delay. In the case of securitisations where the underlying exposures are residential loans, the pool of loans shall not include any loan that was marketed and underwritten on the premise that the loan applicant or, where applicable, intermediaries were made aware that the information provided might not be verified by the lender.

- 1.10.2 As set out in item (a)(v) of the Eligibility Criteria, all Receivables derive from a Loan Agreement which has been originated in accordance with the Credit and Collection Policy. As set out in the Credit and Collection Policy, the Purchased Receivables are originated in the ordinary course of the Originator's business pursuant to the underwriting standards as described in the Credit and Collection Policy.
- 1.10.3 As represented in the form set out in Clause 1.6(g) of the "*Overview of Further Transaction Documents – The Receivables Purchase Agreement*", the Originator further represents and warrants explicitly by way of an independent guarantee within the meaning of section 311 BGB irrespective of fault that, the underwriting standards are not less stringent than those that the Originator applied at the time of origination to similar exposures that are not securitised.
- 1.10.4 Further, as represented in the form set out in Clause 1.6(h) of the "*Overview of Further Transaction Documents – The Receivables Purchase Agreement*", the Originator further represents and warrants explicitly by way of an independent guarantee within the meaning of section 311 BGB irrespective of fault that there have been no material changes from prior underwriting standards since the origination of the Purchased Receivables.
- 1.10.5 Any future material changes from prior underwriting standards (set out in the Credit and Collection Policy) will be fully disclosed in the Investor Report without undue delay.
- 1.10.6 The underlying exposures are not residential loans, so the requirement that, the pool of loans shall not include any loan that was marketed and underwritten on the premise, that the loan applicant or, where applicable, intermediaries were made aware that the information provided might not be verified by the lender, has not to be satisfied.
- 1.10.7 Therefore, in the view of the Issuer, the requirements referring to the same origination standard set out in Art. 20 para. 10 Securitisation Regulation are fulfilled.
- 1.11 **Process of Creditworthiness Assessment**
- 1.11.1 Art. 20 para. 10 Securitisation Regulation requires, that the assessment of the borrower's creditworthiness shall meet the requirements set out in Art. 8 Directive 2008/48/EC or Art. 18 para. 1 to 4, point (a) of Art. 18 para. 5 or Art. 18 para. 6 Directive 2014/17/EU or, where applicable, equivalent requirements in third countries.
- 1.11.2 As set out in Clause 1.1.1 of the Credit and Collection Policy, the Originator uses Schufa Holding AG and Creditreform AG as the main source of information to the extent that a consultation of the relevant database is necessary. As consequence, the Issuer believes that the requirements set out in Art. 8 Directive 2008/48/EC are fulfilled.
- 1.11.3 Art. 18 para. 1 to 4, point (a) of Art. 18 para. 5 and Art. 18 para. 6 Directive 2014/17/EU are not applicable, as this relates to immovable property.
- 1.11.4 Therefore, in the view of the Issuer, the requirements referring to the process of creditworthiness assessment set out in Art. 20 para. 10 Securitisation Regulation are fulfilled.

## 1.12 **Origination Expertise**

1.12.1 Art. 20 para. 10 subpara. 4 Securitisation Regulation requires, that the Originator shall have expertise in originating exposures of a similar nature to those securitised.

1.12.2 As set out in the Clause 1 (*Incorporation, Registered Office and Purpose*) and Clause 2 (*History*) of the overview of "The Originator/ Servicer", the Originator is a regulated and a by BaFin supervised commercial bank exclusively focussed on auto loan origination and has expertise in originating exposures of a similar nature to those securitised (auto loans) since its inception in the year 2011. The same applies to the senior staff which manages the loan portfolio which comprises the Purchased Receivables.

1.12.3 Therefore, in the view of the Issuer, the requirements referring to the process of creditworthiness assessment set out in Art. 20 para. 10 subpara. 4 Securitisation Regulation are fulfilled.

## 1.13 **Creditworthiness Assessment**

1.13.1 Art. 20 para. 11 Securitisation Regulation requires, that the Purchased Receivables shall be transferred to the Issuer after selection without undue delay and shall not include, at the time of selection, Receivables in default within the meaning of Art. 178 para.1 of CRR or exposures to a credit-impaired Debtor, 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 date of transfer or assignment of the Purchased Receivables to the Issuer, except if:

(i) a restructured Purchased Receivable has not presented new arrears since the date of the restructuring, which must have taken place at least one year prior to the date of transfer or assignment of the Purchased Receivables to the Issuer; and

(ii) the information provided by the Originator and Issuer in accordance with item (a) and (e)(i) of Art. 7 para.1 subpara. 1 of Securitisation Regulation explicitly sets out the proportion of restructured Purchased Receivables, the time and details of the restructuring as well as their performance since the date of the restructuring;

(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.

1.13.2 Item (m) of the definition of Eligible Debtor ensures that these requirements are fulfilled.

1.13.3 Therefore, in the view of the Issuer, the requirements set out in Art. 20 para. 11 Securitisation Regulation are fulfilled.

1.14 **Minimum One Instalment Paid**

1.14.1 Art. 20 para. 12 Securitisation Regulation requires, that the Debtors shall, at the time of transfer of the Receivables, have made at least one payment, except in the case of revolving securitisations backed by exposures payable in a single instalment or having a maturity of less than one year, including without limitation monthly payments on revolving credits.

1.14.2 As set out in item (b) of the definition of the Eligible Debtor, the relevant Debtor has made at least one instalment in full in respect of the relevant Receivable. Further, as set out in item (b) of the Eligibility Criteria each Debtor must be an Eligible Debtor. Under the terms of the Receivables Purchase Agreement and as set out in Clause 1.6(g) of the "*Overview of Further Transaction Documents – The Receivables Purchase Agreement*", the Originator represents and warrants by way of an independent guarantee within the meaning of section 311 BGB irrespective of fault, that each of the Receivables complies with the Eligibility Criteria on the relevant Cut-Off Date, which means a calendar day preceding a Purchase Date.

As Consequence, the Purchased Receivables are not paid in a single instalment or having a maturity of less than one year. The exception under Art. 20 para. 12 Securitisation Regulation does not apply.

1.14.3 Therefore, in the view of the Issuer, the requirements set out in Art. 20 para. 12 Securitisation Regulation are fulfilled.

1.15 **No Predominant Dependence on Sale of Assets**

1.15.1 Art. 20 para. 13 Securitisation Regulation requires, that the repayment of the Noteholders of the securitisation positions shall not have been structured to depend predominantly on the sale of cars securing the Purchased Receivables. This shall not prevent such assets from being subsequently rolled-over or refinanced. The repayment of the Noteholders of the securitisation positions whose Purchased Receivables are secured by cars the value of which is guaranteed or fully mitigated by a repurchase obligation by the Originator of the cars securing the Purchased Receivables or by another third party shall not be considered to depend on the sale of cars securing those Purchase Receivables.

1.15.2 The repayment of the Notes is entirely linked to the repayment of the Purchased Receivables. The repayment of the Purchased Receivables in turn is not contingent and does not depend on the sale of the Vehicles which serve as collateral for the Purchased Receivables.

1.15.3 Therefore, in the view of the Issuer, the requirements set out in Art. 20 para. 13 Securitisation Regulation are fulfilled.

2 **REQUIREMENTS RELATING TO STANDARDISATION  
(ART. 21 SECURITISATION REGULATION)**

The Transaction fulfils the requirements in relation to standardisation set out in Art. 21 Securitisation Regulation because the criteria of that provision are met as described below in further detail.



## 2.1 Risk Retention

- 2.1.1 Art. 21 para. 1 Securitisation Regulation requires, that the Originator shall satisfy the risk-retention requirement in accordance with Art. 6 of the Securitisation Regulation. Art. 6 para. 1 Securitisation Regulation requires, that the Originator of the securitisation shall retain on an ongoing basis a material net economic interest in the securitisation of not less than 5 %.
- 2.1.2 As set out in detail in the Risk Retention Statement below, the Originator retains a material net economic interest.
- 2.1.3 Therefore, in the view of the Issuer, the requirements set out in Art. 21 para. 1 Securitisation Regulation are fulfilled.

## 2.2 Interest Rate Risk Mitigation

- 2.2.1 Art. 21 para. 2 Securitisation Regulation requires, that the interest rate and currency risks arising from the securitisation shall be appropriately mitigated and any measures taken to that effect shall be disclosed. Except for the purpose of hedging interest rate or currency risk, the Issuer shall not enter into derivative contracts and shall ensure that the pool of underlying exposures does not include derivatives. Those derivatives shall be underwritten and documented according to common standards in international finance.
- 2.2.2 The Class A Notes are floating rate notes. As disclosed in Clause 5.1 (*Interest Rate Risk*) of the Risk Factors and Clause 9 (*The Swap Agreement*) of the "*Overview of Further Transaction Documents – The Swap Agreement*", the interest-rate risk arising from the securitisation relating to Class A Notes and such measures, are appropriately mitigated by means of the Swap Agreement.
- 2.2.3 As set out in item (c) (iii) of the Eligibility Criteria, each Receivable is denominated in EUR. Hence, there is no currency risk as all cash flows are denominated in Euro.
- 2.2.4 As set out in item (a) of the Eligibility Criteria, each Receivable derives from a Loan Agreement and not from derivatives. Except for the purpose of hedging interest-rate, the Issuer will therefore not enter into derivative contracts and will ensure that the pool of Purchased Receivables does not include derivatives. As set out in Clause 6 (*The Main Transaction Documents*), the Swap Agreement is based on the 2002 ISDA Master Agreement. The ISDA Master Agreement documentation is a common standard in international finance.
- 2.2.5 Therefore, in the view of the Issuer, the requirements set out in Art. 21 para. 2 Securitisation Regulation are fulfilled.

## 2.3 Market Standard Interest Rate References

- 2.3.1 Art. 21 para. 3 Securitisation Regulation requires, that any referenced interest payments under the securitisation assets and liabilities shall be based on generally used market interest rates, or generally used sectoral rates reflective of the cost of funds, and shall not reference complex formulae or derivatives.
- 2.3.2 As set out in the Terms and Conditions of the Notes, the Interest Rate per annum of the Class A Notes is linked to EURIBOR or, following a Base Rate Modification Event, the Alternative Base Rate which has replaced EURIBOR in the customary market usage for the purposes of determining floating rates of interest in respect of EUR denominated securities, as determined in accordance with the Terms and

Conditions of the Notes from time to time. The other Notes have a fixed Interest Rate.

2.3.3 Therefore, in the view of the Issuer, the requirements set out in Art. 21 para. 3 Securitisation Regulation are fulfilled.

## 2.4 **Measure following Enforcement Notice**

2.4.1 Art. 21 para. 4 Securitisation Regulation requires, that, where an enforcement or an acceleration notice has been delivered:

- (a) no amount of cash shall be trapped in the Issuer beyond what is necessary to ensure the operational functioning of the Issuer or the orderly repayment of investors in accordance with the contractual terms of the securitisation, unless exceptional circumstances require that an amount be trapped to be used, in the best interests of investors, for expenses in order to avoid the deterioration in the credit quality of the Purchased Receivables;
- (b) principal receipts from the Purchased Receivables shall be passed to investors via sequential amortisation of the securitisation positions, as determined by the seniority of the securitisation position;
- (c) repayment of the securitisation positions shall not be reversed with regard to their seniority; and
- (d) no provisions shall require automatic liquidation of the Purchased Receivables at market value.

2.4.2 As set out in items (i) to (v) (inclusive) of the Post-Enforcement Priority of Payments in the Terms and Conditions of the Notes, the Trustee shall distribute all Issuer Proceeds on each Payment Date first towards the discharge of any due and payable Statutory Claims, Trustee Expenses, Administration Expenses, Servicing Fees and all amounts due and payable to the Swap Counterparty under the Swap Agreement. After the Enforcement Conditions being fulfilled, no amount of cash can be withheld beyond what is necessary to ensure the operational functioning of the Issuer or the orderly repayment of investors.

2.4.3 As set out in items (vi) to (xv) (inclusive) of the Post-Enforcement Priority of Payments in the Terms and Conditions of the Notes, the Trustee shall, after ensuring the operational functioning of the Issuer, distribute all Issuer Proceeds on each Payment Date towards the discharge of the claims of the Noteholders. The principal receipts from the Purchased Receivables are passed to investors via sequential amortisation of the securitisation positions, as determined by the seniority of the securitisation position.

2.4.4 Consequently, the repayment of the securitisation positions are not reversed with regard to their seniority and there are no provisions require automatic liquidation of the Purchased Receivables at market value.

2.4.5 Therefore, in the view of the Issuer, the requirements set out in Art. 21 para. 4 Securitisation Regulation are fulfilled.

## 2.5 **Sequential Priority of Payments**

2.5.1 Art. 21 para. 5 Securitisation Regulation requires, that transactions which feature non-sequential priority of payments shall include triggers relating to the

performance of the Purchased Receivables resulting in the priority of payments reverting to sequential payments in order of seniority. Such performance-related triggers shall include at least the deterioration in the credit quality of the Purchased Receivables below a predetermined threshold.

2.5.2 As set out in the Pre-Enforcement Priority of Payments and in the Post-Enforcement Priority of Payments, the Transaction has only sequential priority of payments.

2.5.3 Therefore, in the view of the Issuer, Art. 21 para. 5 Securitisation Regulation is not applicable.

## 2.6 **Termination of Replenishment Period**

2.6.1 Art. 21 para. 6 Securitisation Regulation requires, that the Transaction Documents shall include appropriate early amortisation provisions or triggers for termination of the revolving period where the securitisation is a revolving securitisation, including at least the following:

- (a) a deterioration in the credit quality of the Purchased Receivables to or below a predetermined threshold;
- (b) the occurrence of an insolvency-related event with regard to the Originator or the Servicer;
- (c) the value of the Purchased Receivables held by the Issuer falls below a predetermined threshold; and
- (d) a failure to generate sufficient new Purchased Receivables that meet the predetermined credit quality (trigger for termination of the revolving period).

2.6.2 As set out in Clause 1.2.2(a) of the "Overview of Further Transaction Documents – The Receivables Purchase Agreement", the Issuer will only purchase Additional Receivables until an Early Amortisation Event has occurred. Thus, the replenishment period will end upon the occurrence of an Early Amortisation Event.

2.6.3 As set out in item (a) of the definition of Early Amortisation Event, an Early Amortisation Event occurs if the Cumulative Loss Ratio exceeds 0.3 % as of any Cut-Off Date prior to or on 31 March 2020. Hence, a deterioration in the credit quality of the Purchased Receivables to or below a predetermined threshold is an Early Amortisation Event.

2.6.4 As set out in item (d) and item (e) of the definition of Early Amortisation Event, the occurrence of an Originator Event of Default or a Servicer Termination Event, each event including the insolvency of the Originator and the Servicer, is an Early Amortisation Event. Hence, an insolvency-related event with regard to the Originator or the Servicer represents an Early Amortisation Event.

2.6.5 As set out in item (c) of the definition of Early Amortisation Event, an Early Amortisation Event occurs, as of any Payment Date and under further circumstances, the initial Note Principal Amount of all Classes of Notes would exceed the sum of the Aggregate Principal Balance and the amount standing to the credit of the Replenishment Shortfall Account. Hence, if the value of the Purchased Receivables held by the Issuer falls below a predetermined threshold, an Early Amortisation Event occurs. An Early Amortisation Event is further, the failure to

generate sufficient new Purchased Receivables that meet the predetermined credit quality.

2.6.6 Therefore, in the view of the Issuer, the requirements of Art. 21 para. 6 Securitisation Regulation are fulfilled.

## 2.7 **Transaction Documents**

2.7.1 Art. 21 para. 7 Securitisation Regulation requires, that the Transaction Documents shall clearly specify:

- (a) the contractual obligations, duties and responsibilities of the Servicer and the Trustee, if any, and other ancillary service providers;
- (b) the processes and responsibilities necessary to ensure that a default by or an insolvency of the Servicer does not result in a termination of servicing, such as a contractual provision which enables the replacement of the Servicer in such cases; and
- (c) provisions that ensure the replacement of derivative counterparties, liquidity providers and the account bank in the case of their default, insolvency, and other specified events, where applicable.

2.7.2 In the view of the Issuer, the Transaction Documents specifies clearly the contractual obligations, duties and responsibilities of the Transaction Parties.

2.7.3 Further, as set out in Clause 2.9 (*Servicer Termination Event*) of the "Overview of Further Transaction Documents – The Servicing Agreement", following a Servicer Termination Event, 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 the Substitute Servicer Facilitator has become active and the Servicer shall co-operate with the Substitute Servicer Facilitator and the Issuer in effecting the termination of the obligations and rights of the Servicer and the transfer of such obligations and rights to the Substitute Servicer Facilitator or Substitute Servicer. Hence, the processes and responsibilities necessary to ensure that a default by or an insolvency of the Servicer does not result in a termination of servicing, with the contractual provision in the Servicing Agreement which enables the replacement of the Servicer in course of a process initiated by the Substitute Servicer Facilitator in such cases is clearly specified.

Upon the occurrence of a Servicer Termination Event, (a) the appointment of the Servicer ceases to be effective and a Substitute Servicer, to the extent it has been appointed, becomes Servicer (including all rights and obligations, if not explicitly stated otherwise); and (b) all rights of the old Servicer to act for or on behalf of the Issuer, including all authorities granted to the Servicer cease to be effective and such authorities are granted to the Substitute Servicer upon appointment of the Substitute Servicer. For the avoidance of doubt, the authority of the Servicer to use any SEPA Direct Debit Mandate ceases to exist.

2.7.4 Further, as set out in Clause 4.2 (*Replacement of Account Bank upon Downgrade Event*) of the "Overview of Further Transaction Documents – The Account Bank Agreement", upon the occurrence of a Downgrade Event in respect of 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. The Issuer shall appoint a Substitute Account Bank, open new accounts, pledge such new Transaction Accounts to the Trustee and to other parties, transfer any amounts to the respective new Transaction Account,

close the old Transaction Accounts and terminate the Account Bank Agreement. Hence, provisions that ensure the replacement of the Account Bank in the case of its default, insolvency and other specified events is, in the view of the Issuer, clearly specified.

2.7.5 In accordance with standard provisions under the Swap Agreement, the Swap Counterparty would be replaced in the case of its default or insolvency.

2.7.6 Therefore, in the view of the Issuer, the requirements of Art. 21 para. 7 Securitisation Regulation are fulfilled.

## 2.8 **Servicing Expertise**

2.8.1 Art. 21 para. 8 Securitisation Regulation requires, that the Servicer shall have expertise in servicing exposures of a similar nature to those securitised and shall have well-documented and adequate policies, procedures and risk-management controls relating to the servicing of exposures.

2.8.2 As set out in section "The Originator/ Servicer" under Clause 2 (*History*) and Clause 3 (*Management Experience*) above, Bank11 started its business operations with a clear focus on auto loans in 2011. The management board of the Servicer has experience in originating exposures of a similar nature to those securitised (auto loans) subject to this Transaction, for nearly 20 years. Hence, in the view of the Issuer, the Servicer has expertise in servicing exposures of a similar nature to those securitised and has well-documented and adequate policies, procedures and risk-management controls relating to the servicing of exposures.

2.8.3 Therefore, in the view of the Issuer, the requirements of Art. 21 para. 8 Securitisation Regulation are fulfilled.

## 2.9 **Clear and Consistent Terms**

2.9.1 Art. 21 para. 9 Securitisation Regulation requires, that the Transaction Documents shall set out in clear and consistent terms definitions, remedies and actions relating to delinquency and default of debtors, debt restructuring, debt forgiveness, forbearance, payment holidays, losses, charge offs, recoveries and other asset performance remedies. The Transaction Documents shall clearly specify the Applicable Priority of Payment, events which trigger changes in such priorities of payment as well as the obligation to report such events. Any change in the priorities of payments which will materially adversely affect the repayment of the securitisation position shall be reported to investors without undue delay

2.9.2 Set out in the Transaction Definitions Schedule, the definitions are throughout the documentation and for all Transaction Documents the same. Further, as set out in the Credit and Collection Policy, the transaction documentation sets out remedies and actions relating to delinquency and default of Debtors, debt restructuring, debt forgiveness, forbearance, payment holidays, losses, charge offs, recoveries and other asset performance remedies. Hence, the transaction documentation is set out in clear and consistent terms definitions.

2.9.3 As set out in Clause 8 (*Priorities of Payments*) of the Terms and Conditions of the Notes, the Transaction Documents specify clearly the priorities of payment, events which trigger changes in such priorities of payment as well as the obligation to report such events.

2.9.4 Any change in the priorities of payments which will materially adversely affect the repayment of the securitisation position requires the consent of the Noteholders in

accordance with the Terms and Conditions and will be reported to the Noteholders without undue delay.

2.9.5 Therefore, in the view of the Issuer, the requirements of Art. 21 para. 9 Securitisation Regulation are fulfilled.

## 2.10 **Resolution of Conflicts**

2.10.1 Art. 21 para. 10 Securitisation Regulation requires, that the Transaction Documents shall include clear provisions that facilitate the timely resolution of conflicts between different classes of investors, voting rights shall be clearly defined and allocated to the Noteholders and the responsibilities of the trustee and other entities with fiduciary duties to investors shall be clearly identified.

2.10.2 Clause 17.1 (*Noteholder Resolutions*) of the Terms and Conditions of the Notes provides provisions that facilitate the timely resolution of conflicts between different classes of investors. In that respect voting rights are clearly defined and allocated to bondholders and the responsibilities of the trustee and other entities with fiduciary duties to investors are clearly identified.

2.10.3 Therefore, in the view of the Issuer, the requirements of Art. 21 para. 10 Securitisation Regulation are fulfilled.

## 3 **REQUIREMENTS RELATING TO TRANSPARENCY (ART. 22 SECURITISATION REGULATION)**

The Transaction fulfils the requirements in relation to transparency set out in Art. 22 Securitisation Regulation because the criteria of that provision are met.

### 3.1 **Data Provision**

3.1.1 Art. 22 para. 1 Securitisation Regulation requires, that the Originator shall make available data on static and dynamic historical default and loss performance, such as delinquency and default data, for substantially similar exposures to those being securitised, and the sources of those data and the basis for claiming similarity, to potential investors before pricing. Those data shall cover a period of at least five years.

3.1.2 As set out in the Historical Performance Data section, this data covers a period of from January 2013 to December 2018, so it covers 5 years and may be transmitted in computer-readable form (e.g. Excel).

3.1.3 Therefore, in the view of the Issuer, the requirements of Art. 22 para. 1 Securitisation Regulation are fulfilled.

### 3.2 **Sample**

3.2.1 Art. 22 para. 2 Securitisation Regulation requires, that a sample of the Purchased Receivables shall be subject to external verification prior to issuance of the securities resulting from the securitisation by an appropriate and independent party, including verification that the data disclosed in respect of the Purchased Receivables is accurate.

3.2.2 As set out in Clause 2 (*Information Tables Regarding the Portfolio*) of the "Description of the Portfolio", a representative sample of the Purchased Receivables was subject to external verification prior to issuance of the securities resulting from the securitisation by Deloitte GmbH Wirtschaftsprüfungsgesellschaft, including

verification and disclosure that the data disclosed in the prospectus in respect of the Purchased Receivables is accurate and there were no adverse findings.

3.2.3 Therefore, in the view of the Issuer, the requirements of Art. 22 para. 2 Securitisation Regulation are fulfilled.

### 3.3 **Cash Flow Model**

3.3.1 Art. 22 para. 3 Securitisation Regulation requires, that the Originator shall, before the pricing of the securitisation, make available to potential investors a liability cash flow model which precisely represents the contractual relationship between the underlying exposures and the payments flowing between the Originator, investors, other third parties and the Issuer, and shall, after pricing, make that model available to investors on an ongoing basis and to potential investors upon request.

3.3.2 Such cash flow model has been made and will be made available to potential investors via the platforms of common data providers for such of non-ABCP transactions.

3.3.3 Therefore, in the view of the Issuer, the requirements of Art. 22 para. 3 Securitisation Regulation are fulfilled.

### 3.4 **Publication**

3.4.1 Art. 22 para. 4 of the Securitisation Regulation requires, that, in the case of a securitisation where the Purchased Receivables are residential loans or auto loans or leases, the Originator shall publish the available information related to the environmental performance of the assets financed by such residential loans or auto loans or leases, as part of the information disclosed pursuant to point (a) of the first subpara. of Art. 7 para. 1 Securitisation Regulation.

3.4.2 The Originator does not possess information related to the environmental performance of the assets financed by auto loans, as part of the information disclosed pursuant to point (a) of Art. 7 para. 1 subpara.1 Securitisation Regulation.

3.4.3 Therefore, the information related to the environmental performance of the cars financed is not available.

### 3.5 **Information duties**

3.5.1 Art. 22 para. 5 Securitisation Regulation requires, that the Originator shall be responsible for compliance with Art. 7 Securitisation Regulation. The information required by point (a) of Art. 7 para. 1 subpara. 1 Securitisation Regulation shall be made available to potential investors before pricing upon request. The information required by points (b) to (d) of Art. 7 para.1 subpara. 1 Securitisation Regulation shall be made available before pricing at least in draft or initial form. The final documentation shall be made available to investors at the latest 15 days after the Closing Date.

3.5.2 On 11 April, the Originator has made the Transaction information available to potential investors before pricing pursuant to Art. 7 para. 2 of the Securitisation Regulation on the Website.

3.5.3 Therefore, in the view of the Issuer, the requirements of Art. 22 para. 5 Securitisation Regulation are fulfilled.

**4 CRITERIA FOR STS SECURITISATIONS QUALIFYING FOR DIFFERENTIATED CAPITAL TREATMENT**

4.1 Pursuant to Art. 243 para. 2 of the CRR, positions in a STS securitisation shall be eligible for the treatment set out in Art. 260, 262 and 264 of the CRR, where the following requirements are met:

- (a) at the time of inclusion in the securitisation, the aggregate value of all exposures to a single obligor in the pool does not exceed 2 % of the exposures values of the aggregate outstanding exposure values of the pool of Purchased Receivables.
- (b) at the time of their inclusion in the securitisation, the Purchased Receivables meet the conditions for being assigned, under the standardised approach and taking into account any eligible credit risk mitigation, a risk weight equal to or smaller than 75 % on an individual exposure basis where the exposure is a retail exposure.

Pursuant to Art. 123 para. 1 CRR, exposures that comply with the following criteria shall be assigned a risk weight of 75 %:

- (a) the exposure shall be either to an natural person;
- (b) the exposure shall be one of a significant number of exposures with similar characteristics such that the risks associated with such lending are substantially reduced;
- (c) the total amount owed to the institution and parent undertakings and its subsidiaries exceed EUR 1 million.

4.2 As set out in item (f) of the definition of the Eligible Debtor, a Debtor is someone who does not owe to the Originator more than 0.0375% of the Aggregate Principal Balance or EUR 150,000 at the relevant Purchase Date. Further, the Eligible Criteria require, that each Debtor is an Eligible Debtor. Hence, the aggregate exposure value of all exposures to a single obligor in the pool does not exceed 2% of the exposure values of the aggregate outstanding exposure values of the pool of the Purchased Receivables.

4.3 The Receivables derive from consumer loans and qualify as exposures in the meaning of Articles 112 (h) and 123 CRR. Hence, the Receivables meet the conditions for being assigned, under the standardised approach and taking into account any eligible credit risk mitigation, a risk weight equal to 75%.

4.4 Therefore, in the view of the Issuer, the requirements of Art. 243 para. 2 CRR are fulfilled.



## RETENTION OF NET ECONOMIC INTEREST

### 1 RETENTION STATEMENT

In the Trust Agreement the Originator covenants with the Issuer, including for the benefit of the Noteholders (contract for the benefit of a third party (*echter Vertrag zugunsten Dritter*) pursuant to section 328 paragraph 1 BGB):

- (a) that it will retain, on an on-going basis, a material net economic interest of not less than 5% of the nominal value of each of the tranches sold or transferred to the investors, set out in Article 6 of the Securitisation Regulation, Article 405 Sec.1 (a) CRR, Article 51 Sec. 1 (a) AIFMR and Article 254 Paragraph 2 (a) Solvency II Delegated Regulation; and
- (b) that the net economic interest, including retained positions, interest or exposures will not be subject to any credit risk mitigation or any short positions or any other hedge and will not be sold as required by Article 6 of the Securitisation Regulation, Article 405 CRR, Article 51 AIFMR and Article 254 Solvency II Delegated Regulation;
- (c) that it shall not change the manner in which the net economic interest set out above is held until the Legal Maturity Date, unless a change is required due to exceptional circumstances and such change is not used as a means to reduce the amount of retained interest in the securitisation;
- (d) that it will notify the Issuer and the Trustee of any change to the manner in which the net economic interest set out above is held and will procure for publication in the Investor Report immediately following such change;
- (e) that it will use its best efforts to comply with the disclosure obligations imposed on originators under the Securitisation Regulation, Article 405 to 410 CRR; Chapter 3, Section 5 AIFMR and Title I Chapter VII Solvency II Delegated Regulation and will make available, on a monthly basis through the Investor Report, the information that can, under normal circumstances, be expected to be required by the Securitisation Regulation, Article 406 and 409 CRR; Chapter 3, Section 5 AIFMR and Title I Chapter VII Solvency II Delegated Regulation, to the extent not already included in the Prospectus;
- (f) that it will make available to each Noteholder at the end of calendar quarter, subject to legal restrictions and in particular Data Protection Provisions, upon its reasonable written request, all such necessary information in its possession to comply with the Noteholder's on-going monitoring obligations arising as a direct and immediate consequence of the Securitisation Regulation, Article 405, 410 CRR, Chapter 3, Section 5 AIFMR or Title I Chapter VII Solvency II Delegated Regulation. For the purposes of this provision, a Noteholder's request of information shall be considered reasonable to the extent that the relevant Noteholder demonstrates to the Originator that the additional information required by it is necessary to comply with Article 405 to 410 CRR or Chapter 3, Section 5 AIFMR or Title I Chapter VII Solvency II Delegated Regulation and such information was not provided by way of Investor Reports or the Prospectus. If the request has been delivered to the Originator less than 1 calendar month prior to the end of a calendar quarter the Originator may respond to such request at the end of the following end of a calendar quarter.

## 2 **INVESTORS TO ASSESS COMPLIANCE**

Each prospective investor is required to independently assess and determine the sufficiency of the information described above and in this Prospectus generally for the purposes of complying with Article 6 of Securitisation Regulation, Article 405 et seqq. CRR; Chapter 3, Section 5 AIFMR; Title I Chapter VII Solvency II Delegated Regulation and the Originator makes no representation that the information described above or in this Prospectus is sufficient in all circumstances for such purposes. Investors who are uncertain as to the requirements which apply to them in respect of their relevant jurisdiction, should seek guidance from their regulator.

The U.S. Risk Retention Rules came into effect on 24 December 2016 and generally require the "sponsor" 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 that statute, and generally prohibit a sponsor from directly or indirectly eliminating or reducing its credit exposure by hedging or otherwise transferring the credit risk that the sponsor is required to retain. The U.S. Risk Retention Rules also provide for certain exemptions from the risk retention obligation that they generally impose.

The transaction will not involve risk retention by the seller for the purposes of the U.S. Risk Retention Rules, but rather will be made in reliance on an exemption provided for in Section 20 of the U.S. Risk Retention Rules regarding non-U.S. transactions. Such non-U.S. 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 U.S. persons (in each case, as defined in the U.S. Risk Retention Rules) or for the account or benefit of U.S. persons (as defined in the U.S. Risk Retention Rules and referred to in this Offering Circular as "Risk Retention U.S. Persons"); (3) neither the sponsor nor the issuer of the securitisation transaction is organised under U.S. law or is a branch located in the United States of a non-U.S. 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 may not be purchased by Risk Retention U.S. Persons. Prospective investors should note that, although the definition of U.S. person in the U.S. Risk Retention Rules is very similar to the definition of "U.S. person" in Regulation S, the definitions are not identical and that persons who are not "U.S. Persons" under Regulation S may be "U.S. Persons" under the U.S. Risk Retention Rules.

There can be no assurance that the exemption provided for in Section 20 of the U.S. Risk Retention Rules regarding non-U.S. transactions will be available. Failure of the offering of the Notes to comply with the U.S. 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 U.S. Risk Retention Rules on the securitisation market generally is uncertain, and a failure by a transaction to comply with the U.S. Risk Retention Rules could negatively affect the market value and secondary market liquidity of the Notes.

None of the Arranger, the Lead Manager or any of their respective 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 U.S. Risk Retention Rules on the Closing Date or at any time in the future. Investors should consult their own advisers as to the U.S. Risk Retention Rules. No

predictions can be made as to the precise effects of such matters on any investor or otherwise.

For more detailed information on the risks related to the regulatory treatment of the Notes, please see "RISK FACTORS", Clause 7 (Risks resulting from the regulatory treatment of the notes).

## **TERMS AND CONDITIONS OF THE NOTES**

THE OBLIGATIONS UNDER THE NOTES CONSTITUTE DIRECT LIMITED RECOURSE OBLIGATIONS OF THE ISSUER. ALL NOTES WITHIN A CLASS OF NOTES RANK *PARI PASSU* AMONG THEMSELVES AND PAYMENT SHALL BE ALLOCATED *PRO RATA*.

SUBJECT TO AND IN ACCORDANCE WITH THE APPLICABLE PRIORITY OF PAYMENTS, THE CLASS A NOTES RANK PRIOR TO THE CLASS B NOTES, CLASS C NOTES, CLASS D NOTES AND CLASS E NOTES WITH RESPECT TO PAYMENT OF PRINCIPAL AND INTEREST.

SUBJECT TO AND IN ACCORDANCE WITH THE APPLICABLE PRIORITY OF PAYMENTS, THE CLASS B NOTES RANK PRIOR TO THE CLASS C NOTES, CLASS D NOTES AND CLASS E NOTES BUT SUBORDINATED TO THE CLASS A NOTES WITH RESPECT TO PAYMENT OF PRINCIPAL AND INTEREST.

SUBJECT TO AND IN ACCORDANCE WITH THE APPLICABLE PRIORITY OF PAYMENTS, THE CLASS C NOTES RANK PRIOR TO THE CLASS D NOTES AND CLASS E NOTES BUT SUBORDINATED TO THE CLASS A NOTES AND CLASS B NOTES WITH RESPECT TO PAYMENT OF PRINCIPAL AND INTEREST.

SUBJECT TO AND IN ACCORDANCE WITH THE APPLICABLE PRIORITY OF PAYMENTS, THE CLASS D NOTES RANK PRIOR TO THE CLASS E NOTES BUT SUBORDINATED TO THE CLASS A NOTES, CLASS B NOTES AND CLASS C NOTES WITH RESPECT TO PAYMENT OF PRINCIPAL AND INTEREST.

SUBJECT TO AND IN ACCORDANCE WITH THE APPLICABLE PRIORITY OF PAYMENTS, THE CLASS E NOTES RANK SUBORDINATED TO THE CLASS A NOTES, CLASS B NOTES; CLASS C NOTES AND CLASS D NOTES WITH RESPECT TO PAYMENT OF PRINCIPAL AND INTEREST.

THE ISSUER'S ABILITY TO SATISFY ITS PAYMENT OBLIGATIONS UNDER THE NOTES AND ITS OPERATING AND ADMINISTRATION 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 AVAILABLE DISTRIBUTION AMOUNT, SUBJECT TO THE APPLICABLE PRIORITY OF PAYMENTS, IS INSUFFICIENT TO PAY TO THE NOTEHOLDERS THEIR RELEVANT SHARE OF SUCH AVAILABLE DISTRIBUTION AMOUNT IN ACCORDANCE WITH THE APPLICABLE PRIORITY OF PAYMENTS, THE CLAIMS OF SUCH NOTEHOLDERS AGAINST THE ISSUER SHALL BE LIMITED TO THEIR RESPECTIVE SHARE OF SUCH AVAILABLE DISTRIBUTION AMOUNT. AFTER PAYMENT TO THE NOTEHOLDERS OF THEIR RELEVANT SHARE OF SUCH 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 ISSUER PROCEEDS, SUBJECT TO THE POST-ENFORCEMENT PRIORITY OF PAYMENTS, ARE 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 PURSUANT TO THE POST-ENFORCEMENT PRIORITY OF PAYMENTS, THE

CLAIMS OF SUCH NOTEHOLDERS AGAINST THE ISSUER SHALL BE LIMITED TO THEIR RESPECTIVE SHARE OF SUCH REMAINING ISSUER PROCEEDS. AFTER PAYMENT TO THE NOTEHOLDERS OF THEIR RELEVANT SHARE OF SUCH REMAINING ISSUER PROCEEDS, 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.

REMAINING ISSUER PROCEEDS SHALL BE DEEMED TO BE "*ULTIMATELY INSUFFICIENT*" AT SUCH TIME WHEN, IN THE REASONABLE 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.

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 TRANSACTION PARTIES OR ANY OF THEIR RESPECTIVE AFFILIATES OR ANY THIRD PERSON OR ENTITY.

## 1 **DEFINITIONS AND INTERPRETATION**

1.1 Unless the context requires otherwise, terms used in these Terms and Conditions shall have the meaning given them in the definitions schedule attached hereto as Transaction Definitions Schedule. The Transaction Definitions Schedule forms an integral part of these Terms and Conditions.

1.2 Any reference in these Terms and Conditions to a time of day shall be construed as a reference to the statutory time (*gesetzliche Zeit*) in the Federal Republic of Germany.

## 2 **THE NOTES**

### 2.1 **Denomination**

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 366,000,000 and divided into 3,660 Class A Notes, each having an initial principal amount of EUR 100,000.00; and
- (b) Class B Notes which are issued in an initial aggregate principal amount of EUR 18,700,000 and divided into 187 Class B Notes, each having an initial principal amount of EUR 100,000.00;
- (c) Class C Notes which are issued in an initial aggregate principal amount of EUR 4,100,000 and divided into 41 Class C Notes, each having an initial principal amount of EUR 100,000.00,
- (d) Class D Notes which are issued in an initial aggregate principal amount of EUR 7,100,000 and divided into 71 Class D Notes, each having an initial principal amount of EUR 100,000.00; and
- (e) Class E Notes which are issued in an initial aggregate principal amount of EUR 4,100,000 and divided into 41 Class E Notes, each having an initial principal amount of EUR 100,000.00.

## 2.2 **Form**

The Notes are issued in bearer form.

## 2.3 **Global Notes**

2.3.1 Each Class of the Notes shall be initially represented by a temporary global bearer note (each a "**Temporary Global Note**") without separated interest coupons. Each Temporary Global Notes will be exchangeable, as provided in Clause 2.3.3 below, for permanent global bearer notes which are recorded in the records of the ICSD (the "**Permanent Global Notes**") without coupons or talons attached representing each such Class of Notes and each bearing the personal signature of two duly authorised directors of RevoCar 2019 UG (*haftungsbeschraenkt*). Each Permanent Global Note and Temporary Global Note is herein referred to as "**Note**", "**Global Note**", "**Notes**" or "**Global Notes**".

2.3.2 The Temporary Global Notes shall be exchanged for Permanent Global Notes on a date not earlier than 40 calendar days and not later than 180 calendar days after the later of the commencement of the offering and the Closing Date upon delivery by the relevant participants to the ICSDs, as relevant by an ICSD to the Paying Agent, of certificates to the effect that the beneficial owner or owners are not U.S. persons 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 the United States. United States means, for the purposes of this Clause 2.3.2, the United States of America (including the States thereof and the District of Columbia) and its possessions (including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands). Any exchange of a Temporary Global Note pursuant to this Clause 2.3.2 shall be made free of charge to the holders of any Class of Notes. The Notes may be transferred by book-entry form only and will not be exchangeable for definitive notes.

2.3.3 Each Global Note shall be valid only if it is manually signed on behalf of the Issuer and authenticated by the Paying Agent and effectuated by the entity appointed as common safe keeper by the relevant Clearing System.

2.3.4 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.

2.3.5 Definitive Notes and interest coupons will not be issued.

2.3.6 Copies of the form of the Global Notes are available for inspection free of charge at the specified offices of the Paying Agent.

## 2.4 **Note Principal Amount**

2.4.1 The Aggregate 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.

2.4.2 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 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.

2.4.3 Payments of interest and, after the expiration of the Replenishment Period, payments of principal and interest on each Note as of any Payment Date shall be made with respect to the Note Principal Amount of such Note.

2.4.4 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 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**

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

2.5.2 The Global Notes shall also bear the manual or facsimile signature of two authentication officers of the Paying Agent and the manual signature of an authorised officer of the relevant ICSD.

## 3 **STATUS; LIMITED RECOURSE; SECURITY**

### 3.1 **Status**

3.1.1 The obligations under the Notes constitute direct limited recourse obligations of the Issuer.

3.1.2 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:

(a) the Class A Notes rank *pari passu* among themselves and prior to the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes with respect to payment of principal and interest;

(b) the Class B Notes rank *pari passu* among themselves and prior to the Class C Notes, the Class D Notes and the Class E Notes but subordinated to the Class A Notes with respect to payment of principal and interest;

(c) the Class C Notes rank *pari passu* among themselves and prior to the Class D Notes and the Class E Notes but subordinated to the Class A Notes and Class B Notes with respect to payment of principal and interest;

- (d) the Class D Notes rank *pari passu* among themselves and prior to the Class E Notes but subordinated to the Class A Notes, Class B Notes and Class C Notes with respect to payment of principal and interest;
- (e) the Class E Notes rank *pari passu* among themselves but subordinated to the Class A Notes, Class B Notes, Class C Notes and Class D Notes with respect to payment of principal and interest.

### 3.3 **Limited Recourse**

3.3.1 Prior to the Enforcement Conditions being fulfilled the following applies: If the Available Distribution Amount, subject to the Pre-Enforcement Priority of Payments is insufficient to pay to the Noteholders their relevant share of such 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 Available Distribution Amount. After payment to the Noteholders of their relevant share of such 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.

3.3.2 Upon the Enforcement Conditions being fulfilled the following applies: If the Issuer Proceeds, subject to the Post-Enforcement Priority of Payments, are 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 pursuant to the Post-Enforcement Priority of Payments, the claims of such Noteholders against the Issuer shall be limited to their respective share of such remaining Issuer Proceeds. After payment to the Noteholders of their relevant share of such remaining Issuer Proceeds, 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.

3.3.3 Remaining Issuer Proceeds shall be deemed to be "*ultimately insufficient*" at such time when, in the reasonable 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.

### 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 Transaction Parties or any of their respective Affiliates or any third Person.

### 3.5 **Trustee, Security Assets and Transaction Accounts**

3.5.1 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.

3.5.2 The Issuer grants or will grant security interests to the Trustee over the Security Assets and the Transaction Accounts for the benefit of the Noteholders and the other Secured Parties.

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



- (a) be entitled to enforce any Security Interest in the Security Assets and/or the Transaction Accounts; or
- (b) exercise any rights, claims, remedies or powers in respect of the Security Assets and/or the Transaction Accounts; or
- (c) have otherwise any direct recourse to the Security Assets and/or the Transaction Accounts,

except through the Trustee.

3.5.4 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 3.5.1, 3.5.2 and Clause 10 (*Early Redemption for Default*).

## 4 **INTEREST**

### 4.1 **Interest Periods**

4.1.1 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.

4.1.2 Interest on the Notes shall be payable in arrears 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, the Class A Interest Rate; and
- (b) in the case of the Class B Notes, the Class B Interest Rate;
- (c) in the case of the Class C Notes, the Class C Interest Rate;
- (d) in the case of the Class D Notes, the Class D Interest Rate; and
- (e) in the case of the Class E Notes, the Class E Interest Rate.

### 4.3 **EURIBOR Determination**

4.3.1 As long as no Base Rate Modification Event and no Alternative Base Rate Implementation Date has occurred, the Cash Administrator shall determine the EURIBOR for the relevant Interest Period as follows:

- (a) The Cash Administrator shall apply the rate for deposits in euro for a period of one (1) month which appears on page EURIBOR 01 of the Reuters screen (or such other page as may replace such page on that service for the purpose of displaying the euro inter-bank offered rate administered by the Banking Federation of the European Union (or any other person which takes over the administration of such rate)) as of 11:00 a.m. in Brussels; or
- (b) if, at that time, page EURIBOR 01 of the Reuters screen is not available or if no such quotation appears thereon, in each case as at such time, the Cash Administrator shall either

- (i) specify another page or service displaying the relevant rate; or
  - (ii) use the Reference Bank Rate (expressed as a percentage rate per annum) as determined by it for one-month deposits (with respect to the first Interest Period, for one (1) month deposit) in euro at approximately 11:00 a.m. (Brussels time) on the relevant Determination Date.
- 4.3.2 As long as no Base Rate Modification Event and no Alternative Base Rate Implementation Date has occurred and if the Cash Administrator is on any Interest Determination Date unable to determine EURIBOR for the relevant Interest Period in accordance with Clause 4.3.1(a) and Clause 4.3.1(b), EURIBOR for such Interest Period shall be EURIBOR as determined on the previous Interest Determination Date.
- 4.4 **Alternative Base Rate Determination during the Alternative Base Rate Implementation Period**
- 4.4.1 If
  - (a) a Base Rate Modification Event, but
  - (b) no Alternative Base Rate Implementation Date has occurred,the Alternative Base Rate Determination Agent shall, without undue delay, use commercially reasonable endeavour to propose an Alternative Base Rate in accordance with Clause 17 (*Noteholder Resolutions / Noteholders' Representative*).
- 4.4.2 During the Alternative Base Rate Implementation Period the Intermediary Base Rate shall be determined by the Swap Calculation Agent under the Swap Agreement in line with the Swap Agreement.
- 4.5 **Alternative Base Rate Determination on or after Alternative Base Rate Implementation Date**

If the Alternative Base Rate Implementation Date has occurred, the interest for the Class A Notes in accordance with this Clause 4 (*Interest*) will be calculated on the basis of the Alternative Base Rate as notified to the Cash Administrator by the Issuer pursuant to Clause 17.3.6.
- 4.6 **Interest Amount**
- 4.6.1 The Interest Amount payable on each Note for the immediately following Interest Period shall be calculated by the Cash Administrator by multiplying the relevant Interest Rate for the relevant Interest Period by the Day Count Fraction and by the relevant Note Principal Amount (as outstanding at the beginning of the relevant Interest Period 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.
- 4.6.2 The aggregate Interest Amount payable on each Class of Notes shall be equal to the Interest Amount payable per Note (as determined in accordance with Clause 4.6.1 above) multiplied by the number of Notes of the respective Class of Notes. Such aggregate Interest Amount shall be calculated by the Cash Administrator.

#### 4.7 **Interest Shortfall**

4.7.1 To the extent 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, no further payment of interest on the respective Class of Notes or Classes of Notes shall become due and payable and the claim of a Noteholder to receive such Interest Shortfall will be deferred in accordance with Clause 4.7.2 below and subject to Clause 3.3 (*Limited Recourse*), unless the Issuer does not have sufficient funds for the payment of interest on the Class A Notes on such Payment Date in which case any interest payable on the Notes is due and payable pursuant to the Post-Enforcement Priority of Payments.

4.7.2 Interest Shortfall shall become due on the next Payment Date(s) on which, and to the extent that, sufficient funds are available to pay such Interest Shortfall in accordance with the Applicable Priority of Payments until it is reduced to zero.

4.7.3 Interest shall not accrue on Interest Shortfall at any time.

#### 4.8 **Notification of Interest Rate and Interest Amount**

The Paying Agent notifies the aggregate Interest Amount of all Class A Notes, Class B Notes, Class C Notes, Class D Notes and Class E Notes, the Interest Amount payable on each Note, interest amounts deferred pursuant to Clause 4.7.1 and the relevant Payment Date to the Issuer, the Servicer and the Cash Administrator, 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 promptly after their determination, but in no event later than on the first day of the relevant Interest Period.

#### 4.9 **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 Paying 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.

#### 4.10 **Default Interest**

Default interest will be determined in accordance with this Clause 4. Section 288 paragraph 1 BGB is hereby derogated, to the extent it limits this Clause 4.10. This does not affect any additional rights that may be available to the Noteholders.

### 5 **PAYMENTS**

#### 5.1 **General**

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

5.1.2 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**

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

5.2.2 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 determined subject to the Business Day Convention.

## 5.4 **No Right in Loan Contract**

The ownership of a Note does not confer any right to, or interest in, any Loan Agreement or any right against any Debtor nor any third party under or in connection with the Loan Agreements or against the Originator or the Servicer.

## 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 Available Distribution Amount or the Issuer Proceeds, as applicable, as at such date for application of payments and the amounts to be paid according to the Applicable 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 **AMORTISATION**

7.1 The Issuer will, after the Replenishment Period has expired, redeem the Notes subject to the Available Distribution Amount or the Issuer Proceeds, as applicable and in accordance with the relevant Priority of Payments.

7.2 If on any Servicer Reporting Date the Servicer or any Substitute Servicer (as applicable) has not provided the Cash Administrator with the Servicer Report, and on the 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. For the avoidance of doubt, in such case only the redemption of the Notes is suspended and all other payments to be made in accordance with Clause 8 (*Priorities of Payments*) will be effected.

7.3 The Issuer will continue to redeem the Notes in accordance with Clause 7.1 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 Servicer Reporting Date immediately preceding such Payment Date.

## 8 PRIORITIES OF PAYMENTS

### 8.1 Pre-Enforcement Priority of Payments

Prior to the Enforcement Conditions being fulfilled, the Issuer will distribute the 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 priorities of payments (in each case, only if and to the extent that payments or provisions of a higher priority have been made in full):

- (i) any due and payable Statutory Claims;
- (ii) any due and payable Trustee Expenses;
- (iii) any due and payable Administration Expenses;
- (iv) any due and payable Servicing Fee to the Servicer;
- (v) all amounts (if any) due and payable to the Swap Counterparty under the Swap Agreement (including termination payments but excluding any Subordinated Swap Amounts);
- (vi) to the payment of Class A Notes Interest Amount due and payable on such Payment Date, on a *pro rata* and *pari passu* basis on the Class A Notes;
- (vii) if no Class B Principal Deficiency Event is occurring, to the payment of Class B Notes Interest Amount due and payable on such Payment Date, on a *pro rata* and *pari passu* basis on the Class B Notes;
- (viii) if no Class C Principal Deficiency Event is occurring, to the payment of Class C Notes Interest Amount due and payable on such Payment Date, on a *pro rata* and *pari passu* basis on the Class C Notes;
- (ix) if no Class D Principal Deficiency Event is occurring, to the payment of Class D Notes Interest Amount due and payable on such Payment Date, on a *pro rata* and *pari passu* basis on the Class D Notes;
- (x) if no Class E Principal Deficiency Event is occurring, to the payment of Class E Notes Interest Amount due and payable on such Payment Date, on a *pro rata* and *pari passu* basis on the Class E Notes;
- (xi) during the Replenishment Period, to the payment of the Additional Purchase Price for Additional Receivables;
- (xii) during the Replenishment Period, to the Payment of the Replenishment Shortfall Amount to the Replenishment Shortfall Account;
- (xiii) after the expiration of the Replenishment Period, to the payment (on a *pro rata* and *pari passu* basis) of the Class A Principal Redemption Amount in respect of the redemption of the Class A Notes until the Class A Principal Amount is reduced to zero;

- (xiv) if a Class B Principal Deficiency Event is occurring, to the payment of Class B Notes Interest Amount due and payable on such Payment Date, on a *pro rata* and *pari passu* basis on the Class B Notes;
- (xv) after the expiration of the Replenishment Period, to the payment (on a *pro rata* and *pari passu* basis) of the Class B Principal Redemption Amount in respect of the redemption of the Class B Notes until the Class B Principal Amount is reduced to zero;
- (xvi) if a Class C Principal Deficiency Event is occurring, to the payment of Class C Notes Interest Amount due and payable on such Payment Date, on a *pro rata* and *pari passu* basis on the Class C Notes;
- (xvii) after the expiration of the Replenishment Period, to the payment (on a *pro rata* and *pari passu* basis) of the Class C Principal Redemption Amount in respect of the redemption of the Class C Notes until the Class C Principal Amount is reduced to zero;
- (xviii) if a Class D Principal Deficiency Event is occurring, to the payment of Class D Notes Interest Amount due and payable on such Payment Date, on a *pro rata* and *pari passu* basis on the Class D Notes;
- (xix) after the expiration of the Replenishment Period, to the payment (on a *pro rata* and *pari passu* basis) of the Class D Principal Redemption Amount in respect of the redemption of the Class D Notes until the Class D Principal Amount is reduced to zero;
- (xx) if a Class E Principal Deficiency Event is occurring, to the payment of Class E Notes Interest Amount due and payable on such Payment Date, on a *pro rata* and *pari passu* basis on the Class E Notes;
- (xxi) after the expiration of the Replenishment Period, to the payment (on a *pro rata* and *pari passu* basis) of the Class E Principal Redemption Amount in respect of the redemption of the Class E Notes until the Class E Principal Amount is reduced to zero;
- (xxii) to the payment of the Commingling Reserve Adjustment Amount to the Commingling Reserve Account;
- (xxiii) to the payment of the Set-Off Risk Reserve Adjustment Amount to the Set-Off Risk Reserve Account;
- (xxiv) any Subordinated Swap Amounts;
- (xxv) to the payment of the Additional Servicing Fee to the Servicer;
- (xxvi) to the payment of the Transaction Gain to the shareholders of the Issuer.

## 8.2 Post-Enforcement Priority of Payments

After the Enforcement Conditions being fulfilled, the Trustee applies all Issuer Proceeds 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 each case, only if and to the extent that payments or provisions of a higher priority have been made in full):

- (i) any due and payable Statutory Claims;
- (ii) any due and payable Trustee Expenses;
- (iii) any due and payable Administration Expenses;
- (iv) any due and payable Servicing Fee to the Servicer;
- (v) all amounts (if any) due and payable to the Swap Counterparty under the Swap Agreement (including termination payments but excluding any Subordinated Swap Amounts);
- (vi) to the payment of Class A Notes Interest Amount due and payable on such Payment Date, on a *pro rata* and *pari passu* basis on the Class A Notes;
- (vii) to the payment (on a *pro rata* and *pari passu* basis) in respect of the redemption of the Class A Notes until the Class A Principal Amount is reduced to zero;
- (viii) to the payment of Class B Notes Interest Amount due and payable on such Payment Date, on a *pro rata* and *pari passu* basis on the Class B Notes;
- (ix) to the payment (on a *pro rata* and *pari passu* basis) in respect of the redemption of the Class B Notes until the Class B Principal Amount is reduced to zero;
- (x) to the payment of Class C Notes Interest Amount due and payable on such Payment Date, on a *pro rata* and *pari passu* basis on the Class C Notes;
- (xi) to the payment (on a *pro rata* and *pari passu* basis) in respect of the redemption of the Class C Notes until the Class C Principal Amount is reduced to zero;
- (xii) to the payment of Class D Notes Interest Amount due and payable on such Payment Date, on a *pro rata* and *pari passu* basis on the Class D Notes;
- (xiii) to the payment (on a *pro rata* and *pari passu* basis) in respect of the redemption of the Class D Notes until the Class D Principal Amount is reduced to zero;
- (xiv) to the payment of Class E Notes Interest Amount due and payable on such Payment Date, on a *pro rata* and *pari passu* basis on the Class E Notes;
- (xv) to the payment (on a *pro rata* and *pari passu* basis) in respect of the redemption of the Class E Notes until the Class E Principal Amount is reduced to zero;
- (xvi) any Subordinated Swap Amounts;

- (xvii) to the payment of the Additional Servicing Fee to the Servicer;
- (xviii) to the payment of the Transaction Gain to the shareholders of the Issuer.

## 9 REDEMPTION - MATURITY

### 9.1 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 subject to and in accordance with the relevant Priority of Payments.

### 9.2 Redemption on the Legal Maturity Date

9.2.1 Any Class of Notes not fully redeemed on the Scheduled Maturity Date will be redeemed on the subsequent Payment Dates subject to and in accordance with the relevant Priority of Payments until the Legal Maturity Date, unless previously fully redeemed in accordance with the Terms and Conditions.

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

## 10 EARLY REDEMPTION FOR DEFAULT

10.1 Any Noteholder may declare due the Notes held by it at the then current Note Principal Amount plus accrued interest by delivery of a written notice to the Issuer with a copy to the Trustee if any Issuer Event of Default with respect to the relevant Note held by it has occurred and has not been remedied prior to receipt by the Issuer of such notice.

10.2 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 10.1 has occurred:

- (a) the Issuer shall promptly (*unverzöglich*) notify the Trustee hereof in writing with copies to the Secured Parties; and
- (b) provided that such Issuer Event of Default is continuing at the time such notice is received by the Issuer, all Notes (but not some only) will become due for redemption on the Payment Date following the Termination Date in an amount equal to their then current Note Principal Amounts plus accrued but unpaid interest.

10.3 Immediately upon the earlier of being informed of the occurrence of an Issuer Event of Default in accordance with Clause 10.2(a) above or in any other way, the Trustee serves an Enforcement Notice to the Issuer.

10.4 Upon the delivery of an Enforcement Notice by the Trustee to the Issuer, the Trustee (in accordance with the Trust Agreement):

- (a) enforces the Security Interest over the Security Assets to the extent the Security Interest over the Security Assets has become enforceable; and
- (b) applies any available Issuer Proceeds on the Payment Date following the Termination Date, and thereafter on each subsequent Payment Date in accordance with the Post-Enforcement Priority of Payments.



## 11 **EARLY REDEMPTION – REDEMPTION EVENTS**

### 11.1 **Notes Redemption upon the occurrence of a Tax Event**

- 11.1.1 If a Tax Event has occurred, the Issuer shall determine within twenty (20) calendar days of such circumstance occurring whether it would be practicable to arrange for the substitution of the Issuer in accordance with Clause 16 (*Substitution of the Issuer*) or to change its tax residence to another jurisdiction approved by the Trustee.
- 11.1.2 The Trustee shall not give such approval unless each of the Rating Agencies has been notified in writing of such substitution or change of the tax residence of the Issuer. If the Issuer determines that any of such measures would be practicable, it shall effect such substitution in accordance with Clause 16 (*Substitution of the Issuer*) or (as relevant) such change of tax residence within sixty (60) calendar days from such determination.
- 11.1.3 If, however, it determines within twenty (20) calendar days of such circumstance occurring that none of such measures would be practicable or if, having determined that any of such measures would be practicable, it is unable so to avoid such deduction or withholding within such further period of sixty (60) calendar days, then the Issuer shall be entitled at its option (but shall have no obligation vis a vis the Noteholders) to fully redeem all (but not only some) Classes of Notes, upon not more than sixty (60) calendar days nor less than thirty (30) calendar days' notice of redemption given to the Trustee, to the Paying Agent and, in accordance with Clause 14 (*Form of Notices*) to the Noteholders at their then outstanding Note Principal Amounts, together with accrued interest (if any) to the date (which must be a Payment Date) fixed for redemption.
- 11.1.4 Any such notice shall be irrevocable, must specify the date fixed for redemption and must set forth a statement in summary form of the facts constituting the basis for the right of the Issuer so to redeem.

### 11.2 **Notes Redemption upon the occurrence of a Regulatory Change Event**

- 11.2.1 The Notes will be subject to optional redemption in whole but not in part following the occurrence of a Regulatory Change Event.
- 11.2.2 In the event that Regulatory Change Event has occurred, the Issuer shall be entitled at its option (but shall have no obligation vis a vis the Noteholders) to fully redeem all (but not some only) of the Notes, upon not more than sixty (60) calendar days nor less than thirty (30) calendar days' notice of redemption given to the Trustee, to the Paying Agent and, in accordance with Clause 14 (*Form of Notices*), to the Noteholders at their then outstanding Note Principal Amounts, together with accrued interest (if any) to the date (which must be a Payment Date) fixed for redemption.
- 11.2.3 Any such notice shall be irrevocable, must specify the date fixed for redemption and must set forth a statement in summary form of the facts constituting the basis for the right of the Issuer so to redeem the Notes.

### 11.3 **Right of the Issuer to initiate an early redemption of the Notes**

- 11.3.1 If a Redemption Event has occurred, the Issuer (with a copy to the Trustee) may exercise its options set out in Clause 11.1 (*Notes Redemption upon the occurrence of a Tax Event*) and Clause 11.2 (*Notes Redemption upon the occurrence of a Regulatory Change Event*) to initiate the repurchase of the Notes.

- 11.3.2 In the event set out in Clause 11.3.1 the Issuer will sell all (but not only some) of the Purchased Receivables whereby the Originator shall have the right to match the Repurchase Price for the Purchased Receivables in order to purchase them.
- 11.3.3 The sale set out in Clause 11.3.2 will be subject to the following conditions:
- (a) The Purchased Receivables are sold at the Repurchase Price.
  - (b) The Issuer confirms to the Trustee that it is not aware of the Insolvency of the purchaser or any circumstances which lead or may lead to the purchaser becoming Insolvent.
- 11.3.4 Such sale of the Purchased Receivables will cause an early redemption of the Notes, subject to and in accordance with and the Applicable Priority of Payments.
- 11.3.5 For the avoidance of doubt, the Repurchase Price does not need to be sufficient to repay all Classes of Notes, Clause 3.3 (*Limited Recourse*) applies.
- 11.3.6 The Repurchase Price is paid by the purchaser of the sold Receivables on the Payment Date immediately following receipt of the Repurchase Notice by the purchaser of the sold Receivables to the Operating Account.
- 11.3.7 Upon receipt by the Issuer of the Repurchase Price and all other payments owed by the purchaser of the sold Receivables on the Operating Account with discharging effect (*Erfüllungswirkung*), the Issuer shall assign all sold Receivables (including the Related Claims and Rights) and transfer the Related Collateral to the purchaser of the sold Receivables at the cost of the purchaser of the sold Receivables.
- 11.4 **Repurchase upon a Clean-Up Call Event**
- 11.4.1 If a Clean-Up Call Event has occurred, the Originator may, upon at least 10 (ten) 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 at the Repurchase Price.
- 11.4.2 Such repurchase shall be made at the Repurchase Price on the Payment Date immediately following receipt of the Repurchase Notice by the Issuer.
- 11.4.3 The Originator shall pay the Repurchase Price to the Operating Account.
- 11.4.4 Conditionally upon the receipt by the Issuer of the Repurchase Price and all other payments owed by the Originator and if the Originator is identical to the Servicer, the Servicer to the Issuer, on the Operating Account with discharging effect (*Erfüllungswirkung*), the Issuer shall assign all Repurchased Receivables (including the Related Claims and Rights) and transfer the Related Collateral to the Originator at the Originator's cost.
- 11.4.5 Such repurchase of the Purchased Receivables will cause an early redemption of the Notes, subject to and in accordance with and the Applicable Priority of Payments.
- 11.4.6 For the avoidance of doubt, the Repurchase Price does not need to be sufficient to repay all Classes of Notes, Clause 3.3 (*Limited Recourse*) applies.

## 11.5 **Consent of the Trustee**

Under the Trust Agreement, the Trustee has consented to the repurchase, re-assignment and retransfer (as applicable) of such Purchased Receivables (including the Related Claims and Rights and the Related Collateral (if any)) by the Issuer.

## 12 **TAXES**

12.1 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.

12.2 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.

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

## 13 **INVESTOR NOTIFICATIONS**

13.1 As long as the Notes are outstanding, with respect to each Payment Date, the Issuer instructs the Paying Agent to:

- (a) generally and in the case of an early redemption pursuant to Clause 10 (*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 11 (*Early Redemption – Redemption Events*) not later than on the Calculation Date preceding the Payment Date on which such redemption shall occur,

provide on behalf of the Issuer the Noteholders of each Class of Notes with the Investor Report by making such Investor Report available on the Website (or such other website as notified by the Paying Agent to the Noteholders in advance in accordance with Clause 14 (*Form of Notices*)).

13.2 As long as the Notes are outstanding, the Issuer instructs the Paying Agent to provide on behalf of the Issuer the Noteholders of each Class of Notes with the Significant Reporting Event Notice without undue delay by making it available on the Website (or such other website as notified by the Paying Agent to the Noteholders in advance in accordance with Clause 14 (*Form of Notices*)).

## 14 **FORM OF NOTICES**

14.1 All notices to the Noteholders regarding the Notes shall be:

- (a) delivered to the relevant ICSD for communication by it to the Noteholders on or before the date on which the relevant notice is given;
- (b) published on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) or such other website as notified to the Noteholders via the relevant ICSD; or

- (c) 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 unless such publication can be arranged by a direct receipt of all Noteholders.

14.2 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 may be listed. Any notice referred to above shall be deemed to have been given to all Noteholders on the seventh calendar day after the day on which such notice was delivered to the ICSDs.

## 15 **PAYING AGENT**

### 15.1 **Appointment of Paying Agent**

The Issuer has appointed The Bank of New York Mellon, London Branch 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 with the Noteholders.

### 15.2 **Obligation to maintain a Paying Agent**

The Issuer shall procure that as long 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.

## 16 **SUBSTITUTION OF THE ISSUER**

### 16.1 **General**

16.1.1 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 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 assumed Trustee Claim; and

- (iii) the Transaction Accounts are, upon the Issuer's substitution, held by the Trustee to secure the Trustee Claim;
  - (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 debtor 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) to (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 the Transaction Accounts; 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) a 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.
- 16.1.2 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.

## 16.2 **Notice of Substitution**

The New Issuer shall give notice of the substitution to the Noteholders pursuant to Clause 14 (*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.

### 16.3 **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.

## 17 **NOTEHOLDER RESOLUTIONS / NOTEHOLDERS' REPRESENTATIVE**

### 17.1 **Noteholder Resolutions**

17.1.1 The Noteholders of each Class of Notes may agree to amendments of the Terms and Conditions pursuant to the provisions of the German Act on Debt Securities.

17.1.2 The following applies to such vote:

- (a) No obligation to a Noteholder will be imposed by any such vote.
- (b) Majority resolutions shall be binding on all Noteholders of the relevant Class of Notes.
- (c) Resolutions which do not provide for identical conditions for all Noteholders of a relevant Class are void, unless the Noteholders of such Class who are disadvantaged have expressly consented to their being treated disadvantageously.
- (d) 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.
- (e) 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.
- (f) If the Class A Notes are used as collateral in the Eurosystem liquidity scheme no vote of the Noteholders of the Class A Note shall be valid before written approval to such vote by the Eurosystem.

17.1.3 Noteholders of each Class of Notes may agree inter alia to the following amendments which affect or effect:

- (a) the provisions set out in Clause 4 (*Interest*) and the related definitions;
- (b) the due date for the payment of principal;
- (c) any reduction of principal owed according to Clause 8 (*Priorities of Payments*);
- (d) the conversion of a Class of Notes into other securities or form of debt;
- (e) the subordination of the Class of Notes set out in Clause 8.2 (*Post-Enforcement Priority of Payments*) following the insolvency of the Issuer;

- (f) any release or exchange of Transaction Security which is not in accordance with the Transaction Documents; or
  - (g) the amendment or rescission of ancillary provisions of the Notes.
- 17.1.4 Noteholders of the relevant Classes of Notes shall pass resolutions by vote taken without a meeting.
- 17.1.5 No amendment of the Terms and Conditions (including the Trust Agreement) passed by a resolution of the Noteholders of a Class of Notes shall be effective and the Trustee shall not be bound by a direction of the Noteholders passed by a resolution of a Class of Notes unless:
- (a) resolutions of all other outstanding Classes of Notes have been cast in favour of such amendment or direction;
  - (b) such other Classes of Notes are not affected thereby; or
  - (c) if any other Class of Notes is affected thereby, the Noteholders of such other Class have expressly consented to such amendment or direction by way of resolution,
  - (d) in each case, in accordance with these Terms and Conditions.
- 17.1.6 Resolutions require a qualified majority vote of at least 75% of the votes cast.

## 17.2 **Noteholders Representative**

- 17.2.1 The Noteholders of each Class of Notes may appoint by a qualified majority vote of at least 75% of the votes cast a noteholders' representative (*gemeinsamer Vertreter*) for all Noteholders for the preservation of their rights pursuant to the provisions of the German Act on Debt Securities.
- 17.2.2 Any natural person having legal capacity or any qualified legal person may act as Noteholders' Representative.
- 17.2.3 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.

## 17.3 **Modification of the definition of Alternative Base Rate**

- 17.3.1 The Alternative Base Rate Determination Agent (acting on behalf of the Issuer) will determine an Alternative Base Rate in cooperation with the Swap Counterparty if a Base Rate Modification Event has occurred (or if the Alternative Base Rate Determination Agent has been informed by the Swap Counterparty or the Swap Calculation Agent that a Benchmark Trigger Event under the Swap Agreement has occurred).
- 17.3.2 Where a change is proposed to be made to the Swap Benchmark Rate (including, without limitation, the designation of another floating rate option and/or the inclusion of an Adjustment Spread and/or Adjustment Payment), then the Alternative Base Rate Determination Agent shall determine a corresponding change to be made to the Base Rate, provided that such Base Rate Adjustment is not, in the Alternative Base Rate Determination Agent's reasonable determination, materially prejudicial to the interests of the Noteholders of the Class A Notes.

- 17.3.3 The Alternative Base Rate Determination Agent (acting on behalf of the Issuer) will immediately notify the Rating Agencies of the Base Rate Adjustment.
- 17.3.4 If one of the following events has occurred, the Alternative Base Rate Determination Agent (on behalf of the Issuer) will promptly notify the Noteholders of the Class A Notes and the Trustee of the Base Rate Adjustment immediately without undue delay in form of in form of Clause 14 (*Form of Notices*) of the proposal:
- (a) the Issuer obtains from each Rating Agency written confirmation that such modification would not result in:
    - (i) a downgrade, withdrawal or suspension of the then current ratings assigned to the Class A Notes by such Rating Agency; or
    - (ii) such Rating Agency placing any Class A Notes on rating watch negative (or equivalent);and delivers a copy of each such confirmation to the Trustee immediately upon receipt of such written confirmation;

or

  - (b) the Alternative Base Rate Determination Agent (on behalf of the Issuer) certifies in writing to the Trustee (within a reasonable period of time, but in any case not later than 10 Business Days after occurrence of a Base Rate Modification Event) 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 oral confirmation from an appropriately authorised person at such Rating Agency), such modification would not result in
    - (i) a downgrade, withdrawal or suspension of the then current ratings assigned to the Class A Notes by such Rating Agency or
    - (ii) such Rating Agency placing any Class A Notes on rating watch negative (or equivalent).
- 17.3.5 Upon the expiry of a period of 10 Business Days following the notification to the Noteholders specified in Clause 17.3.4 and provided that a Rejection Event has not occurred, the Alternative Base Rate Determination Agent (acting on behalf of the Issuer) will liaise with the other Transaction Parties to make any modifications to the Terms and Conditions and to the Transaction Documents to reflect the Base Rate Adjustment.
- 17.3.6 The Issuer shall notify the Trustee, the Cash Administrator and the Noteholders of the Class A Notes of the Alternative Base Rate in form of Clause 14 (*Form of Notices*) once the process set out in this Clause 17.3.6 is completed and an Alternative Base Rate and its determination process has been defined. On the date such notice is published the Base Rate Modification shall be effective.
- 17.3.7 Any costs in connection with such Base Rate Modification shall be borne by the Alternative Base Rate Determination Agent.
- 17.3.8 If the Base Rate Modification is not completed within 90 calendar days after the Base Rate Modification Event or if a Rejection Event has occurred, the Alternative



Base Rate Determination Agent, and the Noteholders of the Class A Notes shall in consultation with the Swap Calculation Agent consensually determine a process for the determination of the Alternative Base Rate.

17.3.9 A Base Rate Modification Event may occur more than once during the lifetime of the Class A Notes.

## 18 MISCELLANEOUS

### 18.1 Presentation Period

The presentation period for a Global Note provided in section 801 paragraph 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.

### 18.2 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 of replacement, the Issuer may require the fulfilment of certain conditions, the provision of proof regarding the existence of indemnification and/or the provision of adequate collateral. 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.

### 18.3 Place of Performance

Place of performance of the Notes shall be Luxembourg, Grand Duchy of Luxembourg.

### 18.4 Severability

Should any of the provisions hereof be or become invalid in whole or in part, the other provisions shall remain in force. The invalid provision shall, according to the intent and purpose of these Terms and Conditions, be replaced by such valid provision which in its economic effect comes as close as legally possible to that of the invalid provision.

### 18.5 Governing Law

The Notes, all of the rights and obligations of the Noteholders and the Issuer under the Notes and non-contractual rights and obligations arising out of or in connection with the Notes shall be governed by the laws of the Federal Republic of Germany.

### 18.6 Jurisdiction

The form and content of the Notes and all of the rights and obligations of Noteholders, the Issuer, the Paying Agent and the Servicer under these Notes shall be governed by and subject in all respects to the laws of Germany. It is furthermore specified that the provisions of articles 86 to 94-8 of the Luxembourg Companies Law relating to the note holders representation are expressly excluded. The place of performance and venue for legal proceedings is Frankfurt am Main, Germany. The German courts have jurisdiction for the annulment of the Global Notes in the event of loss or destruction.

## THE TRUST AGREEMENT

The following is the text of the Trust Agreement.

### PARTIES

- (1) **RevoCar 2019 UG (haftungsbeschränkt)**, a limited liability company (*Unternehmergeellschaft (haftungsbeschränkt)*) under the laws of the Federal Republic of Germany, with its registered office at c/o Wilmington Trust SP Services (Frankfurt) GmbH, Steinweg 3 - 5, 60313 Frankfurt am Main, Federal Republic of Germany and registered in the commercial register at the local court (*Amtsgericht*) in Frankfurt am Main under HRB 114262, as issuer (the "**Issuer**");
- (2) **Bank11 für Privatkunden und Handel GmbH**, a company with limited liability (*Gesellschaft mit beschränkter Haftung*) incorporated under the laws of the Federal Republic of Germany, with its registered office at Hammer Landstraße 91, 41460 Neuss, Federal Republic of Germany, and registered in the commercial register of the local court (*Amtsgericht*) in Neuss under HRB 15804, as originator, and servicer (the "**Originator**", the "**Servicer**" and the "**Alternative Base Rate Determination Agent**");
- (3) **Wilmington Trust SP Services (Dublin) Limited**, a limited liability company incorporated under the laws of Ireland and having its registered address at Fourth Floor, 3 George's Dock, IFSC Dublin 1, Ireland, as trustee and data trustee (the "**Trustee**" and "**Data Trustee**");
- (4) **Wilmington Trust SP Services (Frankfurt) GmbH**, a company incorporated under the laws of the Federal Republic of Germany, with its registered office at Steinweg 3-5, 60313 Frankfurt am Main and registered in the commercial register at the local court (*Amtsgericht*) in Frankfurt am Main under HRB 76380, as corporate service provider and substitute servicer facilitator (the "**Corporate Service Provider**" and the "**Substitute Servicer Facilitator**");
- (5) **The Bank of New York Mellon, London Branch**, located at One Canada Square, Canary Wharf, London E14 5AL, England, and registered with the Companies House under the UK establishment number BR000818, as paying agent and cash administrator (the "**Paying Agent**" and "**Cash Administrator**");
- (6) **The Bank of New York Mellon, Frankfurt Branch**, located at MesseTurm, Friedrich-Ebert-Anlage 49, 60327 Frankfurt am Main, Federal Republic of Germany and registered with the commercial register at the local court (*Amtsgericht*) in Frankfurt am Main under HRB 12731, as account bank (the "**Account Bank**");
- (7) **UniCredit Bank AG**, a stock corporation incorporated under the laws of the Federal Republic of Germany, registered with the commercial register of the local court (*Amtsgericht*) in Munich under HRB 42148 with its registered office at Arabellastrasse 12, 81925 Munich, Federal Republic of Germany, as subscriber and swap counterparty (the "**Lead Manager**" and the "**Swap Counterparty**").

The parties under (1) to (7) are hereinafter also referred to as the "**Parties**" and each of them as a "**Party**".

## BACKGROUND

- (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 Receivables.
- (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 to the Trustee as trustee for the benefit of the Secured Parties in accordance with the provisions of this Agreement and the Deed of Assignment.

## OPERATIVE PROVISIONS

### 1 DEFINITIONS AND INTERPRETATION

- 1.1 Unless the context requires otherwise, terms used in this agreement (the "**Agreement**") (including the recitals and the Schedule hereto) shall have the meaning given them in the Transaction Definitions Schedule.
- 1.2 Any reference in this Agreement to a time of day shall be construed as a reference to the statutory time (*gesetzliche Zeit*) in the Federal Republic of Germany.

### 2 APPOINTMENT OF THE TRUSTEE; POWERS OF ATTORNEY

- 2.1 The Issuer hereby appoints

WILMINGTON TRUST SP SERVICES (DUBLIN) LIMITED

to hold and enforce certain security assets as security trustee for the benefit of the Secured Parties in accordance with this Agreement and the Deed of Assignment. Wilmington Trust SP Services (Dublin) Limited hereby accepts such appointment by the Issuer.

- 2.2 The Trustee shall have no obligation to represent other Parties other than set out explicitly in this Agreement and in the Deed of Assignment.
- 2.3 Each of the Parties (other than the Trustee) hereby authorises and grants a power of attorney to, the Trustee to:
  - (a) execute all other necessary agreements related to this Agreement and in the Deed of Assignment at the cost of the Issuer;
  - (b) accept any pledge or other accessory right (*akzessorisches Sicherungsrecht*) or any assignment on behalf of the Secured Parties, including pursuant to the Deed of Assignment;
  - (c) make and receive all declarations, statements and notices which are necessary or desirable in connection with this Agreement, the Deed of Assignment 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 in accordance with Clause 2.4 below, and of any other security agreement that may be

entered into in connection with this Agreement and the Deed of Assignment; and

- (d) undertake all other necessary or desirable actions and measures, including, without limitation for the perfection of any Security Interest over the Security Assets and the Transaction Accounts in accordance with this Agreement and the Deed of Assignment.

2.4 The power of attorney shall 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 Clause 2.3.

### 3 **DECLARATION OF TRUST (*TREUHAND*)**

3.1 The Trustee shall in relation to the Security Interests created under this Agreement and the Deed of Assignment acquire, hold and enforce such Security Assets which are pledged (*verpfändet*) or assigned (as applicable) to it pursuant to this Agreement and the Deed of Assignment 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 and the Deed of Assignment 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.

3.3 Without prejudice to and in addition to the provisions of this Agreement, it is agreed and acknowledged that the Issuer has assigned its rights under the Swap Agreement in accordance with the Deed of Assignment.

### 4 **CONFLICT OF INTEREST**

4.1 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

- (a) if there is a conflict of interest between holders of different Classes of Notes or conflicting resolutions of the Noteholders of different Classes of Notes, the Trustee shall give priority to the holders of Class A Notes; and then
- (b) to the holders of the other Classes of Notes in the following order:
  - (i) Class B Notes;
  - (ii) Class C Notes;
  - (iii) Class D; and
  - (iv) Class E Notes.

- 4.2 The Trustee shall give priority to the interests of the Swap Counterparty before the interests of the Noteholders.
- 4.3 The Trustee will disregard the individual interests of the Noteholders.
- 4.4 The Trustee will determine the interests from the perspective of all holders of a Class of Notes. For avoidance of doubt, this applies if a resolution has been adopted by a more junior Class of Note regardless if a resolution has been adopted by the Noteholders of a more senior Class of Notes.

## 5 **CONTRACT FOR THE BENEFIT OF THE NOTEHOLDERS**

This Agreement grants the Noteholders the right to demand that the Trustee:

- (a) performs the Trustee Services; and
- (b) complies with the undertakings set out in Clause 23 (*Retention by the Originator*) as a contract for the benefit of a third party (*echter Vertrag zugunsten Dritter*) pursuant to section 328 paragraph 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 and the Deed of Assignment:

- (a) The Trustee shall hold, collect, enforce and release in accordance with the terms and subject to the conditions of this Agreement, the Deed of Assignment and the other Transaction Documents, the Security Interests in the Security Assets that are granted to it by way of (i) pledge (*Verpfändung*) or assignment (*Sicherungsabtretung*) pursuant to Clause 12 (*Pledge of Security Assets*) and Clause 13 (*Assignment and Transfer of Security Assets for Security Purposes*) hereof 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*) hereof and (ii) by way of assignment pursuant to Clause 4 (*Assignment*) of the Deed of Assignment.
- (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 (i) the German Legal Services Act (*Rechtsdienstleistungsgesetz*), if applicable, as may be amended from time to time and (ii) in respect of the Swap Agreement, in accordance with the provisions of the Deed of Assignment.
- (d) If, following the occurrence of an Issuer Event of Default the Trustee becomes aware that the value of the Security Assets is at risk, the Trustee shall in its reasonable discretion take or cause to be taken all actions which in the reasonable 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**

- 6.2.1 No provision of this Agreement or the Deed of Assignment 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 or the Deed of Assignment, if the Trustee determines in its sole discretion (exercised reasonably) that repayment of such funds or adequate indemnity against such risk or liability is not assured to it.
- 6.2.2 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.
- 6.2.3 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 obligations.
- 6.2.4 The Trustee shall not be responsible for, and shall not be required to investigate, monitor, supervise or assess, the validity, suitability, value, sufficiency, existence, registration, perfection and enforceability of any or all of the Security Assets, any Security Interest, the Notes or any Transaction Document or the occurrence of an Issuer Event of Default.
- 6.2.5 The Trustee will not be precluded from entering into contracts with respect to other transactions.
- 6.2.6 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 is for information purposes only and the Trustee is not required to take any action as a consequence thereof or in connection therewith.
- 6.2.7 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 correct 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

8.1.1 The Trustee may, at its own costs, subject to the prior written consent of the Issuer (which shall not be unreasonably withheld) transfer, sub-contract or delegate the Trustee Services provided that upon an Issuer Event of Default 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.

8.1.2 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 this shall only apply if:

- (a) the Trustee assigns (to the extent legally possible) to the Issuer any payment claims that the Trustee may have against any delegate referred to in this Clause 8.1 (*Delegation by the Trustee*) arising from the performance of the Trustee Services by such delegate in connection with any matter contemplated by this Agreement and/or the Deed of Assignment in order to secure the claims of the Issuer against the Trustee;
- (b) the Trustee procures that the delegate shall be obliged to apply at all times the Standard of Care in performing the Trustee Services delegated to it;
- (c) the degree of creditworthiness and financial strength of such delegate is at delegation comparable to the degree of creditworthiness and financial strength of the Trustee.

### 8.2 Delegation by the Issuer

The Issuer shall at all times be entitled to perform its obligations hereunder and under the Deed of Assignment 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*).

9.5 The Trustee will pay all amounts received in connection with the Trustee Claim to the Operating Account. Such amounts shall be forwarded to the Secured Parties in accordance with the Applicable Priority of Payments.

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

### 10.1 Deemed Collections

The Trustee herewith consents (*Einwilligung* within the meaning of section 185 paragraph 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 (if any) such Related Collateral has been or will have been transferred by the Originator to the Issuer) following the payment of Deemed Collections that are made in accordance with clause 16 (*Deemed Collections*) of the Receivables Purchase Agreement.

### 10.2 Repurchase Options

10.2.1 The Trustee herewith consents (*Einwilligung* within the meaning of section 185 paragraph 1 BGB) to the assignment 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 transfer 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 sale by the Issuer that is made in accordance with:

- (a) clause 21.2 (*Repurchase upon the occurrence of a Clean-Up Call Event*) of the Receivables Purchase Agreement; or
- (b) clause 22 (*Sale upon the Occurrence of a Redemption Event*) of the Receivables Purchase Agreement.

10.2.2 The Trustee shall upon receipt of:

- (a) a Repurchase Notice with respect to a repurchase that is made in accordance with clause 21.2 (*Repurchase upon the occurrence of a Clean-Up Call Event*) of the Receivables Purchase Agreement; or
- (b) a notice in accordance with
  - (i) clause 11.1 (*Notes Redemption upon the occurrence of a Tax Event*); or
  - (ii) clause 11.2 (*Notes Redemption upon the occurrence of a Regulatory Change Event*) of the Terms and Conditions (as applicable)

with respect to a sale that is made in accordance with clause 22 (*Sale upon the Occurrence of a Redemption Event*) of the Receivables Purchase Agreement,

revoke its consent to the sale by the Issuer of the Purchased Receivables (including any Related Collateral), if the purchaser did not agree to reimburse the Issuer's costs and expenses (if any) in respect of such sale of the Purchased Receivables. In such case, the Issuer shall not be entitled to sell and the purchaser shall not be entitled to purchase the Purchased Receivables.



- 10.3 The Cash Administrator will deliver all information to the Trustee which is necessary to make the determinations as set out in Clause 10.2.2.

## 11 **REPLACEMENT OF ACCOUNT BANK UPON DOWNGRADE EVENT**

- 11.1 Upon the occurrence of a Downgrade Event with respect to the Account Bank, the Issuer shall replace the Account Bank in accordance with clause 9 (*Exchange of Account Bank upon Downgrade Event*) of the Account Bank Agreement. If the Issuer fails to do so, the Trustee shall use reasonable efforts to replace the Account Bank on behalf of and at the expense of the Issuer after becoming aware of such failure.
- 11.2 The Servicer agrees to identify to the Issuer a bank that would be suitable as a Substitute Account Bank and is willing to replace the Account Bank at substantially the same terms, upon the occurrence of a Downgrade Event with respect to the Account Bank within 10 Business Days. No failure to comply with this obligation will release the Servicer from its obligation to assist the Issuer in the replacement of the Account Bank.
- 11.3 As soon as the Issuer has opened new accounts replacing the existing Transaction Accounts with the Substitute Account Bank, the Issuer will pledge the new Transactions Accounts to the Trustee as security for the Trustee Claim.
- 11.4 The Issuer undertakes that it will, without undue delay (*unverzüglich*) but no later than three Business Days after the relevant Transaction Accounts were opened with the Substitute Account Bank, notify the Substitute Account Bank and the Rating Agencies by registered mail of the pledge of the new Transaction Accounts.

The Issuer will use its best endeavours (*nach besten Kräften bemühen*) to procure the prompt acknowledgement of such pledge notifications by the Substitute Account Bank. The Issuer will provide the Trustee with the mail delivery receipt with respect to the relevant pledge notification.

- 11.5 The Issuer authorises the Trustee to notify on its behalf the Substitute Account Bank of the pledge of the relevant new Transaction Accounts. The Trustee will only make use of such authorisation if at least ten Business Days have elapsed since the relevant new Transaction Accounts were opened at the Substitute Account Bank and the Trustee has not received the mail delivery receipt from the Issuer and a sufficient acknowledgement of notification from the Substitute Account Bank.

## 12 **PLEDGE OF SECURITY ASSETS**

### 12.1 **Pledge**

- 12.1.1 The Issuer hereby pledges to the Trustee, in accordance with section 1204 *et seqq.* BGB:

- (a) all its present and future claims which it has against the Account Bank in respect of the Transaction Accounts in particular, but not limited to:
- (i) all claims for cash deposits and credit balances (*Guthaben und positive Salden*) of the Transaction Accounts; and
  - (ii) all claims for interest in respect of such accounts;
- (b) any present and future Transfer Claim;

- (c) all its present and future claims which it has against the Trustee and the Data Trustee under any Transaction Document other than the Swap Agreement, in respect of which the Issuer has assigned its rights in accordance with the Deed of Assignment.

12.1.2 The Trustee accepts such pledges.

12.1.3 The Trustee recognises the limitations of the security purpose of the amounts standing to the credit of the Commingling Reserve Account, the Set-Off Risk Reserve Account and the Liquidity Reserve Account.

## 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 12.1.1(a) to Clause 12.1.1(c) hereof. The Account Bank, the Trustee, the Originator and the other Secured Parties (which are a party to this Agreement) hereby acknowledge such pledge.

## 12.3 **Waiver**

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

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

12.3.3 To the extent legally possible, the Issuer expressly waives its defences pursuant to section 1211 paragraph 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**

13.1.1 The Issuer hereby offers to assign to the Trustee for security purposes with immediate effect all its present and future, contingent and unconditional rights and claims under:

- (a) the Transaction Documents, but excluding (i) the claims pledged under Clause 12.1.1(a) to Clause 12.1.1(c) and (ii) the Swap Agreement, in respect of which the Issuer has assigned its rights pursuant to the Deed of Assignment;
- (b) all present and future Purchased Receivables (including the Related Claims and Rights); and
- (c) any claims and rights that may be assigned by the Trustee to the Issuer pursuant to Clause 8.1.2(a),

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

13.1.2 The Trustee hereby accepts such assignments.

13.1.3 The Issuer hereby offers to transfer or assign (as applicable) to the Trustee by way of security all present and future Related Collateral transferred or to be assigned to the Issuer (as applicable) under clause 8 (*Assignment of Related Collateral*) of the Receivables Purchase Agreement. The Trustee hereby accepts such assignments and transfers.

13.1.4 The Issuer and the Trustee agree with respect to the transfers set out in Clause 13.1.3 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.

### 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 (*Assignments and Transfer*) hereof. The Secured Parties which are a Party to this Agreement acknowledge the assignment.

## 14 **UNSUCCESSFUL PLEDGE OR ASSIGNMENT**

14.1 Should any pledge or assignment pursuant to Clause 12 (*Pledge of Security Assets*) or Clause 13 (*Assignment and Transfer of Security Assets for Security Purposes*) not be recognised under any relevant applicable jurisdiction, the Issuer will immediately take all actions necessary to perfect such pledge or assignment and will make all necessary declarations in connection thereof and shall endeavour 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**

15.1 The Security Interest over the Security Assets is granted for the purpose of securing the Trustee Claim.

15.2 In addition, the assignment and the transfer for security purposes of the Security Assets under this Agreement and the Deed of Assignment is made for the purpose of securing the due payment and performance by the Issuer of any and all obligations (present and future, actual and contingent) which are (or are expressed to be) or become owing by the Issuer to the Noteholders under the Notes and the other Secured Parties or any of them (including any replacement or substitute party following a transfer or assignment, accession, assumption of contract (*Vertragsübernahme*) or novation of certain rights and obligations in accordance with the relevant provision of the relevant Transaction Documents under or in connection with any of the Transaction Documents, as each may be amended, supplemented or extended from time to time, and shall, for the avoidance of doubt, include, without limitation, (i) any fees to be paid by the Issuer to any Secured Party in connection with the Transaction Documents irrespective of whether such fees are agreed or determined in such Transaction Documents or in

any fee arrangement relating thereto, (ii) any obligations incurred by the Issuer on, as a consequence of or after the opening of any insolvency proceedings and (iii) any potential obligations on the grounds of any invalidity or unenforceability of any of the Transaction Documents, in particular claims on the grounds of unjustified enrichment (*ungerechtfertigter Bereicherung*).

## 16 **INDEPENDENT SECURITY INTERESTS**

Each Security Interest created by this Agreement 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. This Agreement shall not apply to any such other security or guarantee.

## 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 in accordance with the Transaction Documents from the relevant debtors into 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 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 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.

17.4 In all cases (including after the occurrence of an Issuer Event of Default) any Swap Collateral and Excess Swap Collateral shall not be paid in accordance with the Applicable Priority of Payments and shall be applied solely in accordance with the

provisions of the Swap Agreement. For the avoidance of doubt, only Swap Collateral shall be used to collateralise the obligations of the Swap Counterparty pursuant to the Swap Agreement.

17.5 For the avoidance of doubt, this Clause 17 shall apply equally to any Security Assets that have been assigned pursuant to the Deed of Assignment.

**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 and the Transaction Accounts. The Trustee shall give notice to this effect to the relevant Secured Parties with a copy to the Issuer.

18.2 The Trustee may delegate its rights pursuant to Clause 18.1 above to the Servicer or the Substitute Servicer, as the case may be.

18.3 For the avoidance of doubt, this Clause 18 shall apply equally to any Security Assets that have been assigned pursuant to the Deed of Assignment.

**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 10 (*Early Redemption for Default*) of the Terms and Conditions).

**19.2 Notification of the Issuer and the Secured Parties**

19.2.1 Upon receipt by the Issuer of a notice from a Noteholder to the effect that an Issuer Event of Default has occurred and is continuing, the Issuer shall promptly (*unverzöglich*) notify the Trustee hereof in writing.

19.2.2 Immediately upon the earlier of being informed of the occurrence of an Issuer Event of Default:

- (a) in accordance with Clause 19.2.1 above; or
- (b) 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**

19.3.1 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 seqq.* BGB including, without limitation the right to collect any claims or credit balances

(*Einziehung*) under the Security Assets pursuant to sections 1282 paragraph 1, 1288 paragraph 2 BGB.

- 19.3.2 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.
- 19.3.3 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.
- 19.3.4 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.
- 19.3.5 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.
- 19.3.6 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.
- 19.3.7 For the avoidance of doubt, the Trustee shall be entitled to exercise all its rights pursuant to the Deed of Assignment (both prior to and after the delivery of an Enforcement Notice).

#### 19.4 **Application of Issuer Proceeds**

Upon fulfilment of the Enforcement Conditions the Trustee shall apply the Issuer Proceeds in accordance with the Post-Enforcement Priority of Payments on each Payment Date.

#### **Swap Collateral**

- 19.5 In all cases (including after the occurrence of an Issuer Event of Default) any Swap Collateral and Excess Swap Collateral shall not be paid in accordance with the Applicable Priority of Payments and shall be applied solely in accordance with the provisions of the Swap Agreement. For the avoidance of doubt, only Swap Collateral shall be used to collateralise the obligations of the Swap Counterparty pursuant to the Swap Agreement.

#### 19.6 **Binding Determinations**

All determinations and calculations made by the Trustee shall, in the absence of manifest error, be a disputable presumption (*widerlegbare 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 and the Deed of Assignment, 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.

19.7 **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 (*Enforcement of Security Interests in Security Assets*).

19.8 **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;  
DETERMINATION OF REPURCHASE PRICE**

20.1 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.

20.2 The Issuer shall, if any Purchased Receivables are Delinquent Receivables or Defaulted Receivables at the time of exercise of the options set out in

(a) clause 21.2 (*Repurchase upon the occurrence of a Clean-Up Call Event*) of the Receivables Purchase Agreement; or

(b) clause 22 (*Sale upon the occurrence of a Redemption Event*) of the Receivables Purchase Agreement,

without undue delay (*unverzüglich*) upon receipt of such notice, appoint an Independent Appraiser to determine the current value of such Delinquent Receivables or Defaulted Receivable which shall constitute the repurchase price of such Delinquent Receivables or Defaulted Receivable.

20.3 The Independent Appraiser shall determine the current value of such Delinquent Receivables or Defaulted Receivable in accordance with standard market practice, taking into account expected recoveries to be obtained from the Debtor and expected proceeds from the enforcement of Related Collateral.

20.4 The Originator and the Issuer shall, subject to applicable banking secrecy and data protection laws, provide such Independent Appraiser with such information and documents regarding the relevant Delinquent Receivables or Defaulted Receivables as such Independent Appraiser may reasonably require for determination of the current value thereof and the Issuer shall procure that the Independent Appraiser undertakes to comply with applicable banking secrecy and data protection laws and any confidentiality restrictions applicable to the Issuer and the Originator.

20.5 Any determination by way of a written certificate signed by the Independent Appraiser shall be final and binding on each of the parties hereto and the Noteholders.

20.6 The Issuer shall procure that the Independent Appraiser delivers such written certificate to the Issuer and the Seller, with copies to the Trustee and each of the Rating Agencies.

20.7 Should the Issuer sell the Purchased Receivables in accordance with clause 16 (*Deemed Collections*), clause 21.2 (*Repurchase upon the occurrence of a Clean-Up Call Event*) or clause 22 (*Sale upon the occurrence of a Redemption Event*) of the Receivables Purchase Agreement and Clause 10 (*Trustee's Consent to Repurchases and Re-Assignments*) hereof, the Trustee hereby already releases:

- (a) the pledge granted to it by the Issuer pursuant to Clause 12.1.1(b) to the extent it relates to such repurchased Purchased Receivables; and
- (b) any consequential pledge over such repurchased Purchased Receivables, (*bedingte Pfandrechtsfreigabe*) and consents (*willigt ein*) within the meaning of Section 185 para. 1 BGB) to any assignment of such Purchased Receivables by the Issuer.

## 21 **MODIFICATION OF THE DEFINITION OF ALTERNATIVE BASE RATE**

### 21.1 **Cooperation Undertaking**

The Issuer and the Swap Counterparty undertake to cooperate upon the occurrence of a Base Rate Modification Event in order to ensure a swift Base Rate Modification in accordance with Clause 17.3 of the Terms and Conditions.

### 21.2 **Trustee Role**

21.2.1 The Trustee will not be involved in the Base Rate Modification process.

21.2.2 The Trustee does not assume any responsibility in relation to the determination of

- (a) the Alternative Base Rate; and
- (b) its appropriateness.

### 21.3 **Reimbursement Undertaking**

The Alternative Base Rate Determination Agent undertakes to reimburse the Issuer, the Swap Counterparty and the Trustee for all fees, costs and expenses, and agrees to indemnify the Issuer, the Swap Counterparty and the Trustee from and against any losses, claims, demands, damages, costs, charges, expenses or liabilities incurred in connection with any Base Rate Modification.

## 22 **REPRESENTATIONS, WARRANTIES AND UNDERTAKINGS OF THE ISSUER**

### 22.1 **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 Garantieverprechen*) 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 of the Closing Date security title to the Related Collateral and full title to all other 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 created pursuant to this Agreement);  
and

- (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.

## 22.2 **General 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) 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 two German 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 (including any swap collateral account(s));
- (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*) in the Federal Republic of Germany;
- (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;
- (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 (unless required by applicable laws, including without limitation activities of the Issuer in connection with its regulatory obligations under EMIR as a consequence of entering into the Swap Agreement); 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.

### 22.3 **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 Federal Republic of Germany 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 licence 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 Rated 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, exercise the Issuer Standard of Care, 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 defence 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 Terms and Conditions and the Security Assets; and
- (m) not seek to withdraw the ratings on any Class of Rated Notes, without prior written consent by the Secured Parties (esp. Noteholders and Swap Counterparty).

## 23 **RETENTION BY THE ORIGINATOR**

23.1 The Originator covenants with the Issuer, including for the benefit of the Noteholders (contract for the benefit of a third party (*echter Vertrag zugunsten Dritter*) pursuant to section 328 paragraph 1 BGB) that it will:

- (a) retain on an on-going basis, a material net economic interest of not less than 5% of the nominal value of each of the tranches sold or transferred to the investors set out in Article 6 para 1 and para 3 (a) Securitisation Regulation, Article 405 Sec.1 (a) CRR, Article 51 Sec. 1 (a) AIFMR and article 254 Paragraph 2 (a) Solvency II Delegated Regulation; and
- (b) that the net economic interest, including retained positions, interest or exposures will not be subject to any credit risk mitigation or any short positions or any other hedge and will not be sold as required by Article 405 CRR; Article 51 AIFMR and Article 254 Solvency II Delegated Regulation;
- (c) that it shall not change the manner in which the net economic interest set out above is held until the Legal Maturity Date, unless a change is required due to exceptional circumstances and such change is not used as a means to reduce the amount of retained interest in the securitisation;
- (d) that it will notify the Issuer and the Trustee of any change to the manner in which the net economic interest set out above is held and will procure for publication in the Investor Report immediately following such change;
- (e) that it will use its best efforts to comply with the disclosure obligations imposed on originators under Article 405 to 410 CRR; Chapter 3, Section 5 AIFMR and Title I Chapter VII Solvency II Delegated Regulation and will make available, on a monthly basis through the Investor Report, the information that can, under normal circumstances, be expected to be required by Article 406 and 409 CRR; Chapter 3, Section 5 AIFMR and Title I Chapter VII Solvency II Delegated Regulation, to the extent not already included in the Prospectus;
- (f) that it will make available to each Noteholder at the end of calendar quarter, subject to legal restrictions and in particular Data Protection Provisions, upon its reasonable written request, all such necessary information in its possession to comply with the Noteholder's on-going monitoring obligations arising as a direct and immediate consequence of Article 405, 410 CRR, Chapter 3, Section 5 AIFMR or Title I Chapter VII Solvency II Delegated Regulation. For the purposes of this provision, a Noteholder's request of information shall be considered reasonable to the

extent that the relevant Noteholder demonstrates to the Originator that the additional information required by it is necessary to comply with Article 405 to 410 CRR or Chapter 3, Section 5 AIFMR or Title I Chapter VII Solvency II Delegated Regulation and such information was not provided by way of Investor Reports or the Prospectus. If the request has been delivered to the Originator less than 1 calendar month prior to the end of a calendar quarter the Originator may respond to such request at the end of the following end of a calendar quarter.

23.2 The Originator hereby authorises and instructs the Cash Administrator and the Paying Agent to include and publish in the Investor Report the information arising from its information duties set out in Clause 23.1 above in the name of the Originator. In each case based on the information provided by the Originator to the Cash Administrator, including, but not limited to the information provided, in the Investor Report. The Cash Administrator and the Paying Agent accept aforementioned instruction.

## 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 and the Deed of Assignment 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 Paying Agent.

### 24.2 Taxes

24.2.1 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:

- (a) the creation, holding or enforcement of security under this Agreement, the Deed of Assignment or any other agreement relating thereto;
- (b) any measure taken by the Trustee pursuant to the terms and conditions of this Agreement or any other Transaction Document; and
- (c) the execution of this Agreement or any other Transaction Document.

24.2.2 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 serious cause (*aus wichtigem Grund*).

### 25.3 **Effect of Termination**

- 25.3.1 Upon a termination of this Agreement in accordance with Clause 25.2 (*Termination*), 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 and the Deed of Assignment as soon as practicable. If the Issuer has not effectively appointed a Substitute Trustee within four weeks after such termination, the Trustee may appoint a Substitute Trustee.
- 25.3.2 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 under the Deed of Assignment and have all rights, powers and authorities of the Trustee hereunder and under the Deed of Assignment and any references to the Trustee shall in such case be deemed to be references to the Substitute Trustee.
- 25.3.3 In the case of a substitution of the Trustee, the Trustee shall without undue delay assign the assets and other rights it holds as trustee under this Agreement and the Deed of Assignment 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 on behalf of the Trustee to such Substitute Trustee.
- 25.3.4 In the event of a termination of this Agreement by the Issuer due to a violation of the Standard of Care, the Trustee shall bear all costs and expenses reasonably and properly incurred and directly associated with the appointment of a Substitute Trustee. For the avoidance of doubt, this 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**

- 25.4.1 In case of any termination of this Agreement under this Clause 25 (*Term; Termination*) and subject to any mandatory provision of German law, the Trustee shall continue to perform its duties under this Agreement and the Deed of Assignment until the Issuer has effectively appointed a Substitute Trustee.
- 25.4.2 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 and under the Deed of Assignment) of the Trustee under this Agreement and under the Deed of Assignment remain unaffected until a Substitute Trustee has been validly appointed.
- 25.4.3 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 under the Deed of Assignment 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 and in the Deed of Assignment shall be held 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**

Subject to any mandatory provision of German law, the Issuer shall indemnify the Trustee against Damages arising out of or in connection with the performance of its obligations (*Pflichten*) in full or in part under this Agreement and under the Deed of Assignment, provided that no indemnification shall be made to the extent such Damages result from the Trustee not applying the Standard of Care.

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 (*Indemnity*).

28 **NO OBLIGATION TO ACT**

The Trustee is only obliged to perform its obligations under this Agreement and under the Deed of Assignment 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 **NO RECOURSE, NO PETITION**

29.1 No recourse under any obligation, covenant, or agreement of the Issuer contained in this Agreement and in the Deed of Assignment shall be held against any Senior Person of the Issuer. Any personal liability of a Senior Person of the Issuer is explicitly excluded and the Parties (other than the Issuer) waive such personal liability regardless of whether it is based on law or agreement.

29.2 The Parties (other than the Issuer) agree that they shall not, until the expiry of four years and one day after the payment of all sums outstanding and owing under the Transaction Documents:

- (a) petition or take any other action for the liquidation or dissolution of the Issuer nor file a creditor's petition to open Insolvency Proceedings in relation to the assets of the Issuer nor instruct any other Person to file such petition; or
- (b) have any right to take any steps, except in accordance with this Agreement, the Deed of Assignment and the other Transaction Documents, for the purpose of obtaining payment of any amounts payable to them under this Agreement and the Deed of Assignment by the Issuer or to recover any debts whatsoever owed by the Issuer.

29.3 The aforementioned limitations in Clause 1.3.1 and Clause 29.2 shall not release any Senior Person of the Issuer or the Issuer from any liability arising from wilful misconduct (*Vorsatz*) or gross negligence (*grobe Fahrlässigkeit*) by such Senior Person of the Issuer or the Issuer (as applicable).

30 **LIMITED LIABILITY**

30.1 Notwithstanding any other provision of this Agreement, the Deed of Assignment or any other Transaction Document to which the Issuer is a party, the recourse of the Parties (other than the Issuer) in respect of any claim against the Issuer is limited to the Available Distribution Amounts and subject to the Pre-Enforcement Priority of Payments. After payment to the Parties (other than the Issuer) of their share of such Available Distribution Amount in accordance with the Pre-Enforcement Priority of Payments, the obligations of the Issuer to the Parties (other than the Issuer) with respect to such Payment Date shall be extinguished in full and neither the Parties (other than the Issuer) nor anyone acting on their behalf shall be entitled to take any further steps against the Issuer to recover any further sum.

30.2 If, upon the Enforcement Conditions being fulfilled, the Issuer Proceeds, subject to the Post-Enforcement Priority of Payments, are ultimately insufficient to pay in full all amounts whatsoever due to the Parties (other than the Issuer) and all other claims ranking *pari passu* to the claims of the Parties (other than the Issuer) pursuant to the Post-Enforcement Priority of Payments, the claims of the Parties (other than the Issuer) against the Issuer shall be limited to their respective share of such remaining Issuer Proceeds. After payment to the Parties (other than the Issuer) of their share of such remaining Issuer Proceeds, the obligations of the Issuer to the Parties (other than the Issuer) shall be extinguished in full and neither the Parties (other than the Issuer) nor anyone acting on their behalf shall be entitled to take any further steps against the Issuer to recover any further sum.

30.3 Issuer Proceeds shall be deemed to be "ultimately insufficient" at such time when, in the reasonable opinion of the Trustee, no further assets are available and no further proceeds can be realised to satisfy any outstanding claims of the Secured Parties, and neither assets nor proceeds will be so available thereafter.

31 **NOTICES**

31.1 **Form and Language of Communication**

All communications under this Agreement shall be made:

- (a) by letter, facsimile or e-mail; and
- (b) in the English language.

31.2 **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.

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 Restrictions of Section 181 BGB**

Section 181 BGB or any similar restrictions under any applicable law shall not apply to the Parties (other than Bank11).

**32.4 Amendments**

Amendments to this Agreement (including this Clause 32.4) require the prior written consent of all Parties.

**32.5 Remedies and Waivers**

32.5.1 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.

32.5.2 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.

**32.6 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.

**32.7 Separate Agreement**

The validity or the invalidity of this Agreement shall have no effect on the other Transaction Documents.

**33 GOVERNING LAW; JURISDICTION**

**33.1 Governing Law**

33.1.1 This Agreement is governed by the laws of the Federal Republic of Germany.

33.1.2 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 FURTHER 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.

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

#### 1.1 Purchase of Initial Receivables

1.1.1 Pursuant to the Receivables Purchase Agreement, the Originator and the Issuer have agreed that the Originator sells to the Issuer on the Closing Date the Initial Receivables secured by the Related Collateral including the Related Claims and Rights without recourse for Credit Risk. Against payment of the Initial Purchase Price the Initial Receivables shall be sold with economic effect as of the Initial Cut-Off Date (excluding), thus the Issuer shall be entitled to any Collections received on the Initial Receivables from the Initial Cut-Off Date (excluding) to the Closing Date (including).

1.1.2 The acceptance of the Issuer is subject to the condition precedent that the Notes have been issued and the purchaser has sufficient funds to pay the purchase price.

#### 1.2 Purchase of Additional Receivables

1.2.1 On each Offer Date during the Replenishment Period the Originator may offer to sell Additional Receivables secured by the Related Collateral, including the Related Claims and Rights, to the Issuer at the Additional Purchase Price without recourse for Credit Risk. The Additional Receivables shall be sold with economic effect as of the Additional Cut-Off Date (excluding), thus the Issuer shall be entitled to any Collections received on the Additional Receivables from the Additional Cut-Off Date (excluding) to the relevant Purchase Date (including).

1.2.2 The acceptance of the Issuer in relation to Additional Receivables is subject to the following conditions precedent (*aufschiebende Bedingung*):

- (a) no Early Amortisation Event has occurred on or prior to the corresponding Payment Date;
- (b) as a result of the purchase the Additional Receivables the aggregate Purchased Receivables do not violate the Pool Eligibility Criteria as of the relevant Additional Cut-Off Date; and
- (c) the Additional Purchase Price does not exceed the Replenishment Available Amount on the corresponding Payment Date.

#### 1.3 Assignment and Transfer of Related Collateral and optional security interest

1.3.1 The Originator has agreed in the Receivables Purchase Agreement to assign on the Closing Date or the corresponding Purchase Date (as applicable) to the Issuer by way of security (*Sicherungsabtretung*) the following optional security interests relating to the assigned Receivables and the respective Loan Agreement:

- (a) claims against property insurers (*Kaskoversicherung*) taken with respect to the relevant specified Vehicles;
- (b) damage compensation claims based on contracts and tort against the respective Debtors or against third parties (including insurers) due to damage to, or loss of, the Vehicle (if any);
- (c) 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 execution (*pfändbar*) (if any); and
- (d) any further claims under any guarantees, residual debt insurances (*Restschuldversicherungen*), GAP insurances, other claims against insurance companies (to the extent not covered by paragraph (a) above) or other third persons assigned to the Originator in accordance with the relevant Loan Agreement and any other agreements or arrangements of whatever character from time to time supporting or securing payment of the relevant Receivable (if any).

1.3.2 In addition, pursuant to the Receivables Purchase Agreement the Originator has agreed to transfer on the Closing Date or the corresponding Purchase Date (as applicable) to the Issuer (security) title to each Vehicle which relates to an assigned Receivable and the respective Loan Agreement by way of security (*Sicherungsübereignung*) for any claims owed under the relevant Loan Agreement by the relevant Debtor to the Issuer.

1.3.3 The Originator agreed to assign by way of security (*Sicherungsabtretung*) on the corresponding Purchase Date the claims under the security purpose agreement relating to the Vehicles referred to in Clause 1.3.2 with the relevant Debtor.

#### 1.4 **Disclosure of information**

Any disclosure or submission of information by the Issuer and the Originator to any Person shall only be made in accordance with applicable Data Protection Provisions or Banking Secrecy Duty, the relevant guidelines of BaFin and the confidentiality provisions under the Receivables Purchase Agreement.

#### 1.5 **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 Debtors. However, if the Originator can demonstrate to the Issuer (or the Trustee after an Enforcement Notice has been served) that such legal or enforcement proceedings were based on non-payment by the respective Debtor resulting from the Credit Risk of the respective Debtor any such expenses or fees shall not become due by the Originator or be reimbursed by the Issuer to the Originator if already paid to the Issuer.

#### 1.6 **Representations and Warranties of the Originator in relation to the Receivables**

The Originator represents and warrants in the Receivables Purchase Agreement as at the Signing Date with respect to the Initial Receivables and on the relevant Offer Date with respect to the relevant Additional Receivables to the other Parties to the Receivables Purchase Agreement by way of an independent guarantee within the

meaning of section 311 BGB irrespective of fault (*selbstständiges verschuldensunabhängiges Garantieverprechen*) that:

- (a) the Originator is the sole creditor and owner of each Receivable, in each case, including any Related Claims and Rights and the Related Collateral (if any);
- (b) all information given in respect of Receivables is true and correct in all material aspects, the identifying number stated therein allows each Loan Agreement to be identified in the Originator's records and all Receivables are separately identifiable in the Originator's systems;
- (c) it has not altered the Receivables' legal existence or otherwise waived, altered or modified any provision in relation to any Receivable, in particular, it has not impaired (*beeinträchtigen*) the Receivables by challenge (*Anfechtung*), termination (*Kündigung*) or any other means, unless made in accordance with the provisions of the Servicing Agreement;
- (d) each of the Receivables complies with the Eligibility Criteria on the relevant Cut-Off Date;
- (e) upon the assignments contemplated in the Receivables Purchase Agreement becoming effective, the Receivables and the Related Collateral have been validly and in accordance with all applicable form requirements transferred to the Issuer; in particular the Receivables are 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;
- (f) the Purchased Receivables originate from Loan Agreements which in form and substance resemble the sample of a Loan Agreements;
- (g) the Purchased Receivables are originated in the ordinary course of the Originator's business pursuant to underwriting standards that are no less stringent than those that the Originator applied at the time of origination to similar exposures that are not securitised;
- (h) there has been no material change of the underwriting standards until the date of the Receivables Purchase Agreement;
- (i) the Originator has not elected to waive any VAT exemption with regard to the sale and transfer of the Receivables; and
- (j) the Purchased Receivables have been randomly selected from the Receivables originated by the Originator.

#### 1.7 **Breach of the Pool Eligibility Criteria**

If the Issuer or the Originator becomes aware that the Portfolio does not meet the Pool Eligibility Criteria in whole or in part on any Purchase Date (taking into account the Additional Receivables offered for sale on such Purchase Date):

- (a) the Originator shall remedy such breach of the Pool Eligibility Criteria by selecting some or all of the Additional Receivables and the Loan Collateral (if any) sold to the Issuer on such Purchase Date to be re-transferred to the Originator so that, after effecting the re-transfer of such selected Purchased Receivables, the Pool Eligibility Criteria will be met; the

Originator may, at its sole discretion, choose which Additional Receivables and Loan Collateral (if any) sold to the Issuer on such Purchase Date shall be re-transferred remedy such breach;

- (b) the Originator shall not be obliged to select any Additional Receivable if the Additional Receivable has complied with the Eligibility Criteria as of the relevant Additional Cut-Off Date and the relevant Debtor is in default with any of its payment obligations under the corresponding Loan Agreement at the time when such repurchase is made.

## 1.8 **Deemed Collections**

1.8.1 The Originator shall be deemed to have received a Deemed Collection where (a) or (b) of the definition of Deemed Collection applies. The Originator will transfer any such Deemed Collection to the Issuer or the Servicer respectively in accordance with the Servicing Agreement on the Business Date following the occurrence of an event which constitutes the Deemed Collection. Such transfer shall be deemed a "Collection".

1.8.2 Upon receipt by the Issuer of any Deemed Collection in the full amount of the Outstanding Principal Amount of the relevant Purchased Receivable, the relevant Purchased Receivable (including the Related Claims and Rights) and the Related Collateral relating thereto is automatically re-assigned to the Originator, and the provisions relating to the assignment of those parts of the Related Collateral which are vehicles or other movables apply mutatis mutandis with respect to the transfer of possession. The Issuer shall make such assignment at the sole cost of the Originator and without recourse or guarantee on the part of the Issuer.

1.8.3 Other claims resulting from any failure to meet the Eligibility Criteria or the Pool Eligibility Criteria as at the relevant Cut-Off Date, in particular, claims for:

- (a) rescission of this Agreement as a whole (*Gesamtrücktritt*);
- (b) partial rescission of this Agreement (*Teilrücktritt*) with respect to the Purchased Receivables; or
- (c) a reduction (*Minderung*) of the Initial Purchase Price or the Additional Purchase Price,
- (d) are excluded, except for the right to claim performance.

## 1.9 **Liquidity Reserve**

1.9.1 In order to secure the timely payment of interest of the Class A Notes the Originator will pay an amount of EUR 2,800,000 at the latest on the Closing Date into the Liquidity Reserve Account.

1.9.2 If an Liquidity Reserve Transfer Event has occurred, an amount standing to the Liquidity Reserve Account will form part of the Available Distribution Amount as specified in the Available Distribution Amount.

1.9.3 On each Payment Date, the Liquidity Reserve Distribution Amount (if any) will be repaid to an account of the Originator separately notified (at least 10 Business Days before the relevant Payment Date) to the Issuer, with a copy to the Cash Administrator in writing.

1.9.4 The Issuer will repay any amount standing to the credit of the Liquidity Reserve Account to the Originator on the last Payment Date, following the payments made in accordance with the Applicable Priority of Payments.

#### 1.10 **Commingling Reserve**

1.10.1 In order to mitigate the risk that funds payable by the Originator in its capacity as Servicer to the Issuer are commingled with own funds of the Originator and are endangered to form part of the insolvency estate of the Originator the following shall apply:

- (a) the Originator undertakes to credit an amount of EUR 10,000,000 to the Commingling Reserve Account at the latest on the Closing Date;
- (b) on or prior to each Calculation Date, the Originator will credit an amount to the Commingling Reserve Account that ensures that the Commingling Reserve Required Amount is standing to the credit of the Commingling Reserve Account;
- (c) on each Payment Date the Commingling Reserve Distribution Amount (if any) will be repaid directly to an account of the Originator separately notified (at least 10 Business days before the relevant Payment Date) to the Issuer, with a copy to the Cash Administrator in writing.

1.10.2 If and to the extent that the Originator in its capacity as Servicer has failed to transfer to the Issuer any Collections received by it, an amount standing to the Commingling Reserve Account will form part of the Available Distribution Amount as specified in the Available Distribution Amount.

1.10.3 The Issuer will repay any amount standing to the credit of the Commingling Reserve Account to the Originator on the last Payment Date, following the payments made in accordance with the Applicable Priority of Payments.

#### 1.11 **Set-Off Risk Reserve**

1.11.1 In order to secure the obligation of the Originator where (b) under the Definition of Deemed Collection applies the following shall apply:

- (a) The Originator ensures that the Set-Off Risk Reserve Account is maintained and credited with an amount of at least the Set-Off Risk Reserve Required Amount.
- (b) On or prior to each Calculation Date and in accordance with the Pre-Enforcement Priority of Payments, the Originator will credit an amount to the Set-Off Risk Reserve Account that ensures that the Set-Off Risk Reserve Required Amount is credited to the Set-Off Risk Reserve Account.
- (c) On each Payment Date the Set-Off Risk Reserve Distribution Amount (if any) will be repaid directly to an account of the Originator separately notified (at least 10 Business Days before the relevant Payment Date) to the Issuer, with a copy to the Cash Administrator in writing.

1.11.2 If the Originator does not comply with the obligation to pay a Deemed Collection where (b) under the Definition of Deemed Collection applies, an amount standing to the Set-Off Risk Reserve Account will form part of the Available Distribution Amount as specified in the Available Distribution Amount.

1.11.3 The Issuer will repay any amount standing to the credit of the Set-Off Risk Reserve Account to the Originator on the last Payment Date, following the payments made in accordance with the Applicable Priority of Payments.

1.12 **Reserve Funding Fee**

The Originator shall receive the Reserve Funding Fee as compensation of the funding of the reserves as a one-time payment on the first Payment Date.

1.13 **Limited Liability**

1.13.1 The recourse of the Originator in respect of any claim originating from the funding of the liquidity reserve is limited to the amounts standing to the Liquidity Reserve Account and the payable Liquidity Reserve Distribution Amount, the commingling reserve is limited to the amounts standing to the Commingling Reserve Account and the payable Commingling Reserve Distribution Amount and the set-off risk reserve is limited to the amounts standing to the Set-Off Risk Reserve Account and the payable Set-Off Risk Reserve Distribution Amount; after payment of such amount to the Originator the obligations of the Issuer to the Originator with respect to such Payment Date shall be extinguished in full and neither the Originator nor anyone acting on its behalf shall be entitled to take any further steps against the Issuer to recover any further sum.

1.13.2 If upon the Enforcement Conditions being fulfilled the amounts standing to the credit of the Liquidity Reserve Account, the Commingling Reserve Account or the Set-Off Risk Reserve Account (as applicable) are ultimately insufficient to pay in full the repayment claims of in relation to the funding of the liquidity reserve; commingling reserve and set-off risk reserve the claims of the Originator against the Issuer shall be limited to such remaining funds available on the Liquidity Reserve Account, the Commingling Reserve Account or the Set-Off Risk Reserve Account (as applicable). After payment to the Originator of such funds, the obligations of the Issuer to the Originator originating from the from the funding of the reserves shall be extinguished in full and neither the Originator nor anyone acting on its behalf shall be entitled to take any further steps against the Issuer to recover any further sum.

1.13.3 The amounts standing to the Liquidity Reserve Account, the Commingling Reserve Account or the Set-Off Risk Reserve Account (as applicable) are deemed to be "ultimately insufficient" at such time when, in the reasonable opinion of the Trustee, no further funds are standing to the Liquidity Reserve Account, the Commingling Reserve Account or the Set-Off Risk Reserve Account (as applicable) and no further proceeds can be expected to be realised to satisfy any outstanding claims of the Originator, and neither assets nor proceeds will be so available thereafter.

1.14 **Regulatory Undertakings**

1.14.1 No Implicit Support Undertaking

In accordance with Art. 244 para 4 lit. f) CRR, the Originator will only repurchase, restructure or substitute the Purchased Receivables beyond its obligations set out in the Transaction Documents where such arrangements are executed in accordance with prevailing market conditions and the parties to them act in their own interest as free and independent parties (arm's length).

1.14.2 No Active Portfolio Management Undertaking



The Originator will not enter into any purchase transaction with the Issuer or any other party which would constitute Active Portfolio Management in the sense of Article 20 para. 7 of the Securitisation Regulation, in particular the Originator will not enter into any transaction which is set out in item 15 of the STS Guidelines.

**1.15 Repurchase upon the occurrence of a Clean-Up Call Event**

1.15.1 If a Clean-Up Call Event has occurred, the Originator may, upon at least 10 (ten) Business Days 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 at the Repurchase Price.

1.15.2 Such repurchase shall be made at the Repurchase Price on the Payment Date immediately following receipt of the Repurchase Notice by the Issuer.

1.15.3 Any repurchase shall be made no later than two Business Days prior to the Payment Date immediately following such request by entering into a Repurchase Agreement.

1.15.4 The Originator shall pay the Repurchase Price to the Operating Account.

1.15.5 Upon receipt by the Issuer of the Repurchase Price and all other payments owed by the Originator and if the Originator is identical to the Servicer, the Servicer to the Issuer, on the Operating Account with discharging effect (*Erfüllungswirkung*), the Issuer shall assign all Repurchased Receivables (including the Related Claims and Rights) and transfer the Related Collateral to the Originator at the Originator's cost.

**1.16 Sale upon the occurrence of a Redemption Event**

1.16.1 If a Redemption Event has occurred, the Issuer (with a copy to the Trustee) may exercise its options set out in clause 11.1 (*Notes Redemption upon the occurrence of a Tax Event*) of the Terms and Conditions and clause 11.2 (*Notes Redemption upon the occurrence of a Regulatory Change Event*) of the Terms and Conditions, respectively, to initiate the redemption of the Notes.

1.16.2 In this event, the Issuer shall sell all (but not only some) of the Purchased Receivables whereby the Originator shall have the right to match the Repurchase Price for the Purchased Receivables in order to purchase them.

1.16.3 The sale is subject to the following conditions:

- (a) The Purchased Receivables are sold at the Repurchase Price.
- (b) The Issuer confirms to the Trustee that it is not aware of the Insolvency of the purchaser of the Purchased Receivables or any circumstances which lead or may lead to the purchaser of the Purchased Receivables becoming Insolvent.

1.16.4 Such sale shall become effective at the Repurchase Price on the Payment Date immediately following conclusion of the sale.

1.16.5 The purchaser of the Purchased Receivables shall pay the Repurchase Price to the Operating Account.

1.16.6 Upon receipt by the Issuer of the Repurchase Price and all other payments owed by the purchaser of the Purchased Receivables on the Operating Account with

discharging effect (*Erfüllungswirkung*), the Issuer shall assign all Repurchased Receivables (including the Related Claims and Rights) and transfer the Related Collateral to the purchaser of the Purchased Receivables at the cost of the purchaser of the Purchased Receivables.

#### 1.17 **Indemnity**

Without limiting any other rights under the Receivables Purchase Agreement or under applicable law, the Originator shall indemnify the Issuer and each of its Senior Persons for Damages resulting from the following:

- (a) the representations and warranties of the Originator given in the Receivables Purchase Agreement are incorrect in whole or in part, provided that, with respect to any breach of the representation in respect of compliance with an Eligibility Criteria such indemnity is pursuant to the Receivables Purchase Agreement limited to the right to receive a Deemed Collection; or
- (b) the Originator fails to perform its obligations (*Pflichten*) in full or in part under the Receivables Purchase Agreement,

provided that no indemnification shall be made:

- (a) to the extent such Damages result from the Issuer not applying the Issuer Standard of Care; and
- (b) if and to the extent the relevant Damages result from Credit Risk.

#### 1.18 **Term; Termination**

1.18.1 The Receivables Purchase Agreement shall automatically terminate on the Final Discharge Date.

1.18.2 The Parties may only terminate the Receivables Purchase Agreement for serious cause (*aus wichtigem Grund*). The occurrence of an Originator Event of Default shall constitute serious cause (*wichtiger Grund*) for the Issuer to terminate the Receivables Purchase Agreement.

## 2 **THE SERVICING AGREEMENT**

### 2.1 **Appointment of the Servicer and Authority**

The Issuer has entered into the Servicing Agreement with Bank11 für Privatkunden und Handel GmbH as Servicer and Wilmington Trust SP Services (Frankfurt) GmbH as Substitute Servicer Facilitator. Under the Servicing Agreement, the Issuer has, subject to certain limitations, granted the Servicer 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 (if any) in accordance with the Servicing Agreement, the Credit and Collection Policy and the relevant Loan Agreement.

### 2.2 **Services and Duties of the Servicer**

2.2.1 Pursuant to the Servicing Agreement the Servicer has agreed to perform, *inter alia*, the following services:

- (a) identify the Collection as either Principal Collections, Interest Collections, Deemed Collections or Recovery Collections;
  - (b) collect any amounts due and payable under a Purchased Receivable by making use of the arrangement set out in the relevant Loan Agreement (including, without limitation, by way of SEPA Direct Debit Mandate) onto the Collection Account;
  - (c) pay or cause to be paid any Collections or any other amounts due under a Purchased Receivable received by it on any account other than the Collection Account into the Collection Account for value on the same day on which the funds are available on such other account (*taggleich*);
  - (d) identify, set aside and hold on trust (*Treuhand*) for the Issuer all Collections received by it on behalf of the Issuer;
  - (e) further administer, enforce, release, dispose and recover (as applicable) amounts payable by any Debtor in relation to the Purchased Receivables and the Related Collateral in accordance with the terms and conditions of the Loan Agreements and the Credit and Collection Policy, in particular:
    - (i) exercise the Related Claims and Rights and other rights (including termination rights or waivers) related to the Purchased Receivables and the Related Collateral (if any) in accordance with the Credit and Collection Policy;
    - (ii) remind (*mahnen*) any Debtor, if and to the extent the relevant claims have not been discharged when due;
    - (iii) enforce the Related Collateral upon a Purchased Receivable becoming a Defaulted Receivable and apply the enforcement proceeds to the relevant secured obligations in accordance with the Credit and Collection Policy;
    - (iv) prematurely terminate a Loan Agreement in line with the respective terms of such agreement; and
  - (f) procure that all Collections (other than Deemed Collections) are collected by SEPA Direct Debit Mandate, unless the Originator has decided not to collect such Collections by SEPA Direct Debit Mandate in accordance with the Credit and Collection Policy;
  - (g) do or cause to be done all acts necessarily incidental to the services outlined in Clause 2.2.1(a) to Clause 2.2.1(f).
- 2.2.2 The Servicer shall not perform any acts or services that would require a banking licence of the Issuer. Further the Servicer shall not carry out Active Portfolio Management on a discretionary basis.
- 2.2.3 Further, pursuant to the Servicing Agreement shall (amongst others):
- (a) 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 on-going or about to be initiated upon request by the Issuer;

- (b) in addition to paragraph (a), 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, the Issuer may, subject to compliance with the applicable Data Protection Provisions, Banking Secrecy Duty and the applicable guidelines of BaFin, 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;
- (c) the Servicer shall use all reasonable endeavours to assist the Issuer if the Issuer is obliged to replace any Transaction Party subject to and in accordance with a Transaction Document. In particular the Servicer agrees to identify to the Issuer a company that would be suitable to substitute such party;
- (d) the Servicer shall also be obliged towards the Trustee to provide the services set out in the paragraph entitled "Services; Further Duties of the Servicer" 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 paragraph 1 BGB.

### 2.3 **Payment of Collections**

- 2.3.1 Subject to the exemption set out below, the Servicer will transfer all Collections on Purchased Receivables received on a Collection Account to the Operating Account, such transfer to be made (a) in case of Collections made by a SEPA Direct Debit Mandate, processes as scheduled in the corresponding Loan Agreement, on the same Business Day on which such Collections are received by the Servicer; (b) in case of Collections made by way of Deemed Collections, on the same Business Day on which such Deemed Collection is payable; and (c) in case of any amounts received in any other way in a Collection Period on the next Payment Date; in each case to the extent such claim to transfer the Collections has not been extinguished in accordance with the provisions of the Servicing Agreement.
- 2.3.2 The Servicer shall not deduct, set off or otherwise net any amount from deposits made to any account of the Servicer, except as expressly permitted in this Agreement or as required by the Loan Agreement pursuant to which the relevant Collection derives.
- 2.3.3 Notwithstanding anything to the contrary in the Servicing Agreement the Servicer shall be entitled to reduce the payments made in accordance with Clause 2.3.2 above, deduct, set off or otherwise net against Collections the Repayment Claims.
- 2.3.4 The aggregate Repayment Claims as of a Determination Date and any such amount extinguished by reduction of the payments, deduction, set-off, or otherwise netting in a Collection Period shall be reported in the immediately following Investor Report.

### 2.4 **Regulatory Reporting Requirements**

- 2.4.1 The Servicer shall use its best efforts to fulfil all reporting obligations (including the loan-level data reporting requirements) that need to be complied with to ensure that the Class A Notes comply with the Eurosystem eligibility criteria which allows for participation in the Eurosystem liquidity scheme as eligible collateral for Eurosystem monetary policy and intraday credit operations. However, the Servicer

does not take responsibility for the Class A Notes being recognised as such collateral upon issuance nor at any or all times during their existence. Therefore, neither the Servicer nor the Issuer shall be liable for any failure of the Class A Notes being accepted as such eligible collateral for whatever reason.

The Servicer shall prepare the information necessary, in addition to the Investor Reports, to enable the Issuer to comply with its reporting obligations and provide related reports to the Issuer (at the latest) when due

- (a) under Regulation (EU) No 1075/2013 of the European Central Bank of 18 October 2013 concerning statistics on the assets and liabilities of financial vehicle corporations engaged in securitisation transactions (recast) (ECB/2013/40) or any other successor regulation or related regulation including but not limited to CRA3; and
- (b) under Article 7 of the Securitisation Regulation.

2.4.2 The Servicer on behalf of the Issuer will without undue delay as soon as it becomes aware of the occurrence of a Significant Reporting Event prepare a Significant Reporting Event Notice which sets out the details of the Significant Reporting Event and submit such Significant Reporting Event Notice to the Repository or Website.

2.4.3 As soon as a Repository is registered by ESMA, the Servicer informs the investors via the Website. The servicer arranges for the information listed on the Website to be submitted to the Repository and administered there, followed by the website being closed.

## 2.5 **Other Reporting Requirements**

The Servicer shall with respect to all Purchased Receivables and the Related Collateral (if any):

- (a) prepare an Investor Report in respect of each Collection Period and complete the relevant Investor Report on the relevant Investor Reporting Date;
- (b) provide the Investor Report to the Cash Administrator and the Issuer on each Investor Reporting Date; and
- (c) assist the auditors of the Issuer and provide further information to them upon reasonable request.

## 2.6 **Standard of Care; Delegation**

The Servicer shall perform its Services, 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.

## 2.7 **Fees, Costs and Expenses**

Pursuant to the Servicing Agreement the Issuer shall pay:

- (a) subject to and in accordance with the Applicable Priority of Payments to the Servicer:

- (i) the Servicing Fee for the services provided under the Servicing Agreement, plus any value added or other similar tax imposed by applicable law;
  - (ii) the Additional Servicing Fee for the services provided under the Servicing Agreement, plus any value added or similar tax imposed by applicable law;
- (b) to the Substitute Servicer Facilitator the fees for the services provided under this Agreement and costs and expenses, plus any VAT as separately agreed between the Issuer and the Substitute Servicer Facilitator in a side letter dated on or about the date hereof.

## 2.8 **Term; Termination**

2.8.1 The Servicing Agreement shall automatically terminate on the date on which all Purchased Receivables have been fully and finally discharged, sold by the Issuer or repurchased.

2.8.2 Parties may only terminate the Servicing Agreement for serious cause (aus wichtigem Grund).

## 2.9 **Servicer Termination Event**

2.9.1 Upon the occurrence of a Servicer Termination Event, the Servicer shall (subject to any mandatory provision under German law):

- (a) immediately pay to the Operating Account all monies held by the Servicer on behalf of the Issuer;
- (b) perform the Debtor Notifications in accordance with Clause 2.10.3;
- (c) to the extent permitted under the applicable Banking Secrecy Duty and Data Protection Provisions, forthwith deliver to the Issuer and the Substitute Servicer the records and information (in contemporary computer-readable format) and if so requested the existing originals in its possession or under its control relating to the Purchased Receivables (including the Related Claims and Rights and any Related Collateral);
- (d) 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 Substitute Servicer to perform the Services;
- (e) return any and all issued powers of attorney (*Vollmachtsurkunden*), if any; and
- (f) take such further action as the Issuer may reasonably request which shall in particular include any action related to the Purchased Receivables and all monies held by the Servicer on behalf of the Issuer.

2.9.2 Also following a Servicer Termination Event, the Servicer will before a Substitute Servicer has been appointed be obliged to store the car registrations (*Fahrzeugbrief – Zulassungsbescheinigung Teil II*) in a way that the Substitute Servicer Facilitator can identify the relevant car registrations.

2.9.3 Also following a Servicer Termination Event, 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 the Substitute Servicer Facilitator has become active as described above; and the Servicer shall co-operate with the Substitute Servicer Facilitator 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 Substitute Servicer Facilitator or Substitute Servicer (as applicable).

2.9.4 Appointment of Substitute Servicer Facilitator

The Issuer has appointed the Substitute Servicer Facilitator to facilitate the appointment of a Substitute Servicer upon the occurrence of a Servicer Termination Event in respect of the Servicer.

2.9.5 Obligations of the Substitute Servicer Facilitator following a Servicer Termination Event

- (a) Upon being notified in writing of the occurrence of a Servicer Termination Event the Substitute Servicer Facilitator shall:
  - (i) Without undue delay notify all Transaction Parties and the Rating Agencies of the occurrence of a Servicer Termination Event;
  - (ii) request the Data Trustee to start the Data Transfer Process without undue delay after being notified in writing of a Debtor Notification Event and appointment of a Substitute Servicer;
  - (iii) following performance of the Data Transfer Process, request the Substitute Servicer to decrypt the Encrypted Portfolio Information; and
  - (iv) to the extent this has not happened before in accordance with Clause 2.9.1(b) perform the Debtor Notifications in accordance with Clause 21.3 within 5 (five) Business Days following the delivery of the Decryption Key.
- (b) The Substitute Servicer Facilitator shall be entitled to appoint a third party to perform the services set out in the preceding Clause 2.9.5(a)(iv) and shall be entitled to full reimbursement of all costs, fees and expenses incurred in connection therewith and reasonable advances in respect thereof. In case the Substitute Servicer Facilitator appoints such a third party, the Substitute Servicer Facilitator instructs the third party to perform the services set out in the preceding Clause 2.9.5(a)(iv).
- (c) Upon notification by the Substitute Servicer Facilitator, the Issuer will provide the Encrypted Portfolio Information and the Decryption key to such third party upon its appointment.
- (d) The Substitute Servicer Facilitator shall not receive any encrypted data nor the Decryption Key and shall not be obliged to accept encrypted data or the Decryption Key to be sent to it or onto its systems.

2.9.6 Limitation of Duties

The Substitute Servicer Facilitator shall not be required to

- (a) provide services relating to the Portfolio or the execution of payments;
- (b) expend or risk its own funds or otherwise incur financial liability in the performance of any of its services;
- (c) perform any of its tasks hereunder unless it is being, at the discretion of the Substitute Servicer Facilitator, pre-funded or indemnified to its satisfaction against all fees, costs, its own remuneration and damages that the Substitute Servicer Facilitator may incur in connection with the performance of its tasks hereunder.

The Substitute Servicer Facilitator shall be responsible for the tasks explicitly assigned to it under this Agreement. The Substitute Servicer Facilitator shall not be responsible towards any other party to the Transaction for the compliance of such tasks with any contractual or statutory requirements, in particular any Data Protection Provisions.

## 2.10 **Debtor Notifications in case of Servicer Termination Event**

2.10.1 After occurrence of a Servicer Termination Event, the following persons are responsible for performing the Debtor Notifications in that order:

- the Servicer;
- the Substitute Servicer;
- the third party appointed by the Substitute Servicer Facilitator

(each a "**Responsible Person**").

2.10.2 Each Responsible Person shall perform the Debtor Notifications unless they have reasonably confirmed and are reasonably certain that another Responsible Person properly performs the Debtor Notifications. The Substitute Servicer Facilitator ensures that the Substitute Servicer or the third party appointed by the Substitute Servicer Facilitator comply with this requirement, as the case may be.

2.10.3 The Debtor Notifications shall be performed by sending to each debtor a notification letter substantially in the form of the notification letter attached as Schedule 5 (*Form of Debtor Notification*) to the Servicing Agreement. The content of the notification shall include the instruction to the debtors to make any future payments in respect of the relevant Purchased Receivable directly to the Operating Account.

2.10.4 In case the Servicer performs the Debtor Notifications, the Servicer notifies the debtors pursuant to Clause 2.9.1(b).

2.10.5 In case the Substitute Servicer Facilitator appoints a Substitute Servicer and the Substitute Servicer shall perform the Debtor Notifications, the Substitute Servicer Facilitator shall request the Data Trustee to start the Data Transfer Process pursuant to Clause 2.9.5(a)(ii) and the Substitute Servicer to decrypt the Encrypted Portfolio Information after having received it pursuant to Clause 2.9.5(a)(iii) and to perform the Debtor Notifications in accordance with Clause 2.10.3.

2.10.6 In case the Substitute Servicer Facilitator appoints a third party to perform the Debtor Notifications for the Substitute Servicer Facilitator pursuant to Clause 2.9.5(b), the Substitute Servicer Facilitator shall request the Data Trustee to start the Data Transfer Process pursuant to Clause 2.9.5(a)(ii) and the third party to



decrypt the Encrypted Portfolio Information after having received it and to perform the Debtor Notifications in accordance with Clause 2.10.3.

### 3 **THE DATA TRUST AGREEMENT**

#### 3.1 **Appointment of Data Trustee, Services and Duties**

3.1.1 Under the Data Trust Agreement the Issuer has appointed Wilmington Trust SP Services (Dublin) Limited to act as Data Trustee in order to perform the services set out in the Data Trust Agreement. Such services shall include, but not be limited:

- (a) to comply with the Data Protection Rules and the Banking Secrecy Duty;
- (b) to hold the Decryption Key in trust (*treuhänderisch*) for the Issuer and the Trustee;
- (c) to safeguard the Decryption Key (and any backup copy thereof) and protect it from unauthorised access by third parties, in each case, in compliance with the Data Protection Provisions.

3.2 Upon being notified of the occurrence of a Data Release Event by the Issuer, the Originator, or having received a confirmation from the Issuer in accordance with Clause 10.3 of the Data Trust Agreement, the Data Trustee shall deliver the Decryption Key without undue delay and at the latest within one Business Day

- (a) to the Substitute Servicer, once appointed;
- (b) to the third party appointed by the Substitute Servicer in accordance with Clause 19.2.2 of the Servicing Agreement, once such third party has been appointed; and
- (c) to the Issuer if an event as set out under (a) of the definition of Data Release Event has occurred in respect of the Servicer, the Substitute Servicer and the third party appointed in accordance with Clause 19.2.2 of the Servicing Agreement.

If the Decryption Key has been delivered to the Issuer pursuant to Clause 10.2(c) of the Data Trust Agreement, the Issuer, or upon request of the Issuer, the Originator or the Data Trustee shall deliver the Decryption Key without undue delay and at the latest within one Business Day to a replacement Substitute Servicer or a replacement third party appointed by the Substitute Servicer Facilitator in accordance with Clause 19.2.2 of the Servicing Agreement (as applicable), once the replacement Substitute Servicer or replacement third party (as applicable) has been appointed.

#### 3.3 **Standard of Care; Delegation**

- (a) 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.
- (b) The Data Trustee shall not be entitled to delegate the performance of any of its obligations under the Data Trust Agreement.

### 3.4 **Fees, Costs and Expenses**

The Issuer shall pay to the Data Trustee the fees for the services provided under the Data Trust Agreement and costs and expenses, plus any VAT as separately agreed between the Issuer and the Data Trustee in a side letter.

### 3.5 **Term; Termination**

- (a) The Data Trust Agreement shall automatically terminate on the Final Discharge Date.
- (b) The Parties may only terminate the Data Trust Agreement for serious cause (*aus wichtigem Grund*).

## 4 **THE ACCOUNT BANK AGREEMENT**

### 4.1 **Appointment of Account Bank, Services and Duties**

4.1.1 Under the Account Bank Agreement the Issuer has appointed means The Bank of New York Mellon, Frankfurt Branch 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 Transaction Accounts until the Legal Maturity Date (or any other earlier date of termination of the Transaction).

4.1.2 The Replenishment Shortfall Account may be closed once (i) the Replenishment Period has elapsed and (ii) no monies are standing to its account.

4.1.3 The Account Bank has agreed in the Account Bank Agreement to comply with any payment instruction of the Cash Administrator to effect a payment by debiting a Transaction Account.

### 4.2 **Replacement of Account Bank upon Downgrade Event**

4.2.1 Upon the occurrence of a Downgrade Event in respect of 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 receipt of such notice of the occurrence of such Downgrade Event:

- (a) appoint a Substitute Account Bank on substantially the same terms as set out in the Account Bank Agreement;
- (b) open new accounts replacing each of the existing Transaction Accounts with the Substitute Account Bank;
- (c) pledge such new Transaction Accounts to the Trustee, and where applicable, to other parties to the Transaction in accordance with the Trust Agreement;
- (d) transfer any amounts standing to the credit of each existing Transaction Account to the respective new Transaction Account;
- (e) close the old Transaction Accounts with the old Account Bank; and
- (f) terminate the Account Bank Agreement (including any Account Mandate).

4.2.2 If, after the occurrence of a Downgrade Event, no Substitute Account Bank is appointed and no new Transaction Accounts are opened, no monies standing to the credit of the Transaction Accounts shall be transferred to new Transaction Accounts.

4.3 **Standard of Care**

The Account Bank shall perform its duties and obligations pursuant to the Account Bank Agreement in accordance with the Standard of Care and shall at all times take into account the Issuer's interests.

4.4 **Fees, Costs and Expenses**

The Issuer shall pay to the Account Bank the fees for the services provided under the Account Bank Agreement and costs and expenses, plus any VAT as separately agreed between the Issuer and the Account Bank in a side letter.

4.5 **Term; Termination**

4.5.1 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 and the Servicer) not less than three months' prior written notice.

4.5.2 The right of termination for serious cause (*wichtiger Grund*) shall remain unaffected. The occurrence of a Downgrade Event shall constitute a serious cause (*wichtiger Grund*) for the Issuer to terminate the Account Bank Agreement.

4.5.3 In the event of a termination of the Account Bank Agreement by the Issuer for serious cause (*wichtiger Grund*) caused by the Account Bank, the Account Bank shall bear all costs and expenses reasonably and properly incurred and directly associated with the appointment of a Substitute Account Bank.

5 **THE CASH ADMINISTRATION AGREEMENT**

5.1 **Appointment of the Cash Administrator, Services and Duties**

5.1.1 Under the Cash Administration Agreement, the Issuer has appointed The Bank of New York Mellon, London Branch 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:

- (a) manage and monitor the Transaction Accounts and ledgers;
- (b) give directions to the Account Bank in respect of payments:
  - (i) to be received on the Transaction Accounts in accordance with the Investor Reports;
  - (ii) to be made from the Transaction Accounts in accordance with and subject to this Cash Administration Agreement, the Account Mandates and the Applicable Priority of Payments;
- (c) on each Calculation Date:

- (i) calculate the Available Distribution Amount or the Issuer Proceeds (as applicable) available to the Issuer; and
- (ii) determine the relevant amounts due and payable to each payee or account in accordance with the Applicable Priority of Payments;
- (iii) determine all amounts received by the Issuer pursuant to the Swap Agreement other than Swap Collateral;
- (iv) determine the Set-Off Risk Reserve Distribution Amount, the Commingling Reserve Distribution Amount and the Liquidity Reserve Distribution Amount and arrange for the payment of the Set-Off Risk Reserve Distribution Amount from the Set-Off Risk Reserve Account, the Commingling Reserve Distribution Amount from the Commingling Reserve Account and the Liquidity Reserve Distribution Amount from the Liquidity Reserve Account to the Originator;
- (v) determine the Set-Off Risk Reserve Adjustment Amount and the Commingling Reserve Adjustment Amount and request adjustment payments to
  - (A) the Set-Off Risk Reserve Account and
  - (B) the Commingling Reserve Account
  - (C) from the Originator;
- (d) arrange for all payments (including payments in respect of the Notes) to be made from the Transaction Accounts and applied in accordance with the Applicable Priority of Payments (with payments in respect of the Notes being made via the Paying Agent in accordance with the Terms and Conditions and the Agency Agreement);
- (e) make such calculations and determinations (which shall be, in the absence of manifest error, final and binding) as required by the Terms and Conditions (*inter alia* pursuant to clause 4 (*Interest*), clause 5 (*Payments*) and clause 6 (*Determinations by the Cash Administrator*)) and deliver such calculations and determinations to the Paying Agent before 11:00 am on each Calculation Date;
- (f) procure that it is transferred to the Paying Agent no later than 10:00 am on each Payment Date such amount as shall be sufficient to make all payments due under the Notes on such Payment Date to the account of the Paying Agent notified by the Paying Agent to the Issuer (with a copy to the Cash Administrator) in accordance with clause 6.1.3 of the Agency Agreement;
- (g) procure that the payment made in accordance with (f)(above) to the Paying Agent is confirmed by SWIFT message or fax to the Paying Agent no later than 11:00 a.m., on the Calculation Date immediately preceding the relevant Payment Date;
- (h) provide the Investor Report which it receives on each Investor Reporting Date from the Servicer (or if the latest Investor Report is not available, on the basis of, amongst others, the previous Investor Report and information gained from the balances, withdrawals payments made from the

Transaction Accounts) in the form as set out in the Schedule 1 (*Form of Investor Report*) of the Cash Administration Agreement to the Issuer, the Paying Agent and the Rating Agencies no later than on each Calculation Date;

- (i) receive for invoices to be paid at least one business day prior to the Calculation Date, an instruction (including VAT calculation, if any) per email or facsimile duly signed by the Corporate Service Provider;
- (j) payments of
  - (i) Transaction Gain and
  - (ii) payments in respect of VAT payments to be paid in reverse charge procedure by the Issuer where the Issuer has marked the relevant VAT amount on the invoice

shall be paid (without separate invoice) onto the account with the following details IBAN DE88 5105 0015 0159 0627 77 with BIC NASSDE55XXX, or such other account as notified by the Issuer to the Cash Administrator with at least 5 Business Days prior written notice;

- (k) to the extent not directly credited to the Swap Collateral Account, the Cash Administrator shall procure that all Swap Collateral (if any) will be credited to the Swap Collateral Account; and
- (l) the Cash Administrator shall procure that all interest earned on Swap Collateral is credited to the Swap Collateral Account.

## 5.2 **Standard of Care; Delegation**

- 5.2.1 The Cash Administrator shall perform the Cash Administration Services, its duties and obligations pursuant to this Cash Administration Agreement in accordance with the Standard of Care and shall at all times take into account the Issuer's interests.
- 5.2.2 The Issuer shall at all times be entitled to perform its obligations under the Cash Administration Agreement through competent third parties.

## 5.3 **Fees, Costs and Expenses**

- 5.3.1 The Issuer shall pay to the Cash Administrator the fees for the Cash Administration Services provided under this Cash Administration Agreement and costs and expenses, plus any VAT as separately agreed between the Issuer and the Cash Administrator in a side letter dated on or about the date hereof.
- 5.3.2 The Issuer will pay on demand out-of-pocket expenses (including, but not limited to, advertising, postage, fax and any other communication expenses) properly incurred by the Paying Agent in connection with its services together with any applicable value added tax and stamp, issue, documentary or other taxes and duties.
- 5.3.3 Provided that the Cash Administrator has sent a written request to the Issuer before consulting a legal or other advisor:
  - (a) the Issuer shall reimburse the Cash Administrator for all expenses duly documented and properly incurred by enforcements or protection against claims resulting from this Cash Administration Agreement, as amended

from time to time, (including, without limitation, legal fees and any publication, advertising, communication, courier, postage and other out-of-pocket expenses) (plus any applicable value-added tax), other than such costs and expenses as are separately agreed to be reimbursed out of the fees payable under Clause 5.3 (*Fees, Costs and Expenses*) of the Cash Administration Agreement .

- (b) The Cash Administrator may, at the cost of the Issuer, to the extent such costs are reasonable, duly documented and properly incurred, consult with legal and other professional advisers and the opinion of such advisers shall be full and complete protection in respect of action taken, omitted or suffered hereunder in good faith and in accordance with the opinion of the advisers. Failure to consult such advisers on any matter shall not be construed as evidence of the Cash Administrator not acting in good faith.

5.3.4 The Cash Administrator is entitled to reimbursement in accordance with Clause 5.3.2 and Clause 5.3.3 of the Cash Administration Agreement which exceeds an aggregate amount of EUR 10,000.00 per calendar year only if and to the extent the Issuer has given prior written consent whereby such consent must not be unreasonably withheld. Such consent is not required where the process of requesting and granting the consent is unreasonable, e.g. in cases where the Cash Administrator has to perform the action – for which the fees, costs or expenses arise – to prevent substantial damage, detriments or drawbacks to either Party or both Parties and such damage, detriments or drawbacks would otherwise likely occur if consent would have to be requested and granted as described above.

#### 5.4 **Notification and Portfolio Reconciliation in Respect of Payments under and Termination of the Swap Agreement**

##### 5.4.1 Swap Agreement

- (a) The Issuer, or the Cash Administrator on its behalf, will procure that on each relevant Payment Date amounts received from the Swap Counterparty under the Swap Agreement (other than any amounts of Swap Collateral) will be credited to the Operating Account and (other than amounts excluded pursuant to paragraphs (e) and (f) of the definition of Available Distribution Account) will be included in the Available Distribution Account and applied by the Cash Administrator, on behalf of the Issuer, in accordance with the Priority of Payments.
- (b) Any amounts not used as Available Distribution Amount will be retained in the Operating Account and applied pursuant to Clause 5.2 of the Cash Administration Agreement.
- (c) To the extent that the Issuer receives a Replacement Swap Premium from a replacement Swap Counterparty and the Issuer owes all or any part of a Swap Termination Payment to the outgoing Swap Counterparty, the Issuer shall instruct the Cash Administrator (if applicable) to transfer such portion of the Replacement Swap Premium as is equal to the remaining part of the Swap Termination Payment owed by the Issuer to the outgoing Swap Counterparty, directly to such outgoing Swap Counterparty and such Replacement Swap Premium shall not form part of the Available Distribution Account of the Issuer, save to the extent that the Replacement Swap Premium (or any part thereof) is in excess of any Swap Termination Payment due to the relevant outgoing Swap Counterparty.

- (d) To the extent that the Issuer receives a Swap Termination Payment from an outgoing Swap Counterparty, the Issuer will, to the extent required instruct the Cash Administrator (if applicable) to apply such Swap Termination Payment in paying any premium due to any replacement Swap Counterparty for entering into a replacement Swap Agreement and such Swap Termination Payment shall not form part of the Available Distribution Account of the Issuer, save to the extent that the Swap Termination Payment (or any part thereof) is in excess of any premium due to the replacement Swap Counterparty.
- (e) The Issuer shall use all reasonable endeavours to appoint a third party tax adviser to seek to obtain any Swap Tax Credit on its behalf and any third party adviser of the Issuer shall, upon request by the Swap Counterparty, as directed by the Issuer (such direction to include such details of the Swap Counterparty as are reasonably required by the relevant third party adviser), supply the Swap Counterparty with a reasonably detailed explanation of the calculation of the amount of any such Swap Tax Credit and of the date on which the same is received.
- (f) To the extent that the Issuer receives a Swap Tax Credit from a tax authority in any jurisdiction, the Cash Administrator shall apply the amount of such Swap Tax Credit directly to the Swap Counterparty as soon as practicable after receipt of the same in accordance with the terms of the Swap Agreement.

5.4.2 Application of Amounts in respect of Swap Collateral, Excess Swap Collateral, Swap Tax Credits and Replacement Swap Premium

Notwithstanding any other term in the Cash Administration Agreement, amounts received by the Issuer (or the Cash Administrator on its behalf) in respect of Excess Swap Collateral, Swap Collateral (except to the extent that following the early termination of the Swap Agreement the value of such Swap Collateral has been applied, pursuant to the provisions of such Swap Agreement, to reduce the amount that would otherwise be payable by the Swap Counterparty to the Issuer on early termination of the swap under such Swap Agreement, as applicable, and, to the extent so applied in reduction of the amount otherwise payable by the Swap Counterparty, such Swap Collateral is not to be applied in acquiring a replacement swap), Swap Tax Credits and Replacement Swap Premium (only to the extent it is applied directly to pay a Swap Termination Payment due and payable by the Issuer to the outgoing Swap Counterparty) shall, to the extent due and payable under the terms of the Swap Agreement, be paid by the Cash Administrator on behalf of the Issuer directly to the Swap Counterparty without regard to the Applicable Priority of Payments and in accordance with the terms of the Trust Agreement and the Swap Agreement.

5.5 **Term; Termination**

- 5.5.1 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.
- 5.5.2 The right of termination for serious cause (*wichtiger Grund*) shall remain unaffected.

## 5.6 **Effect of Termination**

- 5.6.1 Upon a termination of the Cash Administration Agreement, the Issuer shall use all reasonable endeavours to appoint as soon as practicable a Substitute Cash Administrator substantially under the same terms.
- 5.6.2 The Cash Administrator may at any time suggest banks that qualify as Substitute Cash Administrator to the Issuer as its replacement. The Issuer may follow such suggestions at its own discretion and shall follow such suggestion if
- (a) no suitable company has been appointed by the Issuer as Substitute Cash Administrator within two months after termination of the Cash Administration Agreement; and
  - (b) (such company is willing to enter into a Cash Administration Agreement at essentially the same terms as the existing Cash Administration Agreement.
- 5.6.3 Should the Issuer fail to appoint a Substitute Cash Administrator within 3 (three) months in accordance with Clause 5.5.1 above, the Cash Administrator may appoint a Substitute Cash Administrator in its discretion.
- 5.6.4 Upon termination the Cash Administrator shall, to the extent permitted under the applicable Banking Secrecy Duty and Data Protection Provisions, deliver to the Substitute Cash Administrator by upon the Issuer's instruction all files, documents or information which it holds pursuant to this Cash Administration Agreement.

## 5.7 **Post-Contractual Duties of the Cash Administrator**

- 5.7.1 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 under this Cash Administration Agreement until a Substitute Cash Administrator has effectively been appointed.
- 5.7.2 To the extent legally possible, all rights of the Cash Administrator under the Cash Administration Agreement remain unaffected until a Substitute Cash Administrator has been validly appointed. This includes any rights to receive the fee set out in the Cash Administration Agreement on a *pro rata temporis* basis for the period in which it continues to render its services thereunder.
- 5.7.3 The Cash Administrator shall co-operate with the Substitute Cash Administrator and the Issuer in effecting the termination of the obligations and rights of the Cash Administrator hereunder and the transfer of such obligations and rights to the Substitute Cash Administrator.

## 6 **THE AGENCY AGREEMENT**

### 6.1 **Appointment of Paying Agent, Services and Duties**

- 6.1.1 Under the Agency Agreement, the Issuer has appointed The Bank of New York Mellon, London Branch to act as Paying Agent (*Zahlstelle*) in respect of the Notes and to perform the services set out in the Terms and Conditions and in the Agency Agreement.

### 6.2 **Upon delivery the Paying Agent shall:**

- (a) immediately upon having received the corresponding instruction by the Issuer, authenticate the Global Notes; and



- (b) by 2:00 p.m. on the Business Day prior to the Closing Date (or such other time and day as agreed upon by the Issuer and the Paying Agent), deliver the authenticated Global Notes of the Notes to the Common Safekeeper.
- 6.2.2 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.
- 6.2.3 The Issuer shall further 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 payment in respect of the Notes, to an account of the Paying Agent which the Paying Agent has specified by written notice to the Issuer (with a copy to the Cash Administrator) at the latest five Business Days prior to the relevant Payment Date.
- 6.2.4 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.
- 6.2.5 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:
  - (a) immediately notify the Issuer, the Cash Administrator and the Servicer; and
  - (b) 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.
- 6.3 **Standard of Care; Delegation**
- 6.3.1 The Paying 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.
- 6.3.2 The Issuer shall at all times be entitled to perform its obligations under the agency agreement through competent third parties.
- 6.4 **Fees, Costs and Expenses**

The Issuer shall pay to the Paying Agent the fees for the services provided under the Agency Agreement and costs and expenses, plus any VAT as separately agreed between the Issuer and the Paying Agent in a side letter dated on or about the date hereof.
- 6.5 **Term; Termination**
- 6.5.1 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.
- 6.5.2 The right of termination for serious cause (*wichtiger Grund*) shall remain unaffected.

## 6.6 **Effect of Termination**

- 6.6.1 Upon a termination of the Agency Agreement, the Issuer shall use all reasonable endeavours to appoint as soon as practicable a Substitute Paying Agent substantially under the same terms.
- 6.6.2 The Paying Agent may at any time suggest banks that qualify as Substitute Paying Agent to the Issuer as its replacement. The Issuer may follow such suggestions at its own discretion and shall follow such suggestion if
- (a) no suitable company has been appointed by the Issuer as Substitute Paying Agent within two months after termination of this Agreement; and
  - (b) such company is willing to enter into an agency agreement at essentially the same terms as the existing Agreement.
- 6.6.3 Should the Issuer fail to appoint a Substitute Paying Agent within 3 (three) months in accordance with Clause 6.6.1 above, the Paying Agent may appoint a Substitute Paying Agent in its discretion.
- 6.6.4 Upon termination of the Agency Agreement, the Paying Agent shall, to the extent permitted under the applicable Banking Secrecy Duty and Data Protection Provisions deliver to the Substitute Paying Agent by upon the Issuer's instruction all files, documents or information which it holds pursuant to this Agreement.

## 6.7 **Post-contractual Duties of the Paying Agent**

- 6.7.1 In case of any termination the Agency Agreement and subject to any mandatory provision of German law, the Paying Agent will nonetheless perform its duties under this Agreement until a Substitute Paying Agent has effectively been appointed.
- 6.7.2 To the extent legally possible, all rights of the Paying Agent under the Agency Agreement remain unaffected until a Substitute Paying Agent has been validly appointed. This includes any rights to receive the fees set out in the Agency Agreement on a *pro rata temporis* basis for the period in which it continues to render its services hereunder.
- 6.7.3 The Paying Agent shall co-operate with the Substitute Paying Agent and the Issuer in effecting the termination of the obligations and rights of the Paying Agent under the Agency Agreement and the transfer of such obligations and rights to the Substitute Paying Agent.

## 7 **THE CORPORATE ADMINISTRATION AGREEMENT**

### 7.1 **Appointment of Corporate Service Provider, Services and Duties**

- 7.1.1 Under the Corporate Administration Agreement, the Issuer has appointed Wilmington Trust SP Services (Frankfurt) GmbH to act as Corporate Service Provider. The Corporate Administration Services shall include, but not be limited to:
- (a) provision of at least two German resident managing directors;
  - (b) preparation and filing of audited annual financial statements and arranging the tax returns of the Issuer;

- (c) providing a place at which the Issuer's registered office is situated and make available non-exclusive telephone, facsimile, post-box and other reasonable facilities required for the operation of the Issuer at the Issuer's registered address;
- (d) preparation and organisation of the shareholders' meetings and the meetings of the board of directors (*Geschäftsführung*) of the Issuer; and
- (e) the arranging of all general Issuer secretarial, registrar and administration services required by the Issuer.

7.1.2 The Corporate Administrator shall appoint the Independent Appraiser to determine the Repurchase Price in accordance with the Receivables Purchase Agreement in the timeframe set out therein and shall fulfil the obligations of the Issuer in case of

- (a) a repurchase of the Purchased Receivables and/or an early redemption of the Notes or
- (b) the replacement of the Issuer,

following the occurrence of a Clean-Up Call Event.

## 7.2 **Standard of Care; Delegation**

7.2.1 The Corporate Service Provider 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.

7.2.2 The Corporate Service Provider may delegate the Corporate Administration Services to a third party. The Corporate Service Provider shall remain liable for any such delegation in accordance with section 278 BGB.

## 7.3 **Fees, Costs and Expenses**

The Issuer shall pay to the Corporate Service Provider the fees for the Corporate Administration Services provided under the Corporate Administration Agreement and costs and expenses, plus any VAT as separately agreed between the Issuer and the Corporate Service Provider in a side letter.

## 7.4 **Term; Termination**

7.4.1 The Corporate Administration Agreement shall terminate automatically on the date on which the liquidation or dissolution of the Issuer has been completed.

7.4.2 The Corporate Service Provider may only terminate the Corporate Administration Agreement for serious cause (*wichtiger Grund*).

7.4.3 The Issuer may terminate the Corporate Administration Agreement upon three months' prior written notice to the Corporate Service Provider. The right for termination for serious cause (*wichtiger Grund*) remains unaffected.

## 8 **THE SUBSCRIPTION AGREEMENT**

Under the Subscription Agreement entered into by the Issuer and the Lead Manager on or about the Signing Date, the Issuer and the Lead Manager have agreed to subscribe for the Notes. See "SUBSCRIPTION AND SALE".

## 9 THE SWAP AGREEMENT

### 9.1 General

9.1.1 On or prior to the Closing Date, the Issuer will enter into a Swap Agreement with the Swap Counterparty under an International Swaps and Derivatives Association Inc. 2002 Master Agreement in order to address certain risks arising as a result of a fixed rate of interest payable under the Purchased Receivables and the floating rate of interest payable by the Issuer under the Class A Notes. At the commencement of each relevant period in respect of the interest rate swap transaction, the notional amount of the interest rate swap transaction will equal the lower of (a) the Aggregate Principal Amount Outstanding of the Class A Notes as at the first day of such period and (b) the Upper Bound for such period, subject to a minimum in the amount of the Lower Bound for such period.

9.1.2 Pursuant to the terms of the Swap Agreement, on each Payment Date commencing on the first Payment Date and ending on the date on which the Class A Notes are redeemed in full, the Issuer will make fixed rate payments to the Swap Counterparty in Euro which the Issuer will fund using payments which it receives from the Purchased Receivables. The Swap Counterparty will, on the same Payment Date, make floating rate payments in Euro (calculated by reference to one-month EURIBOR (or in the respect of the first Interest Period the relevant linear interpolation)) to the Issuer. The fixed and floating amounts payable by the Issuer and the Swap Counterparty under the Swap Agreement will be netted so that only a net amount will be due from the Issuer or the Swap Counterparty (as the case may be) on a Payment Date.

9.1.3 If the floating rate payable under the Swap Agreement is negative, the Issuer would not receive floating rate interest but would be obliged to pay floating rate interest (in addition to fixed rate interest) to the Swap Counterparty under the swap transactions based on the absolute value of the floating rate and the relevant notional amount.

9.1.4 The Swap Agreement will be construed to fulfil the criteria of the Rating Agencies to support the AAA(sf) by DBRS and Aaa(sf) by Moody's for the Class A Notes.

9.1.5 The Swap Agreement is governed by English law.

### 9.2 Termination rights and payments

9.2.1 The Swap Agreement may be terminated in limited circumstances. Any such termination may oblige the Issuer or the Swap Counterparty to make a termination payment. Any Replacement Swap Premium (or part thereof) that is applied directly to pay a Swap Termination Payment to the outgoing Swap Counterparty following the termination of the Swap Agreement will be paid to such outgoing Swap Counterparty and will not be made available to the Secured Parties.

9.2.2 If the Issuer does not satisfy its payment obligations under the Swap Agreement, this will constitute a default by the Issuer thereunder and will entitle the Swap Counterparty to terminate the Swap Agreement.

9.2.3 Upon the occurrence of certain events in respect of the Issuer, the Swap Counterparty will have the right to terminate the Swap Agreement in accordance with its terms.

### 9.3 **Security and ranking**

- 9.3.1 The Issuer's obligations to the Swap Counterparty under the Swap Agreement will be secured under the Trust Agreement. In the event of the Security Assets being enforced thereunder, such obligations (other than Subordinated Swap Amounts) will rank ahead of payments in respect of the Notes.

### 9.4 **Withholding Tax**

All payments to be made by a party under the Swap Agreement are to be made without withholding or deduction for or on account of any tax unless such withholding or deduction is required by applicable law (as modified by the practice of any relevant tax authority). Each of the Issuer and the Swap Counterparty will represent on entering into the Swap Agreement that it is not obliged to make any such deduction or withholding under current taxation law and practice (save in respect of certain payments of interest and deliveries, transfers and payments to be made pursuant to the credit support annex to the Swap Agreement). If, as a result of a change in law (or the application or official interpretation thereof), the Issuer is required to make such a withholding or deduction from any payment to be made to the Swap Counterparty under the Swap Agreement, the Issuer will not be obliged to pay any additional amounts to such Swap Counterparty in respect of the amounts so required to be withheld or deducted. If the Swap Counterparty is required to make such a withholding or deduction from any payment to the Issuer under the Swap Agreement, it shall pay to the Issuer such additional amount as is necessary to ensure that the net amount actually received by the Issuer will equal the full amount the Issuer would have received had no such deduction or withholding been required. The party receiving a reduced payment or that is required to make an additional payment, as the case may be, will have the right to terminate the Swap Agreement (subject to the Swap Counterparty's obligation to use all reasonable efforts (provided that such efforts will not require the Swap Counterparty to incur a loss, excluding immaterial, incidental expenses) to transfer its rights and obligations under the Swap Agreement to another of its offices or affiliates such that payments made by or to that office or affiliate under the Swap Agreement can be made without any withholding or deduction for or on account of tax). If a transaction under the Swap Agreement is terminated, the Issuer may be unable to meet its obligations under the Notes in full, with the result that the Noteholders may not receive all of the payments due to them in respect of the Notes.

### 9.5 **Governing Law and Jurisdiction**

- 9.5.1 The Swap Agreement and any non-contractual obligation arising out of or in connection therewith, are governed by, and shall be construed in accordance with, English law.
- 9.5.2 Any dispute which may arise in relation to the interpretation or the execution of the Swap Agreement, or any non-contractual obligation arising out of or in connection therewith, shall be subject to the courts of England and Wales.

## 10 **THE DEED OF ASSIGNMENT**

Under the English law Deed of Assignment, all rights and interests of the Issuer under the Swap Agreement, but without prejudice to and after giving effect to any netting and set-off provisions specified therein, have been assigned to the Trustee.

## DESCRIPTION OF THE PORTFOLIO

### 1 OVERVIEW OVER THE KEY TERMS OF THE PURCHASED RECEIVABLES

- 1.1.1 The following text summarises the key terms of the Purchased Receivables and the related Loan Agreements.
- 1.1.2 The Purchased Receivables are receivables under auto loan agreements entered into between Bank11 and either (i) consumers (*Verbraucher*) resident or (ii) entrepreneurs (*Unternehmer*) located, in the Federal Republic of Germany.
- 1.1.3 The agreements are governed by German law and are denominated in EUR. The auto loan agreements constitute unconditional, unsubordinated payment obligations of each Debtor secured by the financed vehicles. Loan agreements are based on a standardised set of documentation, providing the possibility to include one or more guarantors.
- 1.1.4 The Portfolio consists of the Purchased Receivables arising under the Loan Agreements, the Related Claims and Rights and the Related Collateral, originated by the Originator and administered pursuant to the Credit and Collection Policy.
- 1.1.5 The Loan Agreements relating to a Receivable are concluded for a fixed duration in months. The term varies between the individual Loan Agreements. Such loan agreement provides for a fixed interest rate and fixed monthly instalments and in some cases for a final balloon payment. The Debtors may repay the loan amount at any time but would be obliged to pay a reasonable prepayment penalty.
- 1.1.6 As of the Cut-Off Date, the Outstanding Aggregate Amount of all Purchased Receivables is EUR 399,989,204.55. This equals 99.997 % of the Aggregate Note Principal Amount of all Notes.

### 2 INFORMATION TABLES REGARDING THE PORTFOLIO

The Portfolio data contained in the tables below is accurate as at the Initial Cut-Off Date. All maturities are calculated on the basis that the number of instalments remaining equals the number of months to maturity.

A portfolio audit has been performed on 31 March 2019 on a provisional portfolio by Deloitte GmbH Wirtschaftsprüfungsgesellschaft, Rosenheimer Platz 4, 81669 München, Federal Republic of Germany which is a member of the Chamber of Public Accountants (Wirtschaftsprüferkammer), Rauchstraße 26, D-10787 Berlin, Federal Republic of Germany. An analysis will be performed at a later date on how much congruence exists between the provisional portfolio and the actual portfolio entered into the Transaction.

As of the Initial Cut-Off Date, the Portfolio shows the below characteristics:

#### 2.1 Distribution by Vehicle Type

Vehicle Type	Outstanding Principal Balance	% of Balance	Number of Loans	% of Loans
New vehicle	146,868,093.81 €	36.72%	9,632	27.85%
Used vehicle	253,121,110.74 €	63.28%	24,959	72.15%
<b>Total</b>	<b>399,989,204.55 €</b>	<b>100.00%</b>	<b>34,591</b>	<b>100.00%</b>

## 2.2 Distribution by Object Type

Object Type	Outstanding Principal Balance	% of Balance	Number of Loans	% of Loans
Car	384,865,182.57 €	96.22%	33,231	96.07%
Motorbike	5,757,068.33 €	1.44%	890	2.57%
Leisure	9,366,953.65 €	2.34%	470	1.36%
<b>Total</b>	<b>399,989,204.55 €</b>	<b>100.00%</b>	<b>34,591</b>	<b>100.00%</b>

## 2.3 Distribution by Contract Type

Contract Type	Outstanding Principal Balance	% of Balance	Number of Loans	% of Loans
EvoClassic	336,901,238.97 €	84.23%	31,415	90.82%
EvoSmart	63,087,965.58 €	15.77%	3,176	9.18%
<b>Total</b>	<b>399,989,204.55 €</b>	<b>100.00%</b>	<b>34,591</b>	<b>100.00%</b>

## 2.4 Distribution by Borrower Type

Borrower Type	Outstanding Principal Balance	% of Balance	Number of Loans	% of Loans
Privat individual	385,749,007.38 €	96.44%	33,833	97.81%
Commercial client	14,240,197.17 €	3.56%	758	2.19%
<b>Total</b>	<b>399,989,204.55 €</b>	<b>100.00%</b>	<b>34,591</b>	<b>100.00%</b>

## 2.5 Distribution by Payment Protection Insurance

Payment Protection Insurance	Outstanding Principal Balance	% of Balance	Number of Loans	% of Loans
Yes	138,002,571.33 €	34.50%	12,736	36.82%
No	261,986,633.22 €	65.50%	21,855	63.18%
<b>Total</b>	<b>399,989,204.55 €</b>	<b>100.00%</b>	<b>34,591</b>	<b>100.00%</b>

## 2.6 Distribution by Gap Insurance

Gap Insurance	Outstanding Principal Balance	% of Balance	Number of Loans	% of Loans
Yes	72,307,169.08 €	18.08%	5,326	15.40%
No	327,682,035.47 €	81.92%	29,265	84.60%
<b>Total</b>	<b>399,989,204.55 €</b>	<b>100.00%</b>	<b>34,591</b>	<b>100.00%</b>

## 2.7 Distribution by Payment Cycle

Payment Cycle	Outstanding Principal Balance	% of Balance	Number of Loans	% of Loans
1st of month	241,623,370.30 €	60.41%	20,763	60.02%
15th of month	158,365,834.25 €	39.59%	13,828	39.98%
<b>Total</b>	<b>399,989,204.55 €</b>	<b>100.00%</b>	<b>34,591</b>	<b>100.00%</b>

## 2.8 Distribution by Payment Method

Payment Method	Outstanding Principal Balance	% of Balance	Number of Loans	% of Loans
Direct Debit	399,989,204.55 €	100.00%	34,591	100.00%
Other	- €	0.00%	-	0.00%
<b>Total</b>	<b>399,989,204.55 €</b>	<b>100.00%</b>	<b>34,591</b>	<b>100.00%</b>

## 2.9 Distribution by Yield Range

Yield Range	Outstanding Principal Balance	% of Balance	Number of Loans	% of Loans
0.01% - 0.99%	18,922,882.79 €	4.73%	673	1.95%
1.00% - 1.99%	37,964,165.37 €	9.49%	2,708	7.83%
2.00% - 2.99%	103,677,815.97 €	25.92%	7,873	22.76%
3.00% - 3.99%	148,047,882.60 €	37.01%	12,798	37.00%
4.00% - 4.99%	61,947,079.60 €	15.49%	6,599	19.08%
5.00% - 5.99%	19,981,751.98 €	5.00%	2,512	7.26%
6.00% - 6.99%	6,039,742.53 €	1.51%	859	2.48%
7.00% - 7.99%	1,495,561.50 €	0.37%	238	0.69%
8.00% - 8.99%	1,517,458.51 €	0.38%	263	0.76%
9.00% - 9.99%	263,607.83 €	0.07%	42	0.12%
10.00% - 10.99%	131,255.87 €	0.03%	26	0.08%
<b>Total</b>	<b>399,989,204.55 €</b>	<b>100.00%</b>	<b>34,591</b>	<b>100.00%</b>

WA Yield 3.52 %

## 2.10 Distribution by Original Term

Original Term (in months)	Outstanding Principal Balance	% of Balance	Number of Loans	% of Loans
0:12	1,349,332.47 €	0.34%	569	1.64%
13:24	11,510,317.99 €	2.88%	2,800	8.09%
25:36	31,393,381.10 €	7.85%	4,962	14.34%
37:48	57,990,136.25 €	14.50%	6,213	17.96%
49:60	93,306,711.17 €	23.33%	7,399	21.39%
61:72	79,680,472.65 €	19.92%	5,329	15.41%
73:84	37,431,861.53 €	9.36%	2,499	7.22%
85:96	82,079,994.14 €	20.52%	4,630	13.38%
97:108	184,090.71 €	0.05%	7	0.02%
109:120	5,062,906.54 €	1.27%	183	0.53%
<b>Total</b>	<b>399,989,204.55 €</b>	<b>100.00%</b>	<b>34,591</b>	<b>100.00%</b>

WA Original Term (in months) 66.0

## 2.11 Distribution by Remaining Term

Remaining Term (in months)	Outstanding Principal Balance	% of Balance	Number of Loans	% of Loans
0:12	2,069,332.19 €	0.52%	859	2.48%
13:24	13,689,640.98 €	3.42%	3,073	8.88%
25:36	38,139,848.37 €	9.54%	5,218	15.08%
37:48	77,523,118.11 €	19.38%	7,059	20.41%
49:60	98,764,707.34 €	24.69%	7,733	22.36%
61:72	48,289,072.12 €	12.07%	3,598	10.40%
73:84	37,778,723.97 €	9.44%	2,484	7.18%
85:96	78,516,946.70 €	19.63%	4,379	12.66%
97:108	274,500.37 €	0.07%	10	0.03%
109:120	4,943,314.40 €	1.24%	178	0.51%
<b>Total</b>	<b>399,989,204.55 €</b>	<b>100.00%</b>	<b>34,591</b>	<b>100.00%</b>

WA Remaining Term (in months) 60.1



## 2.12 Distribution by Seasoning

Seasoning (in months)	Outstanding Principal Balance	% of Balance	Number of Loans	% of Loans
0:2	80,309,904.73 €	20.08%	6,425	18.57%
3:4	82,134,576.82 €	20.53%	6,900	19.95%
5:6	75,785,783.31 €	18.95%	6,674	19.29%
7:8	71,282,150.37 €	17.82%	6,366	18.40%
9:10	55,211,884.26 €	13.80%	4,968	14.36%
11:12	25,880,640.65 €	6.47%	2,175	6.29%
13:14	1,739,347.42 €	0.43%	162	0.47%
15:16	1,703,360.26 €	0.43%	181	0.52%
17 and larger	5,941,556.73 €	1.49%	740	2.14%
<b>Total</b>	<b>399,989,204.55 €</b>	<b>100.00%</b>	<b>34,591</b>	<b>100.00%</b>

WA Seasoning (in months)

5.9

## 2.13 Distribution by Outstanding Principal Balance

Outstanding Principal Balance (Ranges in)	Outstanding Principal Balance	% of Balance	Number of Loans	% of Loans
0: 1,999	1,199,549.20 €	0.30%	849	2.45%
2,000: 3,999	12,012,985.55 €	3.00%	3,937	11.38%
4,000: 5,999	22,684,946.10 €	5.67%	4,536	13.11%
6,000: 7,999	30,738,676.98 €	7.68%	4,399	12.72%
8,000: 9,999	38,830,373.30 €	9.71%	4,320	12.49%
10,000: 11,999	38,488,499.52 €	9.62%	3,508	10.14%
12,000: 13,999	38,502,511.39 €	9.63%	2,969	8.58%
14,000: 15,999	36,178,221.07 €	9.04%	2,424	7.01%
16,000: 17,999	31,266,490.82 €	7.82%	1,844	5.33%
18,000: 19,999	28,213,217.42 €	7.05%	1,489	4.30%
20,000: 21,999	23,300,934.90 €	5.83%	1,114	3.22%
22,000: 23,999	19,012,231.32 €	4.75%	828	2.39%
24,000: 25,999	15,286,607.49 €	3.82%	613	1.77%
26,000: 27,999	11,996,738.15 €	3.00%	445	1.29%
28,000: 29,999	9,622,126.62 €	2.41%	334	0.97%
30,000: 31,999	6,868,809.77 €	1.72%	222	0.64%
32,000: 33,999	5,169,522.71 €	1.29%	157	0.45%
34,000: 35,999	3,463,345.95 €	0.87%	99	0.29%
36,000: 37,999	3,434,104.76 €	0.86%	93	0.27%
38,000: 39,999	2,419,689.43 €	0.60%	62	0.18%
40,000 and larger	21,299,622.10 €	5.33%	349	1.01%
<b>Total</b>	<b>399,989,204.55 €</b>	<b>100.00%</b>	<b>34,591</b>	<b>100.00%</b>

Average Outstanding Principal Balance

11,563 €

## 2.14 Distribution by Original Principal Balance

Original Principal Balance (Ranges in €)	Original Principal Balance	% of Balance	Number of Loans	% of Loans
0: 1,999	194,143.06 €	0.04%	123	0.36%
2,000: 3,999	8,726,666.02 €	1.97%	2,763	7.99%
4,000: 5,999	21,496,611.24 €	4.86%	4,293	12.41%
6,000: 7,999	30,223,339.70 €	6.84%	4,324	12.50%
8,000: 9,999	36,020,880.94 €	8.15%	4,004	11.58%
10,000: 11,999	44,350,873.96 €	10.03%	4,067	11.76%
12,000: 13,999	41,426,641.08 €	9.37%	3,189	9.22%
14,000: 15,999	41,255,049.41 €	9.33%	2,752	7.96%
16,000: 17,999	35,019,335.66 €	7.92%	2,066	5.97%
18,000: 19,999	29,827,587.18 €	6.75%	1,573	4.55%
20,000: 21,999	29,292,235.22 €	6.63%	1,401	4.05%
22,000: 23,999	22,959,033.46 €	5.19%	1,000	2.89%
24,000: 25,999	19,714,675.79 €	4.46%	788	2.28%
26,000: 27,999	15,390,917.89 €	3.48%	571	1.65%
28,000: 29,999	11,928,826.89 €	2.70%	411	1.19%
30,000 and larger	54,313,226.66 €	12.28%	1,266	3.66%
<b>Total</b>	<b>442,140,044.16 €</b>	<b>100.00%</b>	<b>34,591</b>	<b>100.00%</b>

Average Original Principal Balance 12,782 €

## 2.15 Distribution by Borrower Concentration

Borrower Concentration	Outstanding Principal Balance	% of Balance	Number of Loans
1	137,619.29 €	0.03%	2
2	137,088.73 €	0.03%	1
3	115,776.74 €	0.03%	1
4	110,936.98 €	0.03%	1
5	109,890.32 €	0.03%	1
6	105,738.94 €	0.03%	1
7	104,968.78 €	0.03%	1
8	104,314.93 €	0.03%	1
9	104,187.32 €	0.03%	1
10	104,117.52 €	0.03%	4
11	103,962.39 €	0.03%	1
12	103,330.19 €	0.03%	1
13	103,254.39 €	0.03%	1
14	102,554.96 €	0.03%	1
15	102,126.01 €	0.03%	1
<b>Total Top 15 Borrowers</b>	<b>1,649,867.49 €</b>	<b>0.41%</b>	<b>19</b>

## 2.16 Distribution by Federal State

Federal State	Outstanding Principal Balance	% of Balance	Number of Loans	% of Loans
Baden-Württemberg	55,706,885.96 €	13.93%	4,712	13.62%
Bavaria	58,384,130.40 €	14.60%	4,909	14.19%
Berlin	10,394,739.47 €	2.60%	808	2.34%
Brandenburg	20,353,926.40 €	5.09%	1,794	5.19%
Bremen	1,267,136.63 €	0.32%	117	0.34%
Hamburg	5,007,947.84 €	1.25%	395	1.14%
Hesse	22,823,338.35 €	5.71%	2,018	5.83%
Lower Saxony	37,319,901.00 €	9.33%	3,309	9.57%
Mecklenburg-Vorpommern	6,797,606.48 €	1.70%	617	1.78%
North Rhine-Westphalia	86,918,726.21 €	21.73%	7,594	21.95%
Rhineland-Palatinate	18,552,203.12 €	4.64%	1,629	4.71%
Saarland	4,213,403.24 €	1.05%	350	1.01%
Saxony	18,222,168.72 €	4.56%	1,611	4.66%
Saxony-Anhalt	24,056,932.36 €	6.01%	2,095	6.06%
Schleswig-Holstein	16,420,351.07 €	4.11%	1,404	4.06%
Thuringia	13,549,807.30 €	3.39%	1,229	3.55%
<b>Total</b>	<b>399,989,204.55 €</b>	<b>100.00%</b>	<b>34,591</b>	<b>100.00%</b>

## 2.17 Distribution by Manufacturer Brands

Manufacturer Brands	Outstanding Principal Balance	% of Balance	Number of Loans	% of Loans
1	42,579,490.08 €	10.65%	3,416	9.88%
2	37,907,921.54 €	9.48%	3,637	10.51%
3	26,253,452.39 €	6.56%	2,806	8.11%
4	23,711,858.23 €	5.93%	2,098	6.07%
5	23,465,773.06 €	5.87%	2,157	6.24%
6	21,054,278.51 €	5.26%	1,703	4.92%
7	20,469,944.37 €	5.12%	1,496	4.32%
8	18,930,520.57 €	4.73%	1,470	4.25%
9	17,627,729.43 €	4.41%	1,424	4.12%
10	16,628,795.15 €	4.16%	1,576	4.56%
11	14,376,462.27 €	3.59%	1,303	3.77%
12	14,130,077.93 €	3.53%	1,441	4.17%
13	13,638,053.45 €	3.41%	1,307	3.78%
14	12,043,097.89 €	3.01%	163	0.47%
15	11,694,965.65 €	2.92%	1,221	3.53%
Other	85,476,784.03 €	21.37%	7,373	21.31%
<b>Total</b>	<b>399,989,204.55 €</b>	<b>100.00%</b>	<b>34,591</b>	<b>100.00%</b>

Manufacturer brands in alphabetical order:

AUDI, BMW, CITROEN, FIAT, FORD, HYUNDAI, KIA, MAZDA, MERCEDES-BENZ, NISSAN, OPEL, RENAULT, SEAT, SKODA, VOLKSWAGEN

## 2.18 Distribution by Downpayment

Downpayment	Outstanding Principal Balance	% of Balance	Number of Loans	% of Loans
with downpayment	258,403,413.78 €	64.60%	22,818	65.97%
without downpayment	141,585,790.77 €	35.40%	11,773	34.03%
<b>Total</b>	<b>399,989,204.55 €</b>	<b>100.00%</b>	<b>34,591</b>	<b>100.00%</b>

Average downpayment

3,731 €

Maximum downpayment

78,280 €

## 2.19 Distribution by Contracts with/without Balloon Payments

Contracts w/Balloon Payments	Outstanding Principal Balance	% of Balance	Number of Loans	% of Loans
No	336,901,238.97 €	84.23%	31,415	90.82%
Yes	63,087,965.58 €	15.77%	3,176	9.18%
- of which balloon rates	32,472,043.68 €	51.47%		
- of which regular instalments	30,615,921.90 €	48.53%		
<b>Total</b>	<b>399,989,204.55 €</b>	<b>100.00%</b>	<b>34,591</b>	<b>100.00%</b>

## 2.20 Distribution by Scoring

Scoring	Outstanding Principal Balance	% of Balance	Number of Loans	% of Loans
10,000: 9,800	193,813,397.42 €	48.45%	17,030	49.23%
9,799: 9,600	115,207,558.46 €	28.80%	9,862	28.51%
9,599: 9,400	42,497,003.69 €	10.62%	3,723	10.76%
9,399: 9,200	16,351,040.91 €	4.09%	1,456	4.21%
9,199: 9,000	6,541,647.95 €	1.64%	575	1.66%
8,999: 8,800	3,931,489.44 €	0.98%	366	1.06%
8,799: 8,600	1,770,566.04 €	0.44%	189	0.55%
8,599: 8,400	850,892.73 €	0.21%	94	0.27%
8,399: 8,200	832,367.07 €	0.21%	72	0.21%
8,199: 8,000	488,401.46 €	0.12%	43	0.12%
7,999 and lower	715,097.79 €	0.18%	73	0.21%
n/a	16,989,741.59 €	4.25%	1,108	3.20%
<b>Total</b>	<b>399,989,204.55 €</b>	<b>100.00%</b>	<b>34,591</b>	<b>100.00%</b>

## 2.21 Distribution by Origination Year

Origination Year	Outstanding Principal Balance	% of Balance	Number of Loans	% of Loans
2013	3,621.23 €	0.00%	1	0.00%
2014	0.00 €	0.00%	-	0.00%
2015	56,100.27 €	0.01%	6	0.02%
2016	954,835.55 €	0.24%	132	0.38%
2017	6,675,375.91 €	1.67%	734	2.12%
2018	341,240,575.45 €	85.31%	29,593	85.55%
2019	51,058,696.14 €	12.77%	4,125	11.93%
<b>Total</b>	<b>399,989,204.55 €</b>	<b>100.00%</b>	<b>34,591</b>	<b>100.00%</b>

## 2.22 Distribution by Maturity Year

Maturity Year	Outstanding Principal Balance	% of Balance	Number of Loans	% of Loans
2019	1,267,966.74 €	0.32%	606	1.75%
2020	10,929,102.25 €	2.73%	2,667	7.71%
2021	31,733,324.60 €	7.93%	4,756	13.75%
2022	64,634,626.93 €	16.16%	6,416	18.55%
2023	99,257,403.98 €	24.82%	7,837	22.66%
2024	61,480,586.59 €	15.37%	4,617	13.35%
2025	40,280,908.66 €	10.07%	2,710	7.83%
2026	70,797,237.88 €	17.70%	4,044	11.69%
2027	14,577,864.06 €	3.64%	757	2.19%
2028	4,460,291.68 €	1.12%	162	0.47%
2029	569,891.18 €	0.14%	19	0.05%
<b>Total</b>	<b>399,989,204.55 €</b>	<b>100.00%</b>	<b>34,591</b>	<b>100.00%</b>

## 2.23 Distribution by Employment Type

Employment Type	Outstanding Principal Balance	% of Balance	Number of Loans	% of Loans
Civil Servant	16,419,855.94 €	4.11%	1,308	3.78%
Public Employee	4,019,404.28 €	1.00%	334	0.97%
Employee Private Sector	236,373,334.67 €	59.09%	20,929	60.50%
Worker Private Sector	48,851,671.00 €	12.21%	4,563	13.19%
Self-Employed	7,975,633.37 €	1.99%	534	1.54%
Pensioners	27,434,721.29 €	6.86%	3,018	8.72%
Trainee/Intern	112,024.38 €	0.03%	6	0.02%
Homemaker	43,086.94 €	0.01%	2	0.01%
Unemployed	3,985,196.66 €	1.00%	461	1.33%
Craftsman	40,528,193.14 €	10.13%	2,676	7.74%
Commercial borrowers and unknown	14,246,082.88 €	3.56%	760	2.20%
<b>Total</b>	<b>399,989,204.55 €</b>	<b>100.00%</b>	<b>34,591</b>	<b>100.00%</b>

## 2.24 Distribution by Borrower Age

Borrower Age (in years)	Outstanding Principal Balance	% of Balance	Number of Loans	% of Loans
18: 20	4,337,582.08 €	1.08%	446	1.29%
21: 25	23,720,297.86 €	5.93%	2,234	6.46%
26: 30	35,915,859.82 €	8.98%	3,170	9.16%
31: 35	38,493,693.48 €	9.62%	3,348	9.68%
36: 40	42,266,210.25 €	10.57%	3,549	10.26%
41: 45	43,163,963.21 €	10.79%	3,635	10.51%
46: 50	53,108,311.45 €	13.28%	4,514	13.05%
51: 55	58,867,345.52 €	14.72%	4,959	14.34%
56: 60	43,797,445.13 €	10.95%	3,758	10.86%
61: 65	21,695,721.55 €	5.42%	1,990	5.75%
66: 70	11,795,463.98 €	2.95%	1,141	3.30%
71: 75	5,039,446.22 €	1.26%	605	1.75%
76: 91	3,547,666.83 €	0.89%	484	1.40%
n/a	14,240,197.17 €	3.56%	758	2.19%
<b>Total</b>	<b>399,989,204.55 €</b>	<b>100.00%</b>	<b>34,591</b>	<b>100.00%</b>

## 2.25 Distribution by Borrower Monthly Net Income

Borrower Monthly Net Income (in €)	Outstanding Principal Balance	% of Balance	Number of Loans	% of Loans
0: 1,000	19,253,566.19 €	4.81%	2,248	6.50%
1,000: 1,500	69,518,813.94 €	17.38%	7,389	21.36%
1,500: 2,000	103,985,828.20 €	26.00%	9,508	27.49%
2,001: 2,500	72,589,684.84 €	18.15%	6,083	17.59%
2,501: 3,000	37,109,582.74 €	9.28%	2,886	8.34%
3,001: 3,500	17,397,375.42 €	4.35%	1,338	3.87%
3,501: 4,000	10,920,619.56 €	2.73%	790	2.28%
4,001: 4,500	5,284,681.00 €	1.32%	370	1.07%
4,501: 5,000	4,086,380.61 €	1.02%	274	0.79%
5,001: 5,500	1,428,317.17 €	0.36%	98	0.28%
5,501: 6,000	1,325,978.04 €	0.33%	88	0.25%
> 6,001	4,232,092.53 €	1.06%	202	0.58%
n/a	52,856,284.31 €	13.21%	3,317	9.59%
<b>Total</b>	<b>399,989,204.55 €</b>	<b>100.00%</b>	<b>34,591</b>	<b>100.00%</b>

## 2.26 Distribution by Loan to value (LTV)

Borrower Monthly Net Income (in €)	Outstanding Principal Balance	% of Balance	Number of Loans	% of Loans
0: 1,000	19,253,566.19 €	4.81%	2,248	6.50%
1,000: 1,500	69,518,813.94 €	17.38%	7,389	21.36%
1,500: 2,000	103,985,828.20 €	26.00%	9,508	27.49%
2,001: 2,500	72,589,684.84 €	18.15%	6,083	17.59%
2,501: 3,000	37,109,582.74 €	9.28%	2,886	8.34%
3,001: 3,500	17,397,375.42 €	4.35%	1,338	3.87%
3,501: 4,000	10,920,619.56 €	2.73%	790	2.28%
4,001: 4,500	5,284,681.00 €	1.32%	370	1.07%
4,501: 5,000	4,086,380.61 €	1.02%	274	0.79%
5,001: 5,500	1,428,317.17 €	0.36%	98	0.28%
5,501: 6,000	1,325,978.04 €	0.33%	88	0.25%
> 6,001	4,232,092.53 €	1.06%	202	0.58%
n/a	52,856,284.31 €	13.21%	3,317	9.59%
<b>Total</b>	<b>399,989,204.55 €</b>	<b>100.00%</b>	<b>34,591</b>	<b>100.00%</b>

Average LTV 89.09 %

## HISTORICAL PERFORMANCE DATA

The Originator has extracted data on the historical performance of the auto loan portfolio. The tables below show historical data on cumulative default volume.

### 1 GROSS LOSSES

The default data displayed below are in static format and show the cumulative defaults incurred for each portfolio of auto loans originated by the Originator in a particular month.

#### 1.1 Total Portfolio

Gross Losses - Total Portfolio  
as of 31.12.2018

Month New Business	Cumulative Losses in % / Month after Origination																						
	3	6	9	12	15	18	21	24	27	30	33	36	39	42	45	48	51	54	57	60	63	66	69
Jan 13	0.35%	0.64%	0.73%	0.75%	1.04%	1.33%	1.60%	1.73%	1.84%	1.91%	1.93%	1.95%	2.01%	2.03%	2.05%	2.09%	2.09%	2.09%	2.10%	2.10%	2.10%	2.10%	2.10%
Feb 13	0.00%	0.03%	0.21%	0.26%	0.59%	0.74%	1.07%	1.29%	1.33%	1.37%	1.47%	1.50%	1.58%	1.65%	1.65%	1.66%	1.66%	1.66%	1.66%	1.66%	1.73%	1.73%	1.73%
Mrz 13	0.00%	0.17%	0.46%	0.52%	0.81%	0.84%	1.01%	1.03%	1.18%	1.18%	1.21%	1.24%	1.24%	1.30%	1.30%	1.32%	1.34%	1.34%	1.34%	1.38%	1.38%	1.38%	1.38%
Apr 13	0.00%	0.12%	0.15%	0.17%	0.36%	0.38%	0.65%	0.93%	1.05%	1.06%	1.15%	1.19%	1.28%	1.34%	1.33%	1.35%	1.38%	1.38%	1.41%	1.45%	1.47%	1.47%	1.47%
Mai 13	0.12%	0.26%	0.55%	0.57%	0.89%	0.89%	0.98%	1.03%	1.12%	1.15%	1.20%	1.20%	1.29%	1.34%	1.34%	1.37%	1.39%	1.39%	1.44%	1.44%	1.44%	1.44%	1.44%
Jun 13	0.00%	0.18%	0.36%	0.88%	0.90%	1.40%	1.53%	1.59%	1.64%	1.88%	1.98%	2.24%	2.27%	2.35%	2.38%	2.38%	2.40%	2.40%	2.43%	2.45%	2.45%	2.45%	2.45%
Jul 13	0.00%	0.06%	0.31%	0.58%	0.94%	1.27%	1.38%	1.46%	1.57%	1.64%	1.82%	1.83%	1.88%	1.94%	1.99%	1.99%	1.99%	1.99%	1.99%	1.99%	1.99%	1.99%	1.99%
Aug 13	0.00%	0.33%	0.68%	0.87%	1.12%	1.12%	1.19%	1.21%	1.29%	1.30%	1.30%	1.33%	1.33%	1.37%	1.37%	1.37%	1.37%	1.37%	1.37%	1.40%	1.40%	1.40%	1.40%
Sep 13	0.00%	0.07%	0.38%	0.59%	0.85%	0.96%	1.05%	1.14%	1.18%	1.22%	1.28%	1.40%	1.49%	1.55%	1.55%	1.59%	1.63%	1.63%	1.63%	1.63%	1.66%	1.66%	1.66%
Okt 13	0.00%	0.24%	0.75%	0.85%	1.14%	1.35%	1.48%	1.54%	1.63%	1.68%	1.72%	1.73%	1.77%	1.81%	1.81%	1.81%	1.81%	1.81%	1.81%	1.82%	1.82%	1.82%	1.82%
Nov 13	0.00%	0.11%	0.19%	0.22%	0.33%	0.44%	0.56%	0.58%	0.67%	0.73%	0.73%	0.80%	0.80%	0.83%	0.83%	0.84%	0.87%	0.87%	0.87%	0.87%	0.87%	0.87%	0.87%
Dez 13	0.00%	0.32%	0.89%	1.17%	1.53%	1.63%	1.63%	1.99%	1.99%	2.05%	2.17%	2.22%	2.25%	2.32%	2.41%	2.41%	2.53%	2.55%	2.55%	2.55%	2.55%	2.55%	2.55%
Jan 14	0.00%	0.06%	0.12%	0.61%	0.79%	0.84%	0.99%	1.04%	1.05%	1.13%	1.36%	1.35%	1.40%	1.40%	1.40%	1.40%	1.42%	1.44%	1.54%				
Feb 14	0.00%	0.31%	0.57%	0.64%	0.82%	0.90%	0.94%	0.99%	1.05%	1.10%	1.14%	1.14%	1.15%	1.15%	1.21%	1.26%	1.28%	1.28%	1.28%				
Mrz 14	0.02%	0.23%	0.30%	0.30%	0.55%	0.84%	0.93%	1.02%	1.04%	1.14%	1.20%	1.20%	1.27%	1.34%	1.36%	1.39%	1.39%	1.40%	1.40%				
Apr 14	0.00%	0.07%	0.25%	0.65%	0.67%	0.80%	0.82%	0.82%	0.87%	0.95%	0.98%	1.05%	1.05%	1.12%	1.15%	1.19%	1.23%	1.27%					
Mai 14	0.00%	0.12%	0.20%	0.26%	0.37%	0.45%	0.50%	0.68%	0.79%	0.83%	0.88%	0.88%	0.88%	0.88%	0.88%	0.88%	0.88%	0.88%	0.88%				
Jun 14	0.00%	0.24%	0.48%	0.71%	1.09%	1.09%	1.27%	1.27%	1.33%	1.37%	1.47%	1.49%	1.49%	1.55%	1.56%	1.56%	1.58%	1.61%					
Jul 14	0.00%	0.13%	0.17%	0.31%	0.39%	0.60%	0.78%	0.87%	0.91%	0.91%	0.94%	0.94%	0.98%	0.98%	1.05%	1.07%	1.08%						
Aug 14	0.00%	0.22%	0.38%	0.46%	0.57%	0.58%	0.65%	0.80%	0.82%	0.91%	0.96%	0.99%	1.10%	1.14%	1.16%	1.20%	1.21%						
Sep 14	0.00%	0.17%	0.38%	0.48%	0.55%	0.67%	0.73%	0.78%	0.89%	0.94%	1.00%	1.04%	1.09%	1.07%	1.15%	1.28%	1.31%						
Okt 14	0.00%	0.11%	0.27%	0.45%	0.59%	0.81%	0.93%	0.99%	1.02%	1.04%	1.15%	1.19%	1.25%	1.25%	1.25%	1.28%	1.28%						
Nov 14	0.00%	0.13%	0.37%	0.51%	0.71%	0.71%	0.75%	0.93%	0.93%	1.29%	1.38%	1.38%	1.43%	1.43%	1.43%	1.43%							
Dez 14	0.01%	0.12%	0.27%	0.36%	0.54%	0.75%	0.82%	0.82%	0.98%	1.29%	1.29%	1.29%	1.36%	1.36%	1.45%	1.45%							
Jan 15	0.00%	0.14%	0.33%	0.38%	0.39%	0.65%	0.75%	0.87%	0.98%	1.05%	1.17%	1.23%	1.28%	1.31%	1.31%								
Feb 15	0.00%	0.06%	0.27%	0.38%	0.43%	0.50%	0.53%	0.60%	0.60%	0.75%	0.78%	0.78%	0.79%	0.88%	0.88%								
Mrz 15	0.04%	0.15%	0.28%	0.47%	0.73%	0.81%	0.82%	0.97%	0.98%	1.07%	1.07%	1.08%	1.09%	1.12%	1.12%								
Apr 15	0.06%	0.27%	0.38%	0.46%	0.63%	0.81%	0.82%	0.89%	0.98%	1.02%	1.02%	1.08%	1.08%	1.13%									
Mai 15	0.00%	0.20%	0.31%	0.49%	0.65%	0.85%	0.85%	0.95%	0.96%	1.05%	1.05%	1.06%	1.06%	1.09%	1.07%								
Jun 15	0.00%	0.20%	0.38%	0.39%	0.51%	0.63%	0.77%	0.79%	0.87%	0.97%	1.04%	1.04%	1.11%	1.14%									
Jul 15	0.00%	0.26%	0.41%	0.66%	0.68%	0.87%	1.11%	1.18%	1.29%	1.29%	1.37%	1.40%	1.40%										
Aug 15	0.06%	0.08%	0.26%	0.46%	0.65%	0.69%	0.75%	0.85%	1.00%	1.15%	1.22%	1.36%	1.38%										
Sep 15	0.00%	0.10%	0.21%	0.33%	0.38%	0.40%	0.52%	0.63%	0.71%	0.72%	0.72%	0.82%	0.84%										
Okt 15	0.00%	0.43%	0.58%	0.77%	0.83%	0.95%	1.04%	1.26%	1.29%	1.38%	1.46%	1.48%											
Nov 15	0.00%	0.28%	0.63%	0.75%	0.86%	0.95%	0.95%	0.96%	0.96%	1.09%	1.21%	1.23%											
Dez 15	0.08%	0.29%	0.39%	0.58%	0.61%	0.71%	0.71%	0.83%	0.90%	0.90%	0.96%	0.98%											
Jan 16	0.00%	0.34%	0.65%	0.69%	0.75%	1.02%	1.02%	1.02%	1.02%	1.04%	1.08%												
Feb 16	0.00%	0.11%	0.51%	0.60%	0.70%	0.70%	0.83%	0.85%	0.93%	0.96%	0.97%												
Mrz 16	0.00%	0.10%	0.31%	0.37%	0.41%	0.55%	0.63%	0.65%	0.83%	0.89%	0.92%												
Apr 16	0.00%	0.30%	0.47%	0.53%	0.53%	0.56%	0.72%	0.81%	0.81%	0.95%													
Mai 16	0.00%	0.24%	0.26%	0.31%	0.31%	0.32%	0.38%	0.49%	0.61%	0.68%													
Jun 16	0.19%	0.29%	0.52%	0.61%	0.70%	0.82%	0.89%	0.99%	1.03%	1.03%													
Jul 16	0.06%	0.26%	0.35%	0.40%	0.44%	0.55%	0.58%	0.69%	0.71%														
Aug 16	0.02%	0.09%	0.19%	0.24%	0.33%	0.55%	0.71%	0.76%	0.84%														
Sep 16	0.00%	0.27%	0.27%	0.51%	0.62%	0.84%	0.89%	1.11%	1.17%														
Okt 16	0.00%	0.05%	0.11%	0.41%	0.53%	0.62%	0.90%	1.00%															
Nov 16	0.00%	0.22%	0.45%	0.56%	0.75%	0.78%	1.03%	1.17%															
Dez 16	0.00%	0.14%	0.17%	0.38%	0.49%	0.53%	0.61%	0.72%															
Jan 17	0.00%	0.24%	0.29%	0.39%	0.47%	0.64%	0.71%																
Feb 17	0.01%	0.23%	0.23%	0.36%	0.39%	0.42%	0.56%																
Mrz 17	0.00%	0.17%	0.42%	0.59%	0.78%	0.87%	0.99%																
Apr 17	0.00%	0.14%	0.25%	0.38%	0.52%	0.62%	0.82%																
Mai 17	0.00%	0.05%	0.36%	0.44%	0.49%	0.55%																	
Jun 17	0.00%	0.25%	0.49%	0.61%	0.68%	0.86%																	
Jul 17	0.00%	0.17%	0.31%	0.40%	0.49%																		
Aug 17	0.03%	0.15%	0.20%	0.21%	0.21%																		
Sep 17	0.00%	0.07%	0.27%	0.37%	0.63%																		
Okt 17	0.00%	0.46%	0.70%	0.81%																			
Nov 17	0.00%	0.07%	0.25%	0.30%																			
Dez 17	0.00%	0.27%	0.39%	0.50%																			
Jan 18	0.00%	0.06%	0.08%																				
Feb 18	0.00%	0.12%	0.25%																				
Mrz 18	0.00%	0.21%	0.58%																				
Apr 18	0.20%	0.28%																					
Mai 18	0.00%	0.25%																					
Jun 18	0.00%	0.27%																					
Jul 18	0.00%																						
Aug 18	0.00%																						
Sep 18	0.00%																						

## 1.2 EvoClassic

Gross Losses - Amortizing Loan (Product EvoClassic)  
as of 31.12.2018

Month New Business	Cumulative Losses in % / Months after Origination																						
	3	6	9	12	15	18	21	24	27	30	33	36	39	42	45	48	51	54	57	60	63	66	69
Jan 13	0.00%	0.33%	0.48%	0.51%	0.76%	1.23%	1.23%	1.61%	1.83%	2.01%	2.01%	2.04%	2.05%	2.09%	2.12%	2.16%	2.16%	2.16%	2.16%	2.19%	2.19%	2.19%	2.19%
Feb 13	0.00%	0.04%	0.32%	0.41%	0.61%	0.84%	1.09%	1.43%	1.49%	1.55%	1.63%	1.63%	1.75%	1.79%	1.79%	1.79%	1.79%	1.79%	1.79%	1.85%	1.85%	1.85%	1.85%
Mrz 13	0.00%	0.12%	0.44%	0.46%	0.71%	0.75%	0.79%	0.82%	0.84%	0.84%	0.84%	0.87%	0.87%	0.96%	0.96%	0.99%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Apr 13	0.00%	0.17%	0.22%	0.24%	0.51%	0.74%	0.79%	0.96%	1.13%	1.15%	1.27%	1.34%	1.40%	1.43%	1.43%	1.44%	1.49%	1.49%	1.52%	1.52%	1.52%	1.52%	1.52%
Mai 13	0.17%	0.29%	0.70%	0.74%	1.00%	1.00%	1.13%	1.18%	1.30%	1.41%	1.42%	1.42%	1.56%	1.63%	1.63%	1.68%	1.68%	1.68%	1.71%	1.71%	1.71%	1.71%	1.71%
Jun 13	0.00%	0.00%	0.18%	0.59%	0.61%	1.11%	1.30%	1.39%	1.42%	1.64%	1.70%	2.04%	2.08%	2.08%	2.15%	2.19%	2.19%	2.19%	2.22%	2.22%	2.26%	2.30%	2.30%
Jul 13	0.00%	0.09%	0.26%	0.51%	0.82%	1.06%	1.16%	1.27%	1.42%	1.46%	1.60%	1.62%	1.66%	1.69%	1.73%	1.73%	1.73%	1.73%	1.73%	1.73%	1.73%	1.73%	1.73%
Aug 13	0.00%	0.48%	0.73%	0.87%	0.96%	0.96%	1.08%	1.08%	1.15%	1.17%	1.18%	1.18%	1.18%	1.18%	1.18%	1.18%	1.18%	1.18%	1.18%	1.18%	1.18%	1.18%	1.18%
Sep 13	0.00%	0.11%	0.51%	0.59%	0.82%	0.94%	1.08%	1.12%	1.19%	1.25%	1.34%	1.47%	1.53%	1.62%	1.63%	1.68%	1.68%	1.69%	1.69%	1.69%	1.69%	1.69%	1.69%
Okt 13	0.00%	0.26%	0.69%	0.78%	1.07%	1.25%	1.45%	1.55%	1.62%	1.62%	1.70%	1.71%	1.75%	1.75%	1.75%	1.75%	1.76%	1.76%	1.77%	1.78%	1.78%	1.78%	1.78%
Nov 13	0.00%	0.17%	0.24%	0.29%	0.41%	0.41%	0.45%	0.49%	0.52%	0.53%	0.53%	0.55%	0.55%	0.55%	0.55%	0.57%	0.57%	0.57%	0.57%	0.57%	0.57%	0.57%	0.57%
Dez 13	0.00%	0.21%	0.73%	1.20%	1.46%	1.52%	1.52%	1.87%	1.87%	1.97%	2.04%	2.04%	2.04%	2.15%	2.27%	2.27%	2.27%	2.27%	2.27%	2.27%	2.27%	2.27%	2.27%
Jan 14	0.03%	0.10%	0.14%	0.41%	0.52%	0.61%	0.64%	0.75%	0.75%	0.75%	1.11%	1.12%	1.12%	1.12%	1.14%	1.14%	1.14%	1.14%	1.14%	1.14%	1.14%	1.14%	1.14%
Feb 14	0.00%	0.37%	0.81%	0.86%	1.01%	1.15%	1.15%	1.18%	1.23%	1.22%	1.23%	1.23%	1.23%	1.25%	1.36%	1.36%	1.36%	1.36%	1.36%	1.36%	1.36%	1.36%	1.36%
Mrz 14	0.03%	0.30%	0.38%	0.73%	0.87%	0.95%	1.10%	1.14%	1.26%	1.36%	1.37%	1.37%	1.48%	1.56%	1.56%	1.56%	1.56%	1.56%	1.56%	1.56%	1.56%	1.56%	1.56%
Apr 14	0.00%	0.11%	0.38%	0.47%	0.51%	0.72%	0.75%	0.75%	0.83%	0.83%	0.86%	0.86%	0.86%	0.96%	1.02%	1.02%	1.02%	1.02%	1.08%	1.08%	1.08%	1.08%	1.08%
Mai 14	0.00%	0.18%	0.26%	0.35%	0.52%	0.66%	0.68%	0.95%	1.12%	1.19%	1.26%	1.26%	1.26%	1.26%	1.26%	1.26%	1.26%	1.26%	1.32%	1.32%	1.32%	1.32%	1.32%
Jun 14	0.00%	0.32%	0.59%	0.91%	1.50%	1.50%	1.62%	1.62%	1.71%	1.71%	1.80%	1.82%	1.82%	1.88%	1.89%	1.89%	1.89%	1.92%	1.96%	1.96%	1.96%	1.96%	1.96%
Jul 14	0.00%	0.07%	0.13%	0.34%	0.46%	0.65%	0.82%	0.96%	1.01%	1.01%	1.06%	1.06%	1.06%	1.06%	1.16%	1.19%	1.19%	1.20%	1.20%	1.20%	1.20%	1.20%	1.20%
Aug 14	0.00%	0.32%	0.41%	0.57%	0.74%	0.75%	0.85%	1.06%	1.09%	1.12%	1.20%	1.20%	1.20%	1.26%	1.28%	1.35%	1.35%	1.35%	1.35%	1.35%	1.35%	1.35%	1.35%
Sep 14	0.00%	0.27%	0.50%	0.57%	0.64%	0.82%	0.82%	0.90%	0.95%	0.95%	1.05%	1.05%	1.09%	1.09%	1.10%	1.10%	1.10%	1.10%	1.10%	1.10%	1.10%	1.10%	1.10%
Okt 14	0.00%	0.16%	0.39%	0.64%	0.75%	0.97%	1.17%	1.18%	1.18%	1.18%	1.31%	1.31%	1.31%	1.31%	1.31%	1.31%	1.31%	1.31%	1.31%	1.31%	1.31%	1.31%	1.31%
Nov 14	0.00%	0.18%	0.53%	0.61%	0.71%	0.71%	0.77%	0.81%	0.81%	1.22%	1.22%	1.22%	1.22%	1.22%	1.22%	1.22%	1.22%	1.22%	1.22%	1.22%	1.22%	1.22%	1.22%
Dez 14	0.02%	0.19%	0.28%	0.41%	0.68%	0.92%	0.95%	0.95%	1.15%	1.43%	1.43%	1.43%	1.43%	1.43%	1.44%	1.44%	1.44%	1.44%	1.44%	1.44%	1.44%	1.44%	1.44%
Jan 15	0.00%	0.21%	0.50%	0.57%	0.59%	0.98%	1.05%	1.10%	1.13%	1.20%	1.38%	1.47%	1.53%	1.56%	1.56%	1.56%	1.56%	1.56%	1.56%	1.56%	1.56%	1.56%	1.56%
Feb 15	0.00%	0.00%	0.32%	0.49%	0.57%	0.61%	0.66%	0.77%	0.77%	0.78%	0.79%	0.79%	0.79%	0.87%	0.87%	0.87%	0.87%	0.87%	0.87%	0.87%	0.87%	0.87%	0.87%
Mrz 15	0.06%	0.22%	0.42%	0.64%	1.03%	1.05%	1.05%	1.28%	1.30%	1.42%	1.42%	1.42%	1.42%	1.43%	1.43%	1.43%	1.43%	1.43%	1.43%	1.43%	1.43%	1.43%	1.43%
Apr 15	0.09%	0.30%	0.43%	0.52%	0.72%	0.80%	0.82%	0.93%	0.93%	0.93%	0.99%	0.99%	1.06%	1.06%	1.06%	1.06%	1.06%	1.06%	1.06%	1.06%	1.06%	1.06%	1.06%
Mai 15	0.00%	0.26%	0.41%	0.64%	0.71%	0.86%	1.02%	1.04%	1.06%	1.17%	1.17%	1.18%	1.18%	1.18%	1.20%	1.20%	1.20%	1.20%	1.20%	1.20%	1.20%	1.20%	1.20%
Jun 15	0.00%	0.22%	0.40%	0.42%	0.46%	0.59%	0.75%	0.76%	0.85%	0.96%	1.03%	1.03%	1.03%	1.11%	1.15%	1.15%	1.15%	1.15%	1.15%	1.15%	1.15%	1.15%	1.15%
Jul 15	0.00%	0.27%	0.43%	0.69%	0.71%	0.91%	1.16%	1.24%	1.35%	1.35%	1.37%	1.41%	1.41%	1.41%	1.41%	1.41%	1.41%	1.41%	1.41%	1.41%	1.41%	1.41%	1.41%
Aug 15	0.06%	0.09%	0.27%	0.48%	0.67%	0.71%	0.77%	0.88%	1.03%	1.19%	1.25%	1.40%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%
Sep 15	0.00%	0.10%	0.19%	0.31%	0.36%	0.39%	0.51%	0.62%	0.70%	0.71%	0.71%	0.81%	0.83%	0.83%	0.83%	0.83%	0.83%	0.83%	0.83%	0.83%	0.83%	0.83%	0.83%
Okt 15	0.00%	0.44%	0.59%	0.78%	0.84%	0.96%	1.05%	1.27%	1.31%	1.39%	1.47%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
Nov 15	0.00%	0.17%	0.53%	0.65%	0.76%	0.85%	0.85%	0.85%	0.85%	0.98%	1.10%	1.10%	1.13%	1.13%	1.13%	1.13%	1.13%	1.13%	1.13%	1.13%	1.13%	1.13%	1.13%
Dez 15	0.09%	0.29%	0.39%	0.59%	0.63%	0.72%	0.72%	0.85%	0.91%	0.91%	0.98%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Jan 16	0.00%	0.34%	0.49%	0.53%	0.50%	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%
Feb 16	0.00%	0.11%	0.52%	0.61%	0.71%	0.71%	0.84%	0.87%	0.95%	0.98%	0.99%	0.99%	0.99%	0.99%	0.99%	0.99%	0.99%	0.99%	0.99%	0.99%	0.99%	0.99%	0.99%
Mrz 16	0.00%	0.10%	0.31%	0.38%	0.41%	0.56%	0.64%	0.66%	0.84%	0.91%	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%
Apr 16	0.00%	0.30%	0.48%	0.53%	0.54%	0.56%	0.73%	0.82%	0.82%	0.96%	0.96%	0.96%	0.96%	0.96%	0.96%	0.96%	0.96%	0.96%	0.96%	0.96%	0.96%	0.96%	0.96%
Mai 16	0.00%	0.24%	0.26%	0.31%	0.31%	0.32%	0.38%	0.50%	0.62%	0.69%	0.69%	0.69%	0.69%	0.69%	0.69%	0.69%	0.69%	0.69%	0.69%	0.69%	0.69%	0.69%	0.69%
Jun 16	0.19%	0.23%	0.46%	0.55%	0.65%	0.66%	0.73%	0.84%	0.88%	0.88%	0.88%	0.88%	0.88%	0.88%	0.88%	0.88%	0.88%	0.88%	0.88%	0.88%	0.88%	0.88%	0.88%
Jul 16	0.00%	0.26%	0.36%	0.41%	0.44%	0.56%	0.58%	0.70%	0.72%	0.72%	0.72%	0.72%	0.72%	0.72%	0.72%	0.72%	0.72%	0.72%	0.72%	0.72%	0.72%	0.72%	0.72%
Aug 16	0.02%	0.09%	0.19%	0.24%	0.33%	0.56%	0.72%	0.77%	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%
Sep 16	0.00%	0.27%	0.27%	0.52%	0.63%	0.86%	0.91%	1.17%	1.19%	1.19%	1.19%	1.19%	1.19%	1.19%	1.19%	1.19%	1.19%	1.19%	1.19%	1.19%	1.19%	1.19%	1.19%
Okt 16	0.00%	0.06%	0.11%	0.42%	0.55%	0.65%	0.94%	1.04%	1.04%	1.04%	1.04%	1.04%	1.04%	1.04%	1.04%	1.04%	1.04%	1.04%	1.04%	1.04%	1.04%	1.04%	1.04%
Nov 16	0.00%	0.22%	0.46%	0.58%	0.78%	0.81%	1.07%	1.22%	1.22%	1.22%	1.22%	1.22%	1.22%	1.22%	1.22%	1.22%	1.22%	1.22%	1.22%	1.22%	1.22%	1.22%	1.22%
Dez 16	0.00%	0.15%	0.18%	0.41%	0.52%	0.57%	0.66%	0.78%	0.78%	0.78%	0.78%	0.78%	0.78%	0.78%	0.78%	0.78%	0.78%	0.78%	0.78%	0.78%	0.78%	0.78%	0.78%
Jan 17	0.00%	0.21%	0.26%	0.37%	0.46%	0.65%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%
Feb 17	0.01%	0.24%	0.25%	0.38%	0.41%	0.44%	0.60%	0.60%	0.60%	0.60%	0.60%	0.60%	0.60%	0.60%	0.60%	0.60%	0.60%	0.60%	0.60%	0.60%	0.60%	0.60%	0.60%
Mrz 17	0.00%	0.18%	0.44%	0.60%	0.81%	0.91%	1.01%	1.01%	1.01%	1.01%	1.01%	1.01%	1.01%	1.01%	1.01%	1.01%	1.01%	1.01%	1.01%	1.01%	1.01%	1.01%	1.01%
Apr 17	0.00%	0.14%	0.26%	0.38%	0.55%	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%
Mai 17	0.00%	0.05%	0.28%	0.47%	0.52%	0.58%	0.58%	0.58%	0.58%	0.58%	0.58%	0.58%	0.58%	0.58%	0.58%	0.58%	0.58%	0.58%	0.58%	0.58%	0.58%	0.58%	0.58%
Jun 17	0.00%	0.26%	0.52%	0.64%	0.72%	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%
Jul 17	0.00%	0.18%	0																				





## 1.4 Dynamic Defaults

Dynamic Defaults % of Total Portfolio  
as of 31.12.2018

Year	2013			2014			2015		
Portfolio	Total	EvoClassic	EvoSmart	Total	EvoClassic	EvoSmart	Total	EvoClassic	EvoSmart
January	0.42%	0.49%	0.32%	0.82%	0.85%	0.77%	1.19%	1.21%	1.15%
February	0.48%	0.55%	0.37%	0.84%	0.89%	0.77%	1.13%	1.15%	1.10%
March	0.51%	0.60%	0.39%	0.82%	0.85%	0.78%	1.14%	1.14%	1.14%
April	0.57%	0.63%	0.49%	0.87%	0.89%	0.84%	1.12%	1.13%	1.11%
May	0.61%	0.65%	0.54%	0.93%	0.94%	0.91%	1.07%	1.08%	1.05%
June	0.60%	0.65%	0.53%	0.99%	1.00%	0.97%	1.07%	1.08%	1.06%
July	0.64%	0.69%	0.56%	1.03%	1.03%	1.03%	0.99%	0.97%	1.02%
August	0.67%	0.72%	0.59%	1.04%	1.05%	1.04%	0.98%	0.96%	1.02%
September	0.71%	0.76%	0.63%	1.06%	1.06%	1.06%	0.83%	0.81%	0.89%
October	0.73%	0.78%	0.64%	1.10%	1.12%	1.07%	0.83%	0.80%	0.89%
November	0.76%	0.78%	0.74%	1.14%	1.17%	1.09%	0.82%	0.78%	0.91%
December	0.79%	0.81%	0.76%	1.17%	1.20%	1.12%	0.82%	0.78%	0.89%
Year	2016			2017			2018		
Instalments past due	Total	EvoClassic	EvoSmart	Total	EvoClassic	EvoSmart	Total	EvoClassic	EvoSmart
January	0.82%	0.79%	0.91%	0.53%	0.50%	0.64%	0.32%	0.32%	0.30%
February	0.67%	0.66%	0.70%	0.51%	0.46%	0.71%	0.31%	0.29%	0.38%
March	0.66%	0.63%	0.74%	0.51%	0.46%	0.73%	0.28%	0.26%	0.36%
April	0.60%	0.60%	0.60%	0.43%	0.38%	0.67%	0.26%	0.26%	0.24%
May	0.61%	0.61%	0.62%	0.43%	0.38%	0.68%	0.26%	0.26%	0.25%
June	0.64%	0.64%	0.66%	0.40%	0.36%	0.61%	0.26%	0.26%	0.26%
July	0.64%	0.63%	0.68%	0.39%	0.34%	0.64%	0.26%	0.26%	0.24%
August	0.62%	0.59%	0.74%	0.38%	0.33%	0.64%	0.23%	0.23%	0.19%
September	0.60%	0.57%	0.73%	0.34%	0.31%	0.54%	0.23%	0.24%	0.16%
October	0.60%	0.56%	0.77%	0.35%	0.32%	0.54%	0.24%	0.25%	0.14%
November	0.60%	0.55%	0.78%	0.33%	0.31%	0.45%	0.22%	0.23%	0.15%
December	0.55%	0.51%	0.70%	0.32%	0.31%	0.36%	0.23%	0.25%	0.14%



### 3 DELINQUENCIES

The following data indicates, for the whole loan portfolio, and for a given month the outstanding balance of the receivables which are at least one (1) instalment in arrears, expressed as a percentage of the total outstanding balance of the whole loan portfolio at the beginning of such period.

Delinquencies 1, 2 and 3 Instalments past due in % of Total Portfolio  
as of 31.12.2018

Year	2013			2014			2015		
Instalments past due	1	2	3	1	2	3	1	2	3
January	0.66%	0.21%	0.11%	1.06%	0.27%	0.11%	0.78%	0.23%	0.12%
February	0.62%	0.23%	0.11%	0.91%	0.34%	0.11%	0.93%	0.28%	0.09%
March	0.68%	0.33%	0.09%	1.11%	0.35%	0.15%	0.73%	0.20%	0.15%
April	0.59%	0.24%	0.10%	0.87%	0.32%	0.16%	0.77%	0.26%	0.05%
May	0.75%	0.23%	0.10%	0.70%	0.35%	0.14%	0.90%	0.24%	0.09%
June	0.59%	0.40%	0.13%	1.03%	0.29%	0.15%	0.77%	0.30%	0.07%
July	0.72%	0.25%	0.13%	0.82%	0.24%	0.14%	0.83%	0.26%	0.11%
August	0.76%	0.27%	0.10%	0.87%	0.28%	0.12%	0.94%	0.24%	0.10%
September	0.69%	0.29%	0.12%	0.92%	0.32%	0.14%	0.76%	0.24%	0.05%
October	0.72%	0.25%	0.12%	0.89%	0.32%	0.16%	0.75%	0.23%	0.07%
November	0.87%	0.26%	0.11%	1.12%	0.31%	0.14%	0.82%	0.25%	0.07%
December	0.74%	0.30%	0.12%	0.90%	0.33%	0.14%	0.89%	0.24%	0.05%
Year	2016			2017			2018		
Instalments past due	1	2	3	1	2	3	1	2	3
January	0.89%	0.28%	0.10%	0.67%	0.19%	0.06%	0.58%	0.15%	0.04%
February	0.78%	0.24%	0.09%	0.72%	0.20%	0.07%	0.68%	0.18%	0.04%
March	0.88%	0.21%	0.09%	0.51%	0.21%	0.06%	0.60%	0.19%	0.04%
April	0.76%	0.26%	0.08%	1.16%	0.17%	0.09%	0.69%	0.18%	0.06%
May	0.76%	0.27%	0.09%	0.58%	0.15%	0.04%	0.65%	0.24%	0.06%
June	0.66%	0.24%	0.07%	0.60%	0.15%	0.04%	0.64%	0.17%	0.08%
July	0.79%	0.21%	0.11%	0.60%	0.16%	0.04%	0.67%	0.20%	0.04%
August	0.69%	0.20%	0.08%	0.55%	0.18%	0.04%	0.61%	0.17%	0.06%
September	0.73%	0.22%	0.06%	0.60%	0.15%	0.06%	0.73%	0.20%	0.06%
October	0.66%	0.20%	0.09%	0.63%	0.14%	0.04%	0.68%	0.18%	0.05%
November	0.66%	0.17%	0.06%	0.64%	0.15%	0.05%	0.63%	0.16%	0.06%
December	0.70%	0.20%	0.04%	0.59%	0.14%	0.04%	0.84%	0.19%	0.07%



## **WEIGHTED AVERAGE LIFE OF THE NOTES**

The expected weighted average life of the Notes refers to the average amount of time that will elapse from the Closing Date of the Notes 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. Calculated estimates as to the expected weighted average life of each Class of Notes can be made based on certain assumptions. These estimates have certain inherent limitations. No representations are made that such estimates are accurate, that all assumptions relating to such estimates have been considered or stated or that such estimates will be realised.

The table below shows the expected weighted average life of each Class of Notes based on, inter alia, certain assumptions as described in the following:

- (a) the Purchased Receivables are subject to a constant annual rate of principal prepayments as set out in the below table;
- (b) the Notes are issued on 24 April 2019;
- (c) the Payment Date is assumed to be always the 21<sup>st</sup> of each calendar month;
- (d) no Purchased Receivables are repurchased by the Originator;
- (e) the Purchased Receivables are fully performing and do not show any delinquencies or defaults;
- (f) the weighted average Loan Interest Rate in relation to all Purchased Receivables is 3.52% p.a. and the sum of (i) the weighted average coupon of the Notes, (ii) the servicing fee, (iii) the senior expenses and (iv) the fixed rate under the Swap Agreement is assumed to be 1.18 % p.a. of the Aggregate Principal Balance applying the Day Count Fraction;
- (g) during the Replenishment Period, all principal collections (incl. the excess of the gross proceeds from the issue of the Notes over the Initial Purchase Price) are applied to the purchase of Additional Receivables;
- (h) the contractual amortisation schedule of each pool of Additional Receivables purchased by the Issuer on each Purchase Date has a contractual amortisation schedule identical to that of the Initial Receivables as of 31 March 2019 which is assumed to be as follows:

Month	Outstanding Principal Amount (%)	Month	Outstanding Principal Amount (%)	Month	Outstanding Principal Amount (%)	Month	Outstanding Principal Amount (%)
0	100.00%	30	50.43%	60	11.55%	90	0.67%
1	98.30%	31	48.95%	61	10.99%	91	0.54%
2	96.60%	32	47.45%	62	10.43%	92	0.43%
3	94.90%	33	45.99%	63	9.89%	93	0.35%
4	93.19%	34	44.53%	64	9.37%	94	0.29%
5	91.49%	35	43.01%	65	8.85%	95	0.26%
6	89.78%	36	41.53%	66	8.36%	96	0.24%
7	88.08%	37	40.19%	67	7.89%	97	0.23%
8	86.38%	38	38.45%	68	7.44%	98	0.21%
9	84.68%	39	36.91%	69	7.01%	99	0.20%
10	82.98%	40	35.40%	70	6.59%	100	0.19%
11	81.29%	41	34.03%	71	6.19%	101	0.17%
12	79.61%	42	32.66%	72	5.81%	102	0.16%
13	77.92%	43	31.38%	73	5.43%	103	0.15%
14	76.23%	44	30.07%	74	5.05%	104	0.13%
15	74.55%	45	28.79%	75	4.69%	105	0.12%
16	72.87%	46	27.49%	76	4.33%	106	0.11%
17	71.22%	47	25.91%	77	3.99%	107	0.09%
18	69.58%	48	24.23%	78	3.65%	108	0.08%
19	67.93%	49	23.26%	79	3.34%	109	0.07%
20	66.30%	50	22.05%	80	3.03%	110	0.06%
21	64.69%	51	20.88%	81	2.74%	111	0.04%
22	63.09%	52	19.66%	82	2.46%	112	0.03%
23	61.50%	53	18.49%	83	2.19%	113	0.02%
24	59.93%	54	17.40%	84	1.93%	114	0.02%
25	58.36%	55	16.27%	85	1.68%	115	0.01%
26	56.69%	56	15.23%	86	1.43%	116	0.00%
27	55.06%	57	14.22%	87	1.21%	117	0.00%
28	53.49%	58	13.24%	88	1.01%	118	0.00%
29	51.93%	59	12.34%	89	0.83%	119	0.00%

- (i) no Early Amortisation Event occurs
- (j) zero per cent investment return is earned on the Transaction Accounts
- (k) the clean-up call is exercised at 10 per cent.

The approximate weighted average lives and principal payment windows of each Class of Notes, at various assumed annualised rates of prepayment of the Purchased Receivables, would be as follows (with "CPR" being the constant prepayment rate per annum):

CPR	Class A			Class B			Class C			Class D			Class E		
	in % p.a.	WAL (in yrs)	Principal Payment Window	WAL (in yrs)	Principal Payment Window		WAL (in yrs)	Principal Payment Window		WAL (in yrs)	Principal Payment Window		WAL (in yrs)	Principal Payment Window	
0%	3.1	Dec-19	Dec-24	5.7	Dec-24	Dec-24	5.7	Dec-24	Dec-24	5.7	Dec-24	Dec-24	5.7	Dec-24	Dec-24
5%	2.9	Nov-19	Sep-24	5.5	Sep-24	Sep-24	5.5	Sep-24	Sep-24	5.5	Sep-24	Sep-24	5.5	Sep-24	Sep-24
10%	2.8	Aug-19	May-24	5.2	May-24	May-24	5.2	May-24	May-24	5.2	May-24	May-24	5.2	May-24	May-24
15%	2.6	Jun-19	Feb-24	4.9	Feb-24	Feb-24	4.9	Feb-24	Feb-24	4.9	Feb-24	Feb-24	4.9	Feb-24	Feb-24
25%	2.3	Oct-19	Sep-23	4.5	Sep-23	Sep-23	4.5	Sep-23	Sep-23	4.5	Sep-23	Sep-23	4.5	Sep-23	Sep-23

Assumption (a) above is stated as an average annualised prepayment rate as the prepayment rate for one Interest Period may be substantially different from that for another. The constant prepayment rates shown above are purely illustrative and do not represent the full range of possibilities for constant prepayment rates.

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

The exact weighted 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 weighted 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 Purchased Receivables if Clean-Up Call option is exercised**

This Amortisation scenario is, inter alia, based on the on the based on the assumptions (a),(d),(e),(g),(h),(i) and (k) listed above under weighted average life of the Notes and is assuming a CPR p.a. of 0 per cent. It should be noted that the actual amortisation of the Purchased Receivables may differ substantially from the amortisation scenario indicated below.

Determination Date falling in	Aggregate Principal Balance of Purchased Receivables (EUR)	Amortisation of Purchased Receivables (EUR)
Closing Date	399,989,204.55	
Apr 19	400,000,000.00	0.00
Mai 19	400,000,000.00	0.00
Jun 19	400,000,000.00	0.00
Jul 19	400,000,000.00	0.00
Aug 19	400,000,000.00	0.00
Sep 19	400,000,000.00	0.00
Okt 19	400,000,000.00	0.00
Nov 19	400,000,000.00	0.00
Dez 19	400,000,000.00	0.00
Jan 20	400,000,000.00	0.00
Feb 20	400,000,000.00	0.00
Mrz 20	400,000,000.00	0.00
Apr 20	391,717,947.07	8,282,052.93
Mai 20	383,451,047.54	8,266,899.53
Jun 20	375,196,364.72	8,254,682.82
Jul 20	366,981,942.50	8,214,422.21
Aug 20	358,835,987.01	8,145,955.49
Sep 20	350,763,614.15	8,072,372.87
Okt 20	342,648,110.13	8,115,504.01
Nov 20	334,633,458.85	8,014,651.28
Dez 20	326,674,451.57	7,959,007.29
Jan 21	318,785,483.53	7,888,968.04
Feb 21	310,951,633.57	7,833,849.96
Mrz 21	303,169,182.48	7,782,451.09
Apr 21	295,433,690.86	7,735,491.61
Mai 21	287,279,814.01	8,153,876.85
Jun 21	279,296,042.00	7,983,772.01
Jul 21	271,574,660.16	7,721,381.83
Aug 21	263,872,523.29	7,702,136.87
Sep 21	256,439,710.86	7,432,812.43
Okt 21	249,098,578.16	7,341,132.71
Nov 21	241,656,422.31	7,442,155.85
Dez 21	234,430,097.33	7,226,324.98
Jan 22	227,161,867.30	7,268,230.03
Feb 22	219,712,667.21	7,449,200.09
Mrz 22	212,398,785.57	7,313,881.64
Apr 22	205,685,388.89	6,713,396.68
Mai 22	197,335,708.79	8,349,680.10
Jun 22	189,827,995.90	7,507,712.89
Jul 22	182,422,963.94	7,405,031.95
Aug 22	175,576,487.55	6,846,476.39
Sep 22	168,781,357.55	6,795,130.00
Okt 22	162,323,319.27	6,458,038.29
Nov 22	155,788,199.71	6,535,119.55
Dez 22	149,342,869.42	6,445,330.29
Jan 23	142,851,551.98	6,491,317.43
Feb 23	135,258,218.01	7,593,333.97
Mrz 23	127,277,480.08	7,980,737.92
Apr 23	122,108,751.13	5,168,728.96
Mai 23	115,991,032.63	6,117,718.49
Jun 23	110,071,197.69	5,919,834.94
Jul 23	103,999,976.56	6,071,221.13
Aug 23	98,145,404.85	5,854,571.72
Sep 23	92,590,676.29	5,554,728.56
Okt 23	86,946,993.59	5,643,682.70
Nov 23	81,637,671.76	5,309,321.83
Dez 23	76,514,585.71	5,123,086.05
Jan 24	71,480,680.02	5,033,905.69
Feb 24	66,808,289.20	4,672,390.82
Mrz 24	62,643,086.91	4,165,202.30
Apr 24	59,427,069.44	3,216,017.47
Mai 24	56,282,913.71	3,144,155.73
Jun 24	53,242,645.28	3,040,268.43
Jul 24	50,302,477.80	2,940,167.48
Aug 24	47,477,157.32	2,825,320.48
Sep 24	44,780,547.20	2,696,610.12
Okt 24	42,207,401.78	2,573,145.42
Nov 24	0.00	42,207,401.78
Dez 24	0.00	0.00

This Amortisation scenario is, inter alia, based on the on the based on the assumptions (a),(d),(e),(g),(h),(i) and (k) listed above under weighted average life of the Notes and is assuming a CPR p.a. of 10 per cent. It should be noted that the actual amortisation of the Purchased Receivables may differ substantially from the amortisation scenario indicated below.



Determination Date falling in	Aggregate Principal Balance of Purchased Receivables (EUR)	Amortisation of Purchased Receivables (EUR)
Closing Date	399,989,204.55	
Apr 19	400,000,000.00	0.00
Mai 19	400,000,000.00	0.00
Jun 19	400,000,000.00	0.00
Jul 19	400,000,000.00	0.00
Aug 19	400,000,000.00	0.00
Sep 19	400,000,000.00	0.00
Okt 19	400,000,000.00	0.00
Nov 19	400,000,000.00	0.00
Dez 19	400,000,000.00	0.00
Jan 20	400,000,000.00	0.00
Feb 20	400,000,000.00	0.00
Mrz 20	400,000,000.00	0.00
Apr 20	388,375,197.20	11,624,802.80
Mai 20	376,936,655.52	11,438,541.68
Jun 20	365,679,704.59	11,256,950.93
Jul 20	354,626,400.92	11,053,303.67
Aug 20	343,798,511.01	10,827,889.91
Sep 20	333,197,165.91	10,601,345.09
Okt 20	322,720,456.53	10,476,709.39
Nov 20	312,487,589.48	10,232,867.04
Dez 20	302,457,682.60	10,029,906.88
Jan 21	292,639,917.20	9,817,765.40
Feb 21	283,018,799.83	9,621,117.37
Mrz 21	273,588,448.76	9,430,351.07
Apr 21	264,342,484.66	9,245,964.10
Mai 21	254,908,200.42	9,434,284.24
Jun 21	245,753,742.32	9,154,458.10
Jul 21	236,947,008.66	8,806,733.66
Aug 21	228,293,773.68	8,653,234.98
Sep 21	219,983,593.91	8,310,179.77
Okt 21	211,875,182.85	8,108,411.06
Nov 21	203,820,573.99	8,054,608.86
Dez 21	196,055,732.13	7,764,841.86
Jan 22	188,384,547.08	7,671,185.05
Feb 22	180,703,148.51	7,681,398.57
Mrz 22	173,242,459.32	7,460,689.19
Apr 22	166,334,973.99	6,907,485.33
Mai 22	158,369,039.01	7,965,934.98
Jun 22	151,126,969.38	7,242,069.63
Jul 22	144,074,971.29	7,051,998.09
Aug 22	137,526,196.61	6,548,774.68
Sep 22	131,121,513.34	6,404,683.27
Okt 22	125,052,658.66	6,068,854.68
Nov 22	119,032,140.65	6,020,518.02
Dez 22	113,172,892.79	5,859,247.86
Jan 23	107,380,254.64	5,792,638.15
Feb 23	100,954,958.22	6,425,296.42
Mrz 23	94,378,847.65	6,576,110.58
Apr 23	89,734,833.15	4,644,014.50
Mai 23	84,560,457.15	5,174,376.00
Jun 23	79,610,784.92	4,949,672.23
Jul 23	74,654,684.08	4,956,100.84
Aug 23	69,923,036.46	4,731,647.61
Sep 23	65,459,984.95	4,463,051.52
Okt 23	61,021,034.96	4,438,949.99
Nov 23	56,862,623.32	4,158,411.64
Dez 23	52,891,033.14	3,971,590.18
Jan 24	49,044,452.29	3,846,580.85
Feb 24	45,483,634.03	3,560,818.27
Mrz 24	42,297,702.46	3,185,931.57
Apr 24	0.00	42,297,702.46
Mai 24	0.00	0.00
Jun 24	0.00	0.00
Jul 24	0.00	0.00
Aug 24	0.00	0.00
Sep 24	0.00	0.00
Okt 24	0.00	0.00
Nov 24	0.00	0.00
Dez 24	0.00	0.00





## **CREDIT AND COLLECTION POLICY**

The following is an overview of the current version of the Credit and Collection Policy of Bank11 which must be complied in respect of the servicing of the Purchased Receivables and the Related Collateral by the Servicer in accordance with the Servicing Agreement.

The Servicer may not modify the Credit and Collection Policy, other than in case:

- (a) it is required by law of any governmental body or regulatory authority; or
- (b) such changes would be adopted by a reasonably prudent operator of a Vehicle financing business and they do not adversely affect the Issuer in relation to the Purchased Receivables; or
- (c) the Issuer has given its prior written consent (acting in the interest of the Noteholders).

The Rating Agencies shall be notified by the Servicer of any amendment to or alteration or modification of the Credit and Collection Policy without undue delay (*ohne schuldhaftes Zögern*).

### **1 DESCRIPTION OF GENERAL RISK STRATEGY AND CREDIT POLICY**

Bank11 is mainly focused on private employees, additionally self-employed, freelancer and corporate customers for which Bank11 offers loans to finance vehicles. Each customer should have a sustainable solvency, which will be analysed during the credit decision process. All loan applications will be processed and assessed by an automated credit decision tool. The system is modular providing automated credit decisions based on a rule set, which considers amongst others the information retrieved from a credit bureau, the result of a payback capability calculation for private customers (respectively historical data on payment history of customer and documents to legitimate their status as freelancer or corporation and to give proof of sufficient future liquidity for self-employed, freelancer or corporate customers).

#### **1.1 Main Sources of Information**

The main sources to determine the solvency of the customer is credit bureau information and payback capability calculation.

##### **1.1.1 Credit Bureau Information**

Schufa Holding AG is the main source of information for creditor information for Bank11 when assessing the credit history of individuals, i.e. private customers and self-employed customers or freelancer. Apart from a specific customer score reflecting the expected default probability of the customer, Schufa Holding AG provides Bank11 electronically with several additional information including information about loan and leasing agreements, bank accounts, previous defaults, insolvency proceeding or declarations of insolvency.

Creditreform AG is the main source of information for creditor information for Bank11 assessing corporates and an additional source for assessing self-employed customers and freelancers. Creditreform AG provides Bank11 electronically with information including a credit score reflecting the expected default probability of the customer, information about, previous defaults, insolvency proceeding or declarations of insolvency as well as basic information about the enterprise like

economic sector, date of foundation, number of employees and basic balance sheet and P&L indicators.

#### 1.1.2 Payback capability calculation

The payback capability calculation is only used when evaluating the credit quality of private customers and based on information retrieved by the client by way of self-disclosure and salary slips or online account check (*Kontoblick*) assessing the available net income after deducting costs of living and instalments under existing loan and leasing agreements as well the scheduled instalments under the requested loan with Bank11.

### 1.2 **Credit Decision**

The output of the automated credit decision under the VICTOR platform is a score, which is either green, yellow or red. The automated credit decision is limited to a certain maximum loan amount; loan amounts which might exceed pre-defined limits have to be processed manually:

(a) Green result:

In case of a green decision the credit application will be automatically approved. In accordance with this automated process only standard financing contracts under German law are concluded.

(b) Yellow result:

A yellow result occurs in cases, where the machine is not allowed to take the credit decision, which is e.g. the case for a) risk relevant issues that need to be processed manually and for b) when the competency level of the machine is exceeded. In these cases the application has to be processed and decided manually in accordance with written organisational guidelines and the credit competency structure. All data has to be re-validated to avoid any erroneous data entries. The credit decision will then be taken manually according to the respective competence level of the responsible employee. All competence levels are supervised automatically by Bank11's IT-system.

(c) Red result:

In case of a red result the automatic credit decision is negative. However, under strict conditions defined and monitored by Risk Management, an automatic reject can be accepted in a manual process (override decision).

(d) Grey result:

In case of a grey result, an automatic credit decision cannot be take due to a) missing, erroneous or implausible data or b) for transaction that are only assessed but not finally decided by the automatic credit decision, like specific cases of applications from corporate customers. In case of an approval in green, the credit decision is communicated to the dealer automatically by the application system. In any other case (including rejects) the dealer will be informed by an employee directly via phone.

### 1.3 **Required documents, data verification and settlement**

In case of an approval, the dealer is obliged to provide the bank with documents necessary for a) the verification of the data entered by the dealer during the application process and b) the legal, valid, binding and enforceable settlement of the contract, i.e. the signed original contract, an evidence for the identification of the customer at the point-of-sale via identification of the customer by the dealer or via online ID identification, requested income documents (salary slips, statement of account, online account check etc.) and the original title documents of the financed vehicle, that are taken by Bank11 as a collateral over the due course of the loan.

After having received the full set of the aforementioned documents, all information entered by the dealer are validated, including address checks based on the copy of the customers identity card or from online ID identification, verification of income information, verification of the car specification, etc. In case of significant deviations beyond pre-defined tolerances, the approval is suspended and the dealer/customer is contacted to clarify the situation. In any of these cases the decision process is re-started.

During this process step Risk Management executes additional fraud checks via an inhouse fraud score card lead by pre-defined and permanently updated triggers, like in-depth document checks for detecting counterfeits and discrete requests to verify the employment status and the employer of the customer.

Once the application passed the checks and verifications, it is finally booked and the requested loan amount is paid out to the dealer.

The team taking the credit decision and the team performing the data verification and settlement are strictly separated, i.e. technical and organisational measures prevent the decision taker to validate and book the application.

### 1.4 **Follow-Up Credit Decision**

A customer might wish the refinancing of a repayment claim either after the elapse of the initial term of a balloon loan (*EvoSmart*). In such case, Bank11 will make a new and separate credit decision (*Kreditentscheidung*). The analysis for such credit decision is based, inter alia, on (i) the previous customer's performance (including return debit, missed payments, forbearance measures) and (ii) an update of the relevant bureau information.

The process will follow the steps described below:

- (a) The customer will apply for a prolongation.
- (b) If the prolongation is rejected, the initial contract including the initial term remains unchanged. The balloon instalment is due as initially agreed. If the prolongation is approved, Bank11 will grant a new loan to the customer which leads to the repayment of the existing loan.

## 2 DESCRIPTION OF COLLECTION POLICY

### 2.1 Servicing

The department customer centre consists of four teams which are taking care of the customers' requests, the inbound calls from dealers and customers as well as the post and scanning work and the vehicle title administration.

The main tasks of the customer centre is the processing of all vehicle loans and also direct loans on Bank11's IT system as well as the processing of written and telephone transactions for example the change of address or bank account details, prepayment requests from the customer, change of payment dates, all kind of insurance matters and the correspondence with lawyers, debt consultants and legal representatives.

### 2.2 Collection Management

The key principles and goals of the collection management are to minimise risks and damages due to bad debt. This is realised by close customer contact, early response on customer requests, a straight dunning process and various risk minimising measures within intensive care process and bad debt management including bad debt sales.

### 2.3 Payments

Bank11 employs an IT-system to service the different Loan Agreements. Payments consist of either regular, scheduled monthly instalments or prepayments (partially or full) and are paid on an account of the Originator. Standard due dates are the 1st and the 15th of each calendar month. Bank11 monitors the payments on a daily basis, in particular the return of direct debit notes and any overdue instalments. In both circumstances the Debtors will be immediately contacted by Bank11.

### 2.4 Collateral Management

Collection management (and for accounts not in arrears, the customer centre) manages the assignments of insurance claims to ensure substantial collaterals. In case of a total loss of the collateral (*Totalschaden*) the Debtor and/or the customers vehicle insurance has to repay the loan.

If the loan is fully redeemed, the Servicer will release the related Security Assets and send out the car registration documents (*Zulassungsbescheinigung II*) to the Debtors.

The Servicer may release Security Assets in part or in full if it reasonably considers such release necessary or convenient according to the provisions of the corresponding Loan Agreement.

### 2.5 Dunning Procedures

Bank11's IT-system includes an automated dunning procedure, with dunning levels 0-7, which are processed automatically. The dunning levels are either updated every night, if the Debtor pays the entire amount in arrears, or otherwise on fixed time segments.

In case of a returned direct debit, a dunning letter is sent manually to the Debtor, requesting to immediately transfer the money and that otherwise another direct debit will shortly be initiated.

The first automated dunning letter (dunning level 2) will be sent out approximately 21 days after occurrence of the due date in case that early collection measures failed. Every 14 days after the last dunning letter is sent, the system checks the status of the account and triggers the next dunning level with the respective dunning letter.

At dunning level 7 the termination of the Loan Agreement is legitimated in accordance with German civil law and the corresponding Loan Agreement.

In case of private Debtors, this includes that

- (a) the Debtor failed to pay two consecutive instalments in whole or in part and the total amount overdue exceeds 10% of the original loan amount in case the original loan maturity has been 3 years or less, or
- (b) the Debtor failed to pay two consecutive instalments in whole or in part and the total amount overdue exceeds 5% of the original loan amount in case the original loan maturity has been more than 3 years.

In case of commercial Debtors, this is inter alia the case if

- (c) the customer failed to pay two consecutive instalments.

A threat of termination with a 14 days respite is the last legal requirement, before the termination then is conducted.

In case of Debtor's insolvency Bank11 regularly sends out the notice of termination to the Debtor immediately. In particular cases, the terms of the loan might remain outstanding instead of the loan being terminated, if the Debtor and/or his insolvency administrator have proofed his willingness and also his ability to pay the future instalments. This only occurs in single cases and only, if the aggregate amount of collections to be received is expected to be higher than the amount that would be collected after immediate cancellation.

## 2.6 **Sustainable Cure of Delinquent Customers**

As a general rule the Servicer might accommodate delay of payments by a rescheduling of payments (*Stundung*) or a temporary reduction of the instalment amount (*befristete Ratenreduzierung*) if it is in its reasonable judgment convinced that the Debtor has only a temporary liquidity problem and that the aggregate amount of collections received under the respective loan after payment rescheduling is expected to be higher than the amount it would have collected without the payment rescheduling.

To ensure that the Debtor has only a, temporary liquidity problem, the Servicer can validate this by actual income statements or other documents, which will help to assess the reason and expected length of the liquidity problem.

The decision about the rescheduling of payments will be taken according to certain competence levels within the competence matrix. The required competence level depends, *inter alia*, on the remaining term of the loan.

## 3 **REMARKETING AND ENFORCEMENT OF RELATED COLLATERAL**

In case of a Defaulted Receivable the Related Claims and Rights and the Related Collateral have to be enforced. If there are several collaterals the Servicer may



freely choose, until the debt claim is settled and in any case considering all legal obligations.

### 3.1 **Enforcement of Security Assignments**

The enforcement of assigned claims and rights under the Loan Agreements may be enforced in accordance with German civil law and German law of civil procedure.

### 3.2 **Repossession and Remarketing**

The repossession, remarketing and debt collection is done by cooperation partners based on bilateral agreements.

For debt collection and repossession of vehicles, Bank11 has established a cooperation with a company specialised in debt collection and/or vehicles transportation. If the Debtor does not voluntarily return the Vehicle, it has to be collected from the Debtor with legal assistance or court order.

After the successful repossession of the Vehicle, the value of the vehicle will be assessed by a company specialised in vehicle assessments and then forwarded to a company specialised on car auctions, for the purpose of remarketing the vehicle via a pan-European online auction process.

Based on the vehicle valuation made by a company specialised in vehicle assessments, the Servicer will determine a minimum price for the vehicle. In cases where the sale of the Vehicle is economically reasonable, the remarketing process will be initiated. After a successful remarketing the contract will be cleared and a potential residual amount will be claimed to the Debtor by Bank11 and/or a law firm.

### 3.3 **Bad Debt Sales**

After contract termination and vehicle repossession but prior to a loan write-off, the Servicer is entitled to sell the defaulted loans to bad debt collection agencies. Recoveries from bad debt sales will be credited in full against the corresponding defaulted loan account.

## THE ISSUER

The Issuer has been registered under the name of RevoCar 2019 UG (*haftungsbeschränkt*), a limited liability company (*Unternehmergesellschaft (haftungsbeschränkt)*) under the laws of the Federal Republic of Germany, telephone: +49 (0)69 92 88 49 50, with its registered office at Steinweg 3-5, 60313 Frankfurt am Main, Federal Republic of Germany, and registered in the commercial register at the local court (*Amtsgericht*) in Frankfurt am Main under HRB 114262.

The authorised share capital of the Issuer is EUR 4,500.00 (the “**Shares**”).

The Issuer is not related to Bank11 für Privatkunden und Handel GmbH. Except as disclosed below, the Issuer is not directly or indirectly controlled by a third party.

### 1 FOUNDATION, OWNERSHIP, DURATION, PURPOSE

1.1 The Issuer was established on 9 January 2019 and incorporated, i.e. registered with the commercial register in Frankfurt am Main on 23 January 2019 as a special purpose vehicle for asset backed securities transactions in the form of a limited liability company (*Unternehmergesellschaft (haftungsbeschränkt)*) under the name of RevoCar 2019 UG (*haftungsbeschränkt*). The Issuer has three shareholders. Each of the shareholders is a charitable foundation under the laws of Germany.

1.2 Pursuant to section 2 of the Issuer’s articles of association, the Issuer’s purpose is to act as special purpose vehicle for this Transaction of the Originator. In relation thereto the Issuer will, in particular:

- (a) purchase receivables from the Originator and collateralise receivables through the Issuer;
- (b) finance the purchase and/or the collateralisation of the assets referred to under paragraph (a) above by issue of notes (*Schuldverschreibungen*) and other instruments, by loans and/or any other suitable measure; and
- (c) enter into agreements in connection with or as ancillary transaction to the activities referred to under paragraphs (a) and (b) above and in connection with this Transaction.

1.3 The Issuer shall not:

- (a) perform or provide for the performance of active management of the purchased assets under profit aspects;
- (b) conduct business requiring it to obtain a banking licence under the KWG;
- (c) acquire real property (*Grundbesitz*);
- (d) administer, establish, acquire or participate in other companies (*Unternehmen*); and
- (e) execute control agreements (*Beherrschungsverträge*), profit and loss transfer agreements (*Gewinnabführungsverträge*), or other corporate agreements (*Unternehmensverträge*).

## 2 **MANAGING DIRECTORS OF THE ISSUER**

Pursuant to section 8 of the Issuer's articles of association, the Issuer is managed by at least two, but not exceeding three, independent managing directors (*Geschäftsführer*). The managing directors are appointed by the shareholders' meeting of the Issuer. The Issuer is jointly represented by two managing directors. As at the date of this Prospectus the managing directors of the Issuer are:

- (a) Petra Barthenheier;
- (b) Werner Niemeyer; and
- (c) Elke Roßmeier.

Petra Barthenheier is a Director of Wilmington Trust SP Services (Frankfurt) GmbH, Werner Niemeyer is a Director of Wilmington Trust SP Services (Frankfurt) GmbH and Elke Roßmeier is a Managing Director of Wilmington Trust SP Services (Frankfurt) GmbH with offices at Wilmington Trust SP Services (Frankfurt) GmbH, Steinweg 3-5, 60313 Frankfurt am Main, Germany, telephone: +49 (0)69 92 88 49 50. The managing directors Petra Barthenheier, Werner Niemeyer and Elke Roßmeier do not perform any other principal activities outside of the Issuer which are significant for the Issuer.

## 3 **CAPITAL OF THE ISSUER**

The registered share capital of the Issuer being the only authorised capital amounts to EUR 4,500.00 and consists of one fully paid-in share (*Geschäftsanteil*) of EUR 4,500.00. Besides the registered share capital of EUR 4,500.00 no other amount of any share capital has been agreed to be issued.

The foundation shareholder of the Issuer split its share in the nominal amount of EUR 4,500.00 into three shares of EUR 1,500.00 each and donated fully paid-in registered shares of EUR 1,500.00 each to three charitable foundations (*Stiftungen*) which have been established under the laws of Germany. Each of the following foundations (*Stiftungen*) owns after such donation one registered share of EUR 1,500.00 in the Issuer:

- (a) Stiftung Kapitalmarktrecht für den Finanzstandort Deutschland, Frankfurt am Main,
- (b) Stiftung Kapitalmarktforschung für den Finanzstandort Deutschland, Frankfurt am Main,
- (c) Stiftung Unternehmensfinanzierung und Kapitalmärkte für den Finanzstandort Deutschland, Frankfurt am Main.

## 4 **CAPITALISATION OF THE ISSUER**

- 4.1 The following is a copy of the opening balance sheet of the Issuer as of 15 January 2019.

<b>Assets</b>		<b>Liabilities</b>	
Claims against credit institutions	EUR 4,500.00	Subscribed share capital	EUR 4,500.00
EUR 4,500.00		EUR 4,500.00	

- 4.2 Save for the foregoing and the Notes to be issued, at the date of this Prospectus, the Issuer has no borrowings or indebtedness in the nature of borrowings (including loan capital issued or created but un-issued), term loans, liabilities under acceptances or acceptance credits, mortgages, charges or guarantees or other contingent liabilities.

## 5 **ANNUAL FINANCIAL STATEMENTS OF THE ISSUER**

At the beginning of its commercial business and for the end of each fiscal year the Issuer is obliged to prepare a statement reflecting the relationship between its assets and its liabilities (opening balance which shall not be audited and audited balance sheets thereafter), along with a comparative analysis of the expenditure and revenues of the fiscal year (profit-and-loss account). The balance sheet and the profit-and-loss account, together with the appendix (*Anhang*) and report on economic position (*Lagebericht*), form the annual statement of the Issuer. The annual statements must be prepared in accordance with the German Generally Accepted Accounting Principles (*Grundsätze ordnungsgemäßer Buchführung*) and must be adopted together with the appropriation of profits by the annual shareholders' meeting. Since its formation, the Issuer made no financial statements other than its opening balance sheet.

## 6 **AUDITORS OF THE ISSUER**

The Issuer has chosen an international recognised audit firm as its statutory auditor: Deloitte GmbH Wirtschaftsprüfungsgesellschaft located at Schwannstraße 6, 40476 Düsseldorf, Federal Republic of Germany. Deloitte GmbH Wirtschaftsprüfungsgesellschaft is a member of the following professional body: Berufsverband IAASB (The International Auditing and Assurance Standards Board).

## 7 **CORPORATE ADMINISTRATION OF THE ISSUER**

The managing directors manage the current operations of the Issuer's. The Corporate Service Provider has agreed to perform administration, accounting, secretarial and office services according to the Corporate Administration Agreement.

## 8 **COMMENCEMENT OF OPERATIONS**

The Issuer has not engaged, since its incorporation, in any activities other than those incidental to its incorporation under the German Act on Limited Liability Companies (*Gesetz betreffend die Gesellschaften mit beschränkter Haftung*), the authorisation and issue of the Notes, the acquisition of the Purchased Receivables, the execution of the documents and matters referred to or contemplated in this Prospectus and matters which are incidental or ancillary to the foregoing. The Issuer has only carried on activities since its date of incorporation.

9 **LITIGATION, ARBITRATION AND GOVERNMENTAL PROCEEDINGS**

The Issuer has not been engaged in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) since its establishment on 9 January 2019 which may have, or have had in the recent past, significant effects on the Issuer financial position or profitability.

10 **MATERIAL ADVERSE CHANGE**

There has been no material adverse change in the financial position of the Issuer since its establishment on 9 January 2019.

## THE ORIGINATOR/SERVICER

The information appearing in this Section have been prepared by Bank11 für Privatkunden und Handel GmbH. Bank11 für Privatkunden und Handel GmbH confirms that this information has been accurately reproduced and that as far as it is aware and is able to ascertain from information published by the date of this Prospectus no facts have been omitted which would render the reproduced information inaccurate or misleading.

### 1 INCORPORATION, REGISTERED OFFICE AND PURPOSE

- 1.1 Bank11 is a banking institution incorporated under the laws of the Federal Republic of Germany, registered in the commercial register of the local court (*Amtsgericht*) in Neuss under HRB 15804 with its registered office at Hammer Landstraße 91, 41460 Neuss, Federal Republic of Germany. It is subject to the supervision of the German Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht*) and the German Central Bank (*Deutsche Bundesbank*) in accordance with the German Banking Act (*Kreditwesengesetz*).
- 1.2 The purpose of the company is, *inter alia*, the granting of loans according to section 1 sec. 1 no. 2 of the German Banking Act (*Kreditwesengesetz*) and the mediation of financial services. Therefore Bank11 is subject to the regulations of the German banking regulator BaFin.

### 2 HISTORY

On 3 January 2011 Bank11 started business operations. Since entry into the market, Bank11 engages actively with more than 11.500 car dealers. Bank11 is a member of the Bankenfachverband and has 243 employees in Germany at the end of year 2018. Bank11 is also part of Wilhelm Werhahn Group, a 178 year old family enterprise which operates especially in the business areas building materials, consumer goods and financial services.

In a tough market bank11 convinced and managed to increase its growth double-digit in 2018. New business volume amounted to eur 1.9bn and the balance sheet total was eur 2.9bn at the end of the year 2018.

### 3 MANAGEMENT EXPERIENCE

The management board of Bank11 für Privatkunden und Handel GmbH has a longstanding experience in originating exposures of a similar nature to those securitises (auto loans). The management board consists at the end of the year 2018 of the following managing directors:

Dr. Martin Straaten	experience since 1997	22 years of work experience
Nina-Stephanie Bartha	experience since 1999	20 years of work experience
Jörn Everhard	experience since 2000	19 years of work experience

Also the senior staff, which manages the loan portfolio, has a longstanding experience in origination and servicing exposures of a similar nature to those securitises (auto loans). The relevant senior staff consists of the following employees of Bank11:

Head of Risk Management	experience since 2001	18 years of work experience
Head of Sales	experience since 2006	13 years of work experience
Head of Customer Centre	experience since 1990	29 years of work experience
Head of Collection Centre	experience since 2000	19 years of work experience

#### 4 **AUTO LOAN MARKET IN GERMANY**

The German auto loan market has a solid basis with constant demand for individual mobility and cycles with relatively low fluctuations, historically stable sales figures and a growing financing share. The main competitors are non-captive and captive auto banks. In 2018, 3.4mn new registrations of passenger cars mean a constant market compared to 2017. 7.2mn used vehicles have changed the owner which is a slight decrease of 1.4 per cent. The total vehicle stock has increased by 1.7 per cent amounting to 64.8mn vehicles in Germany.

## **THE LEAD MANAGER / SWAP COUNTERPARTY**

The information appearing in this Section has been prepared by Unicredit Bank AG. The Issuer confirms that this information has been accurately reproduced and that as far as it is aware and is able to ascertain from information published by the date of this Prospectus no facts have been omitted which would render the reproduced information inaccurate or misleading.

UniCredit Bank AG, formerly Bayerische Hypo- und Vereinsbank Aktiengesellschaft ("**HVB**", and together with its consolidated subsidiaries, the "**HVB Group**") was formed in 1998 through the merger of Bayerische Vereinsbank Aktiengesellschaft and Bayerische Hypotheken- und Wechsel-Bank Aktiengesellschaft. It is the parent company of HVB Group, which is headquartered in Munich, Federal Republic of Germany. HVB has been an affiliated company of UniCredit S.p.A., Rome, Italy ("**UniCredit S.p.A.**" and together with its consolidated subsidiaries, "**UniCredit**") since November 2005 and hence a major part of UniCredit from that date as a sub-group. UniCredit S.p.A. holds directly 100% of HVB's share capital. HVB's legal name is UniCredit Bank AG, the brand name is "HypoVereinsbank". HVB has its registered office at Arabellastr.12, 81925 Munich and is registered with the Commercial Register at the Local Court (Amtsgericht) in Munich under number HRB 42148, incorporated as a stock corporation under the laws of the Federal Republic of Germany. It can be reached via telephone under +49-89-378-0 or via [www.hvb.de](http://www.hvb.de) .



## **THE SUBSTITUTE SERVICER FACILITATOR**

The information appearing in this Section has been prepared by Wilmington Trust SP Services (Frankfurt) GmbH. The Issuer confirms that this information has been accurately reproduced and that as far as it is aware and is able to ascertain from information published by the date of this Prospectus no facts have been omitted which would render the reproduced information inaccurate or misleading.

### **1 ESTABLISHMENT, DURATION AND DOMICILE**

The Substitute Servicer Facilitator is a company with limited liability (*Gesellschaft mit beschränkter Haftung*) incorporated under the laws of the Federal Republic of Germany, registered with the commercial register of the local court (*Amtsgericht*) in Frankfurt am Main under HRB 76380 with its registered office at Steinweg 3-5, 60313 Frankfurt am Main, Federal Republic of Germany.

### **2 OBJECTIVES**

Wilmington Trust SP Services (Frankfurt) GmbH provides a wide range of corporate and trust services in capital market transactions. Since its opening in 2006 Wilmington Trust SP Services (Frankfurt) GmbH acts as corporate administrator in about seventy (70) German special purpose vehicles, holds in numerous transactions the function of a security trustee and provides loan administration services for structured/syndicated loan transactions. Wilmington Trust SP Services (Frankfurt) GmbH is ultimately held by M&T Bank Corp., Buffalo/New York, USA, a NYSE listed bank ("MTB") in the United States of America.

### **3 SHARE CAPITAL**

Its registered share capital is EUR 25,000.00.

### **4 OWNERSHIP**

It is owned by M & T Bank Corp. USA.

### **5 FINANCIAL YEAR**

The financial year is 01.01.-31.12.

### **6 STATUTORY AUDITORS**

Their statutory auditors are MAZARS I.

## **THE TRUSTEE/DATA TRUSTEE**

The information appearing in this Section has been prepared by Wilmington Trust SP Services (Dublin) Limited. The Issuer confirms that the information in this Section has been accurately reproduced and that as far as it is aware and is able to ascertain from information published by the date of this Prospectus, no facts have been omitted which would render the information reproduced in this section inaccurate or misleading.

Wilmington Trust SP Services (Dublin) Limited has been appointed as Trustee under the Trust Agreement and as Data Trustee under the Data Trust Agreement.

Wilmington Trust SP Services (Dublin) Limited, a limited liability company, located at Fourth Floor, 3 George's Dock, IFSC Dublin, Ireland registered in the Companies Registration Office with the company number 318390 in Ireland and acting through its directors will provide the trustee services pursuant to the Trust Agreement and the data trustee services pursuant to the Data Trust Agreement. Wilmington Trust SP Services (Dublin) Limited is a wholly owned subsidiary of M&T Bank Corporation.

M&T Bank Corporation's common stock is traded on the New York Stock Exchange (NYSE, stock trading symbol: MTB).

## **THE CORPORATE SERVICE PROVIDER**

The information appearing in this Section has been prepared by Wilmington Trust SP Services (Frankfurt) GmbH. The Issuer confirms that this information has been accurately reproduced and that as far as it is aware and is able to ascertain from information published by the date of this Prospectus no facts have been omitted which would render the reproduced information inaccurate or misleading.

### **1 CORPORATE SERVICES**

Wilmington Trust SP Services (Frankfurt) GmbH has been appointed as Corporate Service Provider to provide in particular management and accounting services for the Issuer subject to and in accordance with the Corporate Administration Agreement.

### **2 ESTABLISHMENT, DURATION AND DOMICILE**

It was established in the year 2006 with legal domicile at Steinweg 3-5, 60313 Frankfurt am Main, Germany and is registered with the commercial register at the municipal court (*Amtsgericht*), Frankfurt am Main under registration no. HRB 76380.

Wilmington Trust SP Services (Frankfurt) GmbH provides a wide range of corporate and trust services in capital market transactions. Since its opening in 2006 Wilmington Trust SP Services (Frankfurt) GmbH acts as corporate administrator in about seventy (70) German special purpose vehicles, holds in numerous transactions the function of a security trustee and provides loan administration services for structured/syndicated loan transactions. Wilmington Trust SP Services (Frankfurt) GmbH is ultimately held by M&T Bank Corp., Buffalo/New York, USA, a NYSE listed bank ("MTB") in the United States of America.

### **3 SHARE CAPITAL**

Its registered share capital is EUR 25,000.00.

### **4 OWNERSHIP**

It is owned by M & T Bank Corp. USA.

### **5 FINANCIAL YEAR**

The financial year is 01.01.-31.12.

### **6 STATUTORY AUDITORS**

Their statutory auditors are MAZARS I.

## **THE PAYING AGENT/CASH ADMINISTRATOR**

The information appearing in this Section has been prepared by the Bank of New York Mellon. The Issuer confirms that this information has been accurately reproduced and that as far as it is aware and is able to ascertain from information published by the date of this Prospectus no facts have been omitted which would render the reproduced information inaccurate or misleading.

The Bank of New York Mellon, a wholly owned subsidiary of The Bank of New York Mellon Corporation, is incorporated, with limited liability by Charter, under the Laws of the State of New York by special act of the New York State Legislature, Chapter 616 of the Laws of 1871, with its Head Office situate at 225 Liberty Street, New York, NY 10286, USA and having a branch in London located at One Canada Square, Canary Wharf, London E14 5AL, England, registered with the Companies House under the UK establishment number BR000818.

The Bank of New York Mellon's corporate trust business services USD 12 trillion in outstanding debt from 55 locations around the world. It services all major debt categories, including corporate and municipal debt, mortgage-backed and asset-backed securities, collateralized debt obligations, derivative securities and international debt offerings. The Bank of New York Mellon's corporate trust and agency services are delivered through The Bank of New York Mellon and The Bank of New York Mellon Trust Company, N.A.

The Bank of New York Mellon Corporation is a global financial services company focused on helping clients manage and service their financial assets, operating in 35 countries and serving more than 100 markets. The company is a leading provider of financial services for institutions, corporations and highnet-worth individuals, providing superior asset management and wealth management, asset servicing, issuer services, clearing services and treasury services through a worldwide client-focused team. It has more than USD 26 trillion in assets under custody and administration and more than USD 1.4 trillion in assets under management.

Additional information is available at [bnymellon.com](http://bnymellon.com).

## **THE ACCOUNT BANK**

The information appearing in this Section has been prepared by the Bank of New York Mellon. The Issuer confirms that this information has been accurately reproduced and that as far as it is aware and is able to ascertain from information published by the date of this Prospectus no facts have been omitted which would render the reproduced information inaccurate or misleading.

The Bank of New York Mellon, a wholly owned subsidiary of The Bank of New York Mellon Corporation, is incorporated, with limited liability by Charter, under the Laws of the State of New York by special act of the New York State Legislature, Chapter 616 of the Laws of 1871, with its Head Office situate at 225 Liberty Street, New York, NY 10286, USA and having a branch in Frankfurt am Main located at MesseTurm, Friedrich-Ebert-Anlage 49, 60327 Frankfurt am Main, and registered with the commercial register at the local court (Amtsgericht) in Frankfurt am Main under HRB 12731.

The Bank of New York Mellon's corporate trust business services USD 12 trillion in outstanding debt from 55 locations around the world. It services all major debt categories, including corporate and municipal debt, mortgage-backed and asset-backed securities, collateralized debt obligations, derivative securities and international debt offerings. The Bank of New York Mellon's corporate trust and agency services are delivered through The Bank of New York Mellon and The Bank of New York Mellon Trust Company, N.A.

The Bank of New York Mellon Corporation is a global financial services company focused on helping clients manage and service their financial assets, operating in 35 countries and serving more than 100 markets. The company is a leading provider of financial services for institutions, corporations and highnet-worth individuals, providing superior asset management and wealth management, asset servicing, issuer services, clearing services and treasury services through a worldwide client-focused team. It has more than USD 26 trillion in assets under custody and administration and more than USD 1.4 trillion in assets under management.

Additional information is available at [bnymellon.com](http://bnymellon.com).

## **RATING OF THE RATED NOTES**

- 1 The Class A Notes are expected to be rated AAA(sf) by DBRS and Aaa(sf) by Moody's.
- 2 The Class B Notes are expected to be rated A(sf) by DBRS and A1(sf) by Moody's.
- 3 The Class C Notes are expected to be rated BBB(sf) by DBRS and Baa2(sf) by Moody's.
- 4 The Class D Notes are expected to be rated BB(sf) by DBRS and Ba1(sf) by Moody's.
- 5 The Class E Notes are not expected to be rated.
- 6 It is a condition of the issue of the Notes that the Class A Notes receive the above indicated rating.
- 7 The rating of "AAA(sf)" is the highest rating that DBRS assigns to structured finance long term debt. The rating of "Aaa(sf)" is the highest rating that Moody's assigns to structured finance securities.
- 8 The rating expected to be assigned to the Class A Notes is in each case the highest possible rating.
- 9 The rating expected to be assigned to the Class B Notes is in case of the DBRS rating 5 notches below this highest possible rating and in case of the Moody's rating 4 notches below this highest possible rating.
- 10 The rating expected to be assigned to the Class C Notes is in case of the DBRS rating 8 notches below this highest possible rating and in case of the Moody's rating 8 notches below this highest possible rating.
- 11 The rating expected to be assigned to the Class D Notes is in case of the DBRS rating 11 notches below this highest possible rating and in case of the Moody's rating 10 notches below this highest possible rating.
- 12 The Rating Agencies' rating reflects only the view of that Rating Agency. DBRS's ratings address the likelihood of receiving payments in accordance with the terms and conditions of the notes, as described in transaction documents, unless specific provisions apply. Moody's rating addresses the risk of expected loss in proportion to principal amount of the corresponding Class of Notes posed to the holders of any Notes of such Class of Notes by the Legal Maturity Date. The Moody's rating addresses only the credit risks associated with this transaction.
- 13 The rating of the Rating Agencies takes into consideration the characteristics of the Portfolio the likelihood of principal prepayments and the current structural, legal, tax and Issuer-related aspects associated with the Notes. The Rated Notes will have the benefit of the Security Assets securing the Trustee Claim.
- 14 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 Rated 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 Rated Notes.

- 15 The Issuer has not requested a rating of the Rated Notes by any rating agency other than the rating of the Rated Notes by the Rating Agencies; there can be no assurance, however, as to whether any other rating agency will rate the Rated Notes or, if it does, what rating would be assigned by such other rating agency. The rating assigned to the Rated Notes by such other rating agency could be lower than the respective ratings assigned by the Rating Agencies.
- 16 The Issuer has considered appointing at least one credit rating agency with no more 10 per cent of the total market share as requested by Article 8d CRA3. The circumstances that the Class A Notes are intended to be issued and rated in a manner which will allow for participation in the Eurosystem liquidity schemes has limited the rating agencies that are capable of rating of the Class A Notes in a way that is accepted by the ECB. From the rating agencies capable of rating the Class A Notes and based on, in particular, economic reasons, the Issuer has decided to appoint the Rating Agencies to rate the Rated Notes. Moody's has a market share of more than 10 per cent of the total market share and DBRS does not have a market share of more than 10 per cent of the total market share according to the latest market share calculation by ESMA from 30 November 2018 (ESMA33-9-281).

## TAXATION

The information contained in this Section is not intended as tax advice and does not purport to describe all of the tax considerations that may be relevant to a prospective investor in the Notes. It should be read in conjunction with the Section entitled "Tax Considerations." Potential investors in the Notes are urged to satisfy themselves as to the overall tax consequences of purchasing, holding and/or selling the Notes.

### 1 GERMANY

The following overview does not consider all aspects of income taxation in the Federal Republic of Germany ("**Germany**") that may be relevant to a holder of the Notes in the light of the holder's particular circumstances and income tax situation. The overview applies to investors holding the Notes as private investment assets (except where explicitly stated otherwise) and is not intended to be, nor should it be construed to be, legal or tax advice. This discussion is based on German tax laws and regulations, all as currently in effect (except where explicitly stated otherwise) and all subject to change at any time, possibly with retroactive effect. Prospective holders should consult their own tax advisers as to the particular tax consequences to them of subscribing, purchasing, holding and disposing of the Notes, including the application and effect of state, local, foreign and other tax laws and the possible effects of changes in the tax laws of Germany.

### 2 TAXATION OF NOTEHOLDERS

#### 2.1 German Resident Noteholders

##### Interest Income

- 2.1.1 If the Notes are held as private assets (*Privatvermögen*) by an individual investor whose residence or habitual abode is in Germany, payments of interest under the Notes are taxed as investment income (*Einkünfte aus Kapitalvermögen*) at a 25 per cent flat tax (*Abgeltungsteuer*) (plus a 5.5 per cent solidarity surcharge thereon and, if applicable to the individual investor, church tax).
- 2.1.2 The flat tax is generally collected by way of withholding (see succeeding paragraph - *Withholding tax on Interest Income*) and the tax withheld shall generally satisfy the individual investor's tax liability with respect to the Notes. If, however, no (or insufficient) tax was withheld the investor will have to include the income received with respect to the Notes in its income tax return and the flat tax will then be raised by way of tax assessment. The investor may also opt for tax assessment of its investment income in its income tax return if the aggregated amount of tax withheld on investment income during the year exceeded the investor's aggregated flat tax liability on investment income (for example because of an available loss carry forward or a foreign tax credit). If the investor's total income tax liability on all taxable income including the investment income determined by generally applicable graduated income tax rates is lower than 25 per cent, the investor may opt to be taxed at graduated rates with respect to its investment income.
- 2.1.3 Individual investors are entitled to a tax allowance (*Sparer-Pauschbetrag*) for investment income of EUR 801.00 per year (EUR 1,602.00 for jointly assessed investors). The tax allowance is taken into account for purposes of the withholding tax (see succeeding paragraph - *Withholding tax on Interest Income*) provided that the investor files a withholding tax exemption request (*Freistellungsauftrag*) with the respective bank or financial institution where the securities deposit account to



which the Notes are allocated is held. The deduction of related expenses for tax purposes is not possible.

- 2.1.4 If the Notes are held as business assets (*Betriebsvermögen*) by an individual or corporate investor who is tax resident in Germany (i.e. a corporation with its statutory seat or place of management in Germany), interest income from the Notes is subject to personal income tax at graduated rates or corporate income tax (each plus solidarity surcharge thereon and for individuals eventually church tax) and trade tax. The trade tax liability depends on the applicable trade tax factor of the relevant municipality where the business is located. In case of individual investors the trade tax may, however, be partially or fully creditable against the investor's personal income tax liability depending on the applicable trade tax factor and the investor's particular circumstances. The interest income will have to be included in the investor's personal or corporate income tax return. Any German withholding tax (including surcharges) is generally fully creditable against the investor's personal or corporate income tax liability or refundable, as the case may be.

#### **Withholding Tax on Interest Income**

- 2.1.5 If the Notes are kept with or administered by a German credit or financial services institution (or by a German branch of a foreign credit or financial services institution), or by a German securities trading firm (*Wertpapierhandelsunternehmen*) or a German securities trading bank (*Wertpapierhandelsbank*) in a domestic securities deposit account (altogether the "**Domestic Paying Agent**") and that Domestic Paying Agent pays or credits the interest, a 25 per cent withholding tax, plus a 5.5 per cent solidarity surcharge thereon, resulting in a total withholding tax charge of 26.375 per cent, is levied on the interest payments. The withholding rate will be in excess of the aforementioned rate if church tax is collected for the individual investor.

#### **Capital Gains from Disposal or Redemption of the Notes**

- 2.1.6 Subject to the tax allowance for investment income described under the header Interest Income above capital gains from the disposal or redemption of the Notes held as private assets are taxed at the 25 per cent flat tax (plus a 5.5 per cent solidarity surcharge thereon and, if applicable to the individual investor, church tax). The capital gain is generally determined as the difference between the proceeds from the disposal or redemption of the Notes and the acquisition costs.
- 2.1.7 Expenses directly related to the disposal or redemption are taken into account in computing the capital gain. Otherwise, the deduction of related expenses for tax purposes is not possible.
- 2.1.8 Capital losses from the Notes held as private assets are tax-recognised irrespective of the holding period of the Notes. The losses may, however, not be used to offset other income like employment or business income but may only be offset against investment income. Losses not utilised in one year may be carried forward into subsequent years.
- 2.1.9 The flat tax is generally collected by way of withholding (see succeeding paragraph - *Withholding tax on Capital Gains*) and the tax withheld shall generally satisfy the individual investor's tax liability with respect to the Notes. With respect to situations where the filing of a tax return is possible or required investors are referred to the description under the header *Interest Income* above.

- 2.1.10 If the Notes are held as business assets (*Betriebsvermögen*) by an individual or corporate investor that is tax resident in Germany, capital gains from the Notes are subject to personal income tax at graduated rates or corporate income tax (plus solidarity surcharge thereon and for individuals eventually church tax) and trade tax. The trade tax liability depends on the applicable trade tax factor of the relevant municipality where the business is located. In case of an individual investor the trade tax may, however, be partially or fully creditable against the investor's personal income tax liability depending on the applicable trade tax factor and the investor's particular circumstances. The capital gains or losses will have to be included in the investor's personal or corporate income tax return. Any German withholding tax (including surcharges) is generally fully creditable against the investor's personal or corporate income tax liability or refundable, as the case may be.

### **Withholding Tax on Capital Gains**

- 2.1.11 No withholding is generally required on capital gains derived by German resident corporate Noteholders and upon application by individual Noteholders holding the Notes as business assets.
- 2.1.12 If withholding is required, the following applies: If the Notes are kept with or administered by a Domestic Paying Agent at the time of their disposal or redemption a 25 per cent withholding tax plus a 5.5 per cent solidarity surcharge thereon is levied on the capital gains resulting in a total withholding tax charge of 26.375 per cent. The applicable withholding rate is in excess of the aforementioned rate if church tax is collected for the individual investor. The capital gains are generally determined as the difference between the proceeds from the disposal or redemption of the Notes and the acquisition costs. If the Notes were sold or redeemed after being transferred from a securities deposit account with a foreign bank the 25 per cent withholding tax (plus solidarity surcharge thereon) will be levied on 30 per cent of the proceeds from the disposal or the redemption, as the case may be, unless the investor provides evidence for the investor's actual acquisition costs to the Domestic Paying Agent. Such evidence is only permissible if the foreign bank is resident within the EU, EEA or a contracting state of the EU Savings Directive (as defined below).

## **2.2 Non-German Resident Noteholders**

- 2.2.1 Income derived from the Notes by holders who are not tax resident in Germany is in general not subject to German income taxation, and no withholding tax shall be withheld, provided however:
- (a) the Notes are not held as business assets of a German permanent establishment of the investor or by a permanent German representative of the investor; or
  - (b) the income derived from the Notes does not otherwise constitute German source income.
- 2.2.2 If the income derived from the Notes is subject to German taxation, the income is subject to withholding tax similar to that described above under the paragraphs entitled: "withholding tax". Under certain circumstances, foreign investors may benefit from tax reductions or tax exemptions under applicable double tax treaties (*Doppelbesteuerungsabkommen*) entered into with Germany.

## 2.3 **Inheritance Tax/Gift Tax**

2.3.1 The transfer of Notes to another person by way of gift or inheritance is subject to German gift or inheritance tax, respectively, if:

- (a) the testator, the donor, the heir, the donee or any other acquirer had his residence, habitual abode or, in case of a corporation, association (*Personenvereinigung*) or estate (*Vermögensmasse*), had its seat or place of management in Germany at the time of the transfer of property; or
- (b) except as provided under (a), the testator's or donor's Notes belong to a business asset attributable to a permanent establishment or a permanent representative in Germany.

Special regulations apply to certain German expatriates.

2.3.2 Investors are urged to consult with their tax advisor to determine the particular inheritance or gift tax consequences in light of their circumstances.

## 2.4 **Other Taxes**

The purchase, sale or other disposal of Notes does not give rise to capital transfer tax, value added tax, stamp duties or similar taxes or charges in Germany. However, under certain circumstances entrepreneurs may choose liability to value added tax with regard to the sales of Notes which would otherwise be tax exempt. Net wealth tax (*Vermögensteuer*) is, at present, not levied in Germany.

## 2.5 **European Directive on the Taxation of Savings Income**

2.5.1 Under the Savings Directive from 1 July 2005, each Member State is required to provide the tax authorities of another Member State with details of payments of interest and other similar income paid by a person in one Member State to an individual resident in another Member State.

2.5.2 In Germany, provisions for implementing the Savings Directive have been enacted by legislative regulations of the federal government (*Zinsinformationsverordnung*). These provisions apply as from 1 July 2005.

## 3 **TAXATION OF THE ISSUER**

3.1 The Issuer is a corporation having its seat and its place of effective management in Germany and, therefore, the Issuer's profits derived from the transaction will be subject to German corporate income tax (*Körperschaftsteuer*) at a rate of 15 per cent plus a solidarity surcharge (*Solidaritätszuschlag*) of 5.5 per cent thereon and trade tax (*Gewerbesteuer*) at a rate of 16.1 per cent.

3.2 Payments in respect of the Notes, including without limitation payments of interest but excluding payments of principal, are deductible from the Issuer's profits for tax purposes. Additionally, the Issuer will generally be entitled to deduct other expenses incurred by it (for example fees).

3.3 The Issuer takes the view that the generally applicable limitations on the tax deductibility of interest (earning or interest stripping rules, *Zinsschranke*) will not affect the Issuer. According to the legislative intent and administrative guidance from the German tax authorities the interest stripping rules do not apply to securitisation companies (*Verbriefungszweckgesellschaften*) like the Issuer.

To the best knowledge of the Issuer, this view will be confirmed in a binding tax ruling issued by the tax authorities competent for the Issuer in Frankfurt shortly after the Closing Date.

3.4 The Issuer will effectively be exempt from the add-back of 25 per cent of the Issuer's interest expense for computing the trade tax liability of the Issuer pursuant to section 19 paragraph 3 no. 2 Trade Tax Application Directive (*Gewerbesteuerdurchführungsverordnung*). The exemption applies to business entities which are - directly or indirectly - exclusively:

- (a) acquiring credit receivables; or
- (b) assuming credit risks related to credit receivables originated by banks in the sense of section 1 paragraph 1 no. 2 KWG and refinance the acquisition or the granting of a security in respect of the assumed credit risk by issuing notes.

As the Issuer is acquiring credit receivables and will issue the Notes to refinance the acquisition the Issuer takes the view that it can benefit from the exemption and deduct refinancing expenses entirely for trade tax purposes without the add-back.

To the best knowledge of the Issuer, this view will be confirmed in a binding tax ruling issued by the tax authorities competent for the Issuer in Frankfurt shortly after the Closing Date.

#### 4 **LUXEMBOURG**

The following overview is of a general nature and is included herein solely for information purposes. It is based on the laws presently in force in Luxembourg, though it is not intended to be, nor should it be construed to be, legal or tax advice. Prospective investors in the Notes should therefore consult their own professional advisers as to the effects of state, local or foreign laws, including Luxembourg tax law, to which they may be subject.

##### 4.1 **Withholding tax**

###### 4.1.1 Non-resident holders of Notes

- (a) Under Luxembourg general tax laws currently in force and subject to the laws implementing the Savings Directive mentioned below, there is no withholding tax on payments of principal, premium or interest made to non-resident holders of Notes, nor on accrued but unpaid interest in respect of the Notes, nor is any Luxembourg withholding tax payable upon redemption or repurchase of the Notes held by non-resident Noteholders.
- (b) Under the laws of 21 June 2005 implementing the Savings Directive and ratifying the treaties entered into by Luxembourg and certain dependent and associated territories of Member States, payments of interest or similar income made or ascribed by a paying agent established in Luxembourg to or for the immediate benefit of an individual beneficial owner or a residual entity, as defined by this laws, which are resident of, or established in, an Member State (other than Luxembourg) or one of the associated territories will be subject to a withholding tax. Luxembourg has meanwhile opted to the information exchange regime with effect as of 1 January 2015 and therefore the withholding tax has ceased to apply.

#### 4.1.2 Resident Noteholder

- (a) Under Luxembourg general tax laws currently in force and subject to the law of 23 December 2005, as amended mentioned below, there is no withholding tax on payments of principal, premium or interest made to Luxembourg resident Noteholders, nor on accrued but unpaid interest in respect of Notes, nor is any Luxembourg withholding tax payable upon redemption or repurchase of Notes held by Luxembourg resident Noteholders.
- (b) Under this law payments of interest or similar income made or ascribed by a paying agent established in Luxembourg to or for the benefit of an individual beneficial owner who is resident of Luxembourg will be subject to a withholding tax of twenty (20) per cent. Such withholding tax will be in full discharge of income tax if the beneficial owner is an individual acting in the course of the management of his/her private wealth. Responsibility for the withholding of the tax will be assumed by the Luxembourg paying agent. Payments of interest under the Notes coming within the scope of the Law would be subject to withholding tax of ten per cent.
- (c) An individual beneficial owner resident in Luxembourg may opt for a final withholding of twenty per cent. On eligible interest income received from a paying agent established in a Member State, EEA state (Iceland, Liechtenstein and Norway) or in a state which has concluded an agreement with Luxembourg introducing measures equivalent to those of the Savings Directive.

#### 4.2 **Taxes on Income and Capital Gains**

A Noteholder who derives income from such Notes or who realises a gain on the disposal or redemption thereof will not be subject to Luxembourg taxation on such income or capital gains unless:

- (a) such holder is, or is deemed to be, resident in Luxembourg for the purposes of the relevant provisions; or
- (b) such income or gain is attributable to an enterprise or part thereof which is carried on through a permanent establishment, a permanent representative or a fixed base of business in Luxembourg.

#### 4.3 **Net Wealth Tax**

Luxembourg net wealth tax will not be levied on a Noteholder unless:

- (a) such holder is, or is deemed to be, resident in Luxembourg for the purpose of the relevant provisions; or
- (b) such Notes are attributable to an enterprise or part thereof which is carried on through a permanent establishment, a permanent representative or a fixed base of business in Luxembourg.

With the law of 23 December 2005, the net wealth tax has been abolished for resident and non-resident individuals with effect from 1 January 2006.

#### 4.4 **Inheritance / Gift Tax**

Where the Notes are transferred for no consideration, note in particular that:

- (a) no Luxembourg inheritance tax is levied on the transfer of the Notes upon death of a Noteholder in cases where the deceased holder was not a resident of Luxembourg for inheritance tax purposes; and
- (b) Luxembourg gift tax will be levied on the transfer of the Notes by way of a gift by the Noteholder, as applicable, if this gift is registered in Luxembourg.

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

There is no Luxembourg value-added tax payable in respect of payments in consideration of the issue of the Notes or in respect of payments of interest or principal under the Notes or the transfer of the Notes, provided that Luxembourg value added tax may, however, be payable in respect of fees charged for certain services rendered to the Issuer, if such services are rendered, or are deemed to be rendered, in Luxembourg and an exemption from value added tax does not apply with respect to such services.

#### 4.6 **Other Taxes and Duties**

There is no Luxembourg registration tax, capital tax, stamp duty or any other similar tax or duty payable in Luxembourg in respect of or in connection with the issue of the Notes or in respect of the payment of principal or interest under the Notes or the transfer of the Notes. If any documents in respect of the Notes are required to be registered in Luxembourg, they will be subject to a fixed registration duty.

#### 4.7 **Residence**

A Noteholder will not become resident, or deemed to be resident, in Luxembourg by reason only of the holding of such Notes or the execution, performance, delivery and/or enforcement of that or any other Notes.

## **VERIFICATION BY SVI**

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.

The verification label is issued on the basis of SVI’s verification process, which is explained in detail on the SVI website. 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 Criteria has been confirmed by SVI.

SVI disclaims any responsibility for monitoring continuing compliance with the STS Criteria 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.

## **SUBSCRIPTION AND SALE**

### **Subscription of the Notes**

Pursuant to the Subscription Agreement the Lead Manager has agreed, subject to certain conditions, to subscribe for the 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 Originator against certain liabilities in connection with the offer and sale of the Notes.

In accordance with Article 244 para 4 lit. f) CRR, the Originator has undertaken in the Subscription Agreement that it will only purchase (or repurchase) the Notes, or beyond its obligations set out in the Transaction Documents where such arrangements are executed in accordance with prevailing market conditions and the parties to them act in their own interest as free and independent parties (arm's length).

### **Selling Restrictions**

#### **1 GENERAL**

All applicable laws and regulations must be observed in any jurisdiction in which the Notes may be offered, sold or delivered, to the best of the Lead Manager's knowledge and belief. The Lead Manager has agreed that it will not, directly or indirectly offer, sell or deliver any of the Notes or distribute the 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, to the best of the Lead Manager's knowledge and belief and it will not impose any obligations on the Issuer except as set out in this Agreement.

#### **2 UNITED STATES OF AMERICA AND ITS TERRITORIES**

2.1 The Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The Lead Manager has represented and agreed that it has not offered or sold, and will not offer or sell, any Note constituting part of its allotment within the United States except in accordance with Rule 903 under Regulation S under the Securities Act. Accordingly, the Lead Manager further has 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.

2.2 In addition, before forty (40) calendar days after commencement of the offering, an offer or sale of Notes within the United States by a dealer or other person that is not participating in the offering may violate the registration requirements of the Securities Act.

2.3 The Lead Manager (i) has acknowledged that the Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act; (ii) has represented and agreed that it has not offered, sold or delivered any Notes,



and will not offer, sell or deliver any Notes, (x) as part of its distribution at any time or (y) otherwise before forty (40) calendar days after the later of the commencement of the offering and the Closing Date, except in accordance with Rule 903 under Regulation S under the Securities Act; (iii) has further represented and agreed that neither it, its 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 and will comply with the offering restrictions requirements of

2.4 Regulation S under the Securities Act, and (iv) also has agreed that, at or prior to confirmation of any 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 to substantially the following effect:

2.5 "The securities covered hereby have not been registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons, (a) as part of their distribution at any time or (b) otherwise until forty (40) calendar 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 meaning given to them in Regulation S under the Securities Act."

2.6 Terms used in this clause have the meanings given to them in Regulation S under the Securities Act.

2.7 Notes will be issued in accordance with the provisions of United States Treasury Regulation section 1.163-5(c)(2)(i)(D) (or any successor rules in substantially the same form as the TEFRA D Rules, as applicable, for purposes of Section 4701 of the U.S. Internal Revenue Code) (the "TEFRA D Rules").

2.8 Further, the Lead Manager has represented and agreed that:

(a) except to the extent permitted under the TEFRA D Rules, (i) it has not offered or sold, and during the restricted period 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 (ii) it has not delivered and 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) it has not delivered and will not deliver in definitive form within the United States or its possessions any Notes sold during the restricted period;

(b) it has and throughout the restricted period will have, in effect procedures reasonably designed to ensure that its employees or agents who are directly engaged in selling Notes 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;

(c) if it is considered a United States person, that it is acquiring the Notes for purposes of resale in connection with their original issuance and agrees that if it retains Notes in bearer form for its own account, it will only do so in accordance with the requirements of United States Treasury Regulation section 1.163-5(c)(2)(i)(D)(6) (or successor rules in substantially the same form);

- (d) with respect to each that acquires from it Notes in bearer for the purpose of offering or selling such Notes during the restricted period, such Joint Lead Manager repeats and confirms for the benefit of the Issuer the representations and agreements contained in sub-clauses(a), (b) and (c) above; and
- (e) it will obtain for the benefit of the Issuer the representations and agreements contained in sub-clauses (a) - (d), above from any person other than its affiliate with whom it enters into a written contract, as defined in United States Treasury Regulation 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.

2.9 Terms used in this Clause 2.8 have the meanings given to them by the U.S. Internal Revenue Code and regulations thereunder, including the TEFRA D Rules.

### 3 **UNITED KINGDOM**

The Lead Manager has represented, warranted and agreed that:

- (a) it has only communicated or caused to be communicated, and will only communicate or cause to be communicated, any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the United Kingdom Financial Services and Markets Act 2000 ("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.

### 4 **REPUBLIC OF FRANCE**

The Lead Manager has represented, warranted and agreed that:

- (a) the Prospectus is not being distributed in the context of a public offering of financial securities (offre au public de titres financiers) in France within the meaning of Article L. 411 1 of the French Monetary and Financial Code (Code monétaire et financier) and Articles 211 1 et seq. of the General Regulation of the French Autorité des Marchés Financiers ("AMF");
- (b) the Notes have not been offered, sold or distributed and will not be offered, sold or distributed, directly or indirectly, to the public in France. Such offers, sales and distributions have been and shall only be made in France (i) to qualified investors (investisseurs qualifiés) acting for their own account and/or (ii) to persons providing portfolio management investment service for third parties (personnes fournissant le service d'investissement de gestion de portefeuille pour compte de tiers), each as defined in and in accordance with Articles L. 411 2 II, D. 411 1, D. 321 1, D. 744 1, D. 754 1 and D. 764 1 of the French Monetary and Financial Code and any implementing regulation and/or (iii) in a transaction that, in accordance with Article L. 411 2 I of the French Monetary and Financial Code and

Article 211 2 of the General Regulation of the AMF, does not constitute a public offering of financial securities;

- (c) investors in France are informed that the subsequent direct or indirect retransfer of the Notes to the public in France can only be made in compliance with Articles L. 411 1, L. 411 2, L. 412 1 and L. 621 8 through L. 621 8 3 of the French Monetary and Financial Code; and
- (d) the Prospectus and any other offering material relating to the Notes have not been and will not be submitted to the AMF for approval and, accordingly, may not be distributed or caused to be distributed, directly or indirectly, to the public in France.

## 5 EUROPEAN ECONOMIC AREA

5.1 The Lead Manager has represented and agreed that in relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**") and with effect from and including the date on which the Prospectus Directive is implemented in that Member State (the "**Relevant Implementation Date**") from 1 January 2018 (being the date of application of the PRIIPS Regulation), it will not make an offer of notes to the public in that Relevant Member State prior to the publication of a prospectus in relation to the Notes which has been approved by the competent authority in that Relevant Member State in accordance with the Prospectus Directive or, where appropriate, published in another Relevant Member State and notified to the competent authority in that Relevant Member state in accordance with Article 18 of the Prospectus Directive, except that it may, with effect from and including the Relevant Implementation Date, make an offer of the Notes to the public in the Relevant Member State at any time:

- (a) to any legal entity which is a qualified investor as defined in the Prospectus Directive,
- (b) to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the Joint Lead Managers, or
- (c) in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of the Notes shall require the Issuer or the Joint Lead Managers to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

5.2 In the foregoing sentence, the expression an "offer of notes to the public" in relation to any Notes in any Relevant Member State means the communication in any form by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, and the expression "Prospectus Directive" means Directive 2003/71/EC (and amendments thereto, including the 2010 PD amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State and the expression "2010 PD Amending Directive" means Directive 2010/73/EU.

**6 NO OFFER TO RETAIL INVESTORS**

- 6.1 The Lead Manager has represented, warranted and agreed with the Issuer in respect of the Notes from 1 January 2018 (being the date of application of the PRIIPs Regulation), it will not offer or sell the notes, directly or indirectly, to retail investors in the European Economic Area and has not distributed or caused to be distributed and will not distribute or cause to be distributed to retail investors in the European Economic Area, the prospectus or any other offering material relating to the Notes.
- 6.2 For these purposes "retail investor" means a person who is one (or more) of the following: (a) a retail client as defined in point (11) of Article 4(1) of directive 2014/65/EU (as amended, "MIFID II") or (b) a customer within the meaning of directive 2002/92/EC (as amended, the "Insurance Mediation Directive"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MIFID II or (c) not a qualified investor as specified in Directive 2003/71/EC (as amended) and the term "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.

## **USE OF PROCEEDS**

The gross proceeds from the issue of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes amount to EUR 400,000,000 and will be used by the Issuer for the purchase of the Receivables from the Originator on the Closing Date for the Initial Purchase Price of EUR 399,989,204.55.

The difference between:

- (a) the sum of the gross proceeds of:
  - (i) the Class A Notes; and
  - (ii) the Class B Notes; and
  - (iii) the Class C Notes; and
  - (iv) the Class D Notes; and
  - (v) the Class E Notes; and
- (b) the Initial Purchase Price,

in an amount of EUR 10,795.45.

will remain on the Replenishment Shortfall Account of the Issuer and will be part of the Available Distribution Amount on the first Payment Date.

## **GENERAL INFORMATION**

### **1 AUTHORISATION**

The issue of the Notes was authorised by a resolution of the managing directors (*Geschäftsführer*) of the Issuer on or about the Signing Date. For the effective issue of the Notes, the managing directors do not require any shareholders' resolution or other internal approval.

### **2 PAYMENT INFORMATION**

2.1 For as long as any of the 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.

2.2 The Paying Agent will act as paying agent between the Issuer and the holders of the Notes listed on the official list of the Luxembourg Stock Exchange. For as long as any of the Notes are listed on the official list of the Luxembourg Stock Exchange the Issuer will maintain a Paying Agent.

2.3 The Notes have been accepted for clearance through ICSD.

### **3 ASSETS BACKING THE NOTES**

The Issuer confirms that the assets backing the issue of the Notes, taken together with the other arrangements to be entered into by the Issuer on or around the Closing Date, 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.

### **4 POST ISSUANCE INFORMATION**

As long as the Notes are outstanding, with respect to each Payment Date, the Issuer instructs the Paying Agent to:

- (a) generally and in the case of an early redemption pursuant to clause 10 (*Early Redemption for Default*) of the Terms and Conditions of the Notes 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 11.1 (*Notes Redemption upon the occurrence of a Tax Event*) of the Terms and Conditions of the Notes not later than on the Calculation Date preceding the Payment Date on which such redemption shall occur,

provide on behalf of the Issuer the Noteholders of each Class of Notes with the Investor Report by making such Investor Report available on the website of the Paying Agent (or such other website as notified by the Paying Agent to the

Noteholders in advance in accordance with clause 14 (Form of Notices) of the Terms and Conditions of the Notes).

## 5 **NOTICES**

All notices to the Noteholders regarding the Notes shall be:

- (a) 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;
- (b) delivered to ICSD for communication by it to the Noteholders; and
- (c) made available to the public by publication in electronic form on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)).

## 6 **LISTING, APPROVAL AND ADMISSION TO TRADING**

- 6.1 This document constitutes a prospectus for the purposes of the Prospectus Directive on the prospectus to be published when securities are offered to the public or admitted to trading.
- 6.2 The Prospectus has been approved by the Luxembourg Competent Authority as competent authority under the Prospectus Directive. The Luxembourg Competent Authority only approves this Prospectus as meeting the requirements imposed under Luxembourg and EU law pursuant to the Prospectus Directive.
- 6.3 Application has also been made to the Luxembourg Stock Exchange for the Notes to be admitted to the official list and trading on its regulated market. The Luxembourg Stock Exchange is a regulated market for the purposes of the Markets in Financial Instruments Directive II (MiFID II) 2014/65/EU.
- 6.4 Such approval relates only to the Notes which are to be admitted to trading on the regulated market of the Luxembourg Stock Exchange or other regulated markets for the purposes of MiFID II or which are to be offered to the public in any Member State of the European Economic Area.
- 6.5 The Issuer has appointed The Bank of New York Mellon as the listing agent for the Luxembourg Stock Exchange.
- 6.6 The estimate of the total expenses related to the admission to trading amounts to EUR 41,100.00.

## 7 **PUBLICATION OF DOCUMENTS**

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](http://www.bourse.lu)).

## 8 **MISCELLANEOUS**

No statutory or non-statutory accounts in respect of any financial year of the Issuer have been prepared other than as contained in this Prospectus. 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.

9

**CLEARING CODES**

Class A Notes	ISIN: XS1971582553 Common Code: 197158255 WKN: A2TR7G
Class B Notes	ISIN: XS1971582637 Common Code: 197158263 WKN: A2TR7H
Class C Notes	ISIN: XS1971582983 Common Code: 197158298 WKN: A2TR7J
Class D Notes	ISIN: XS1971583015 Common Code: 197158301 WKN: A2TR7K
Class E Notes	ISIN: XS1971583106 Common Code: 197158310 WKN: A2TR7L

10

**AVAILABILITY OF DOCUMENTS**

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 for inspection at the specified offices of the Paying Agent the Transparency Documents.



## **TRANSACTION DEFINITIONS**

The following is the text of the Transaction Definitions Schedule.

Unless otherwise stated therein or inconsistent therewith or the context requires otherwise, the following rules of construction shall apply:

- (a) Words denoting the singular shall also include the plural number and vice versa; words denoting persons only shall also include firms and corporations and vice versa, except the context requires otherwise; words denoting one gender only shall also include the other genders.
- (b) Reference to any document or agreement shall include reference to such document or agreement as varied, supplemented, replaced or novated from time to time and to any document or agreement expressed to be supplemental thereto or executed pursuant thereto.
- (c) Reference to any party shall include reference to any entity that has become the successor to such party by operation of law or as a result of any replacement of such party.
- (d) Headings in any Transaction Document are for ease of reference only and will not affect its interpretation.

## DEFINITIONS

<b>Account Bank</b>	means The Bank of New York Mellon, Frankfurt Branch, or any successor or replacement thereof.
<b>Account Bank Agreement</b>	means the account bank agreement between the Issuer and the Account Bank entered into on or about the Signing Date, as amended.
<b>Account Mandate</b>	means any account opening forms, commercial agreements, resolutions, instructions and signature authorities and other legal relationships between the Account Bank and the Issuer relating to the Transaction Accounts.
<b>Active Portfolio Management</b>	means active portfolio management in the sense of article 4.2 items 15 and 16 of the STS Guidelines.
<b>Additional Cut-Off Date</b>	means the last calendar day of the calendar month immediately preceding a Purchase Date.
<b>Additional Purchase Price</b>	means an amount equal to the aggregate Outstanding Principal Amount of the relevant Additional Receivables as on the relevant Additional Cut-Off Date.
<b>Additional Receivable(s)</b>	means a Receivable (or Receivables) offered for sale by the Originator to the Issuer on any Offer Date.
<b>Additional Servicing Fee</b>	means on any Payment Date the applicable Remainder minus the Transaction Gain, in each case to be paid to the Servicer.
<b>Adjustment Payment</b>	means any adjustment payment as determined by the Swap Calculation Agent under the Swap Agreement in relation to a modification of the Swap Benchmark Rate.
<b>Adjustment Spread</b>	means any adjustment spread as determined by the Swap Calculation Agent under the Swap Agreement in relation to a modification of the Swap Benchmark Rate.
<b>Administration Expenses</b>	means the fees, costs, expenses and other amounts payable by the Issuer to: <ul style="list-style-type: none"><li>(a) the Corporate Service Provider under the Corporate Administration Agreement;</li><li>(b) the Substitute Servicer Facilitator under the Servicing Agreement;</li><li>(c) the Cash Administrator under the Cash Administration Agreement;</li><li>(d) the Account Bank under the Account Bank Agreement;</li><li>(e) the Paying Agent under the Agency Agreement;</li><li>(f) the Data Trustee under the Data Trust Agreement;</li></ul>

- (g) the Trustee under the Trust Agreement and the Deed of Assignment;
- (h) the accountants, legal advisors and auditors of the Issuer;
- (i) the Rating Agencies;
- (j) only on the first Payment Date, payment of the Reserve Funding Fee to the Originator;
- (k) any other invoiced costs, fees and expenses due and payable to persons who are not Secured Parties which have been incurred in or in connection with the preservation or enforcement of the Issuer's rights, its duties and obligations arising in connection with the set-up and maintenance of the Transaction, in particular, but not limited to the listing of the Class A Notes, the satisfaction and maintenance of the Eurosystem eligibility criteria for the Class A Notes; and
- (l) other fees, costs and expenses incurred in the ordinary course of business of the Issuer.

**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*);
- (b) with respect to any other Person, 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 Paying Agent entered into on or about the Signing Date, as amended.

**Aggregate Note Principal Amount**

means the sum of the Note Principal Amounts of a Class of Notes on a Payment Date (taking into account the relevant principal redemption amount on such Payment Date).

**Aggregate Principal Balance**

means the aggregate Outstanding Principal Amounts of all Purchased Receivables which are not Defaulted Receivables as of the Cut-Off Date or the Determination Date, as applicable.

**AIFMD**

means the Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers and amending Directive 2003/41/EC and 2009/65/EC and Regulations (EC) No 1060/2009 and (EU) No 1095/2010, as amended from time to time.

**AIFMR**

means the Commission Delegated Regulation (EU) No 231/2013 of 19 December 2012 supplementing Directive 2011/61/EU of the European

Parliament and of the Council with regard to exemptions, general operating conditions, depositories, leverage, transparency and supervision, as amended from time to time.

<b>Alternative Base Rate</b>	means the alternative base rate which is calculated by the Alternative Base Rate Determination Agent on behalf of the Issuer on the basis of the determination process set out in clause 17.3 of the Terms and Conditions.
<b>Alternative Base Rate Determination Agent</b>	means the Servicer.
<b>Alternative Base Rate Implementation Date</b>	means the next Payment Date following the publication of the notices send out pursuant to Clause 17.3.9 of the Terms and Conditions following the Base Rate Modification.
<b>Alternative Base Rate Implementation Period</b>	means the period <ul style="list-style-type: none"> <li>(a) starting at a Base Rate Modification Event; until</li> <li>(b) the Alternative Base Rate Implementation Date.</li> </ul>
<b>Amending Directive 2010 PD</b>	means Directive 2010/73/EU of the European Parliament and of the Council of 24 November 2010 amending Directives 2003/71/EC on the prospectus to be published when securities are offered to the public or admitted to trading and 2004/109/EC on the harmonisation of transparency requirements in relation to information about issuers whose securities are admitted to trading on a regulated market, as amended from time to time.
<b>Applicable Priority of Payments</b>	means the Pre-Enforcement Priority of Payments and the Post-Enforcement Priority of Payments, as applicable.
<b>Arranger</b>	means UniCredit Bank AG, a stock corporation incorporated under the laws of the Federal Republic of Germany, registered with the commercial register of the local court ( <i>Amtsgericht</i> ) in Munich under HRB 42148 with its registered office at Arabellastrasse 12, 81925 Munich, Federal Republic of Germany.
<b>Authorised Representative</b>	means any person or company who is designated in writing by the Issuer to give instructions to the Account Bank on behalf of the Issuer, including any TPP (where applicable), for the purposes of the Bank Account Agreement.
<b>Available Distribution Amount</b>	means the sum of the following amounts: <ul style="list-style-type: none"> <li>(a) the Interest Collections and the Loan Administration Fees relating to the previous Collection Period;</li> <li>(b) the Principal Collections relating to the previous Collection Period;</li> <li>(c) the Recovery Collections relating to the previous Collection Period;</li> </ul>

- (d) if a Liquidity Reserve Transfer Event has occurred, the amounts (if any) standing to the credit of the Liquidity Reserve Account, but only to the extent necessary for the fulfilment on the relevant Payment Date of the payment obligations of the Issuer in relation to costs and expenses payable in accordance with items first to sixth of the Applicable Priority of Payments, provided, however, that such amounts shall only be included in the Available Distribution Amount if and to the extent that there would be a shortfall in these amounts by reason of the Liquidity Reserve Transfer Event following the application of the Available Distribution Amount in accordance with Applicable Priority of Payments, as applicable;
- (e) the amount standing to and interest accrued on the Operating Account at the previous Determination Date (to the extent not included in (a) to (d) above);
- (f) the amount standing to and interest accrued on the Replenishment Shortfall Account at the previous Determination Date (if any);
- (g) any amounts to be received by the Issuer under the Swap Agreement (other than any early termination amount, any Replacement Swap Premium, any Swap Collateral other than any proceeds from such Swap Collateral applied in satisfaction of payments due to the Issuer in accordance with the Swap Agreement upon early termination of such Swap Agreement, any Swap Tax Credits, any Excess Swap Collateral, or any other amount standing to the credit of any Swap Collateral Account);
- (h) notwithstanding item (g) above, (i) any early termination amount received from the Swap Counterparty in excess of the amount required and applied by the Issuer to purchase one or more replacement Swap Agreements and (ii) any Replacement Swap Premium received from a replacement Swap Counterparty in excess of the amount required and applied to pay any outgoing Swap Counterparty;
- (i) the amounts (if any) standing to the credit to the Commingling Reserve Account, but only to the extent necessary for the fulfilment on the relevant Payment Date of the payment obligations of the Issuer under items first to twenty-one (inclusive) of the Pre-Enforcement Priority of Payments or under items first to fifteen (inclusive) of the Post-Enforcement Priority of Payments as applicable, provided, however, that such amounts shall only

be included in the Available Distribution Amount if and to the extent that the Servicer have, as of the relevant Payment Date, failed to transfer to the Issuer any Collections (other than Deemed Collections within the meaning of item (b) (i) of the definition of Deemed Collections) received or payable by the Originator or (if different) the Servicer during, or with respect to, the Collection Period ending on the Determination Date immediately preceding the relevant Payment Date; and

- (j) the amounts (if any) standing to the credit of the Set-Off Risk Reserve Account, but only to the extent necessary for the fulfilment on the relevant Payment Date of the payment obligations of the Issuer under items first to twenty-two (inclusive) of the Pre-Enforcement Priority of Payments or under items first to fifteen (inclusive) of the Post-Enforcement Priority of Payments as applicable, provided, however, that such amounts shall only be included in the Available Distribution Amount if and to the extent that any amounts that would otherwise have to be transferred to the Issuer as Deemed Collections within the meaning of item (b) of the definition of Deemed Collections for the Collection Period ending on the relevant Determination Date were not received by the Originator as a result of any of the actions described in item (b) of the definition of Deemed Collections.

**BaFin** means the German Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht*) or any successor thereof.

**Balloon Instalment** means in relation to a Receivable the final payment of principal payable at the maturity date of such Receivable, provided that the amount of this final payment exceeds the previous monthly instalments.

**Bank11** means Bank11 für Privatkunden und Handel GmbH, a company with limited liability (*Gesellschaft mit beschränkter Haftung*) (incorporated under the laws of the Federal Republic of Germany, registered with the commercial register of the local court (*Amtsgericht*) in Neuss under HRB 15804 with its registered office at Hammer Landstraße 91, 41460 Neuss, Federal Republic of Germany.

**Banking Secrecy Duty** means the obligation to observe the banking secrecy (*Bankgeheimnis*) under German law or any applicable requirements on banking secrecy under foreign law.

**Base Rate** means

- (a) until the Base Rate Modification Event EURIBOR;
- (b) during the Alternative Base Rate Implementation Period the Intermediary Base Rate; and

	(c) thereafter the Alternative Base Rate.
<b>Base Rate Adjustment</b>	means the adjustment of the Base Rate made in accordance with Clause 17.3.2 of the Terms and Conditions.
<b>Base Rate Modification</b>	means the process to determine the calculation of the Alternative Base Rate set out in Clause 17.3 of the Terms and Conditions.
<b>Base Rate Modification Event</b>	means an event or circumstance which constitutes a Benchmark Trigger Event under the Swap Agreement which requires a modification of the Base Rate to effectively hedge the interest rate risk associated with the Class A Notes.
<b>Benchmark Regulation</b>	means the 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.
<b>Benchmark Trigger Event</b>	means any material change to the Swap Benchmark Rate or the Swap Benchmark Rate ceases to be provided (as such term is defined under the Swap Agreement).
<b>BGB</b>	means the German Civil Code ( <i>Bürgerliches Gesetzbuch</i> ).
<b>BGH</b>	means Federal Supreme Court of Germany ( <i>Bundesgerichtshof</i> ).
<b>Borrower</b>	means a customer of the Originator who has entered into a Loan Agreement with the Originator or any successor thereto.
<b>Business Day</b>	means any day on which TARGET2 System is open for the settlement of payments in EUR and on which banks are open for general business and foreign commercial exchange markets settle payments in Düsseldorf (Germany), Frankfurt am Main (Germany), London (UK), and Luxembourg.
<b>Business Day Convention</b>	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.
<b>Calculation Date</b>	means the 2 <sup>nd</sup> Business Day preceding the relevant Payment Date.
<b>Cash Administration Agreement</b>	means the cash administration agreement between the Issuer and the Cash Administrator entered into on or about the Signing Date, as amended.
<b>Cash Administration Services</b>	means the services provided by the Cash Administrator in accordance with the Cash Administration Agreement.
<b>Cash Administrator</b>	means The Bank of New York Mellon, London Branch, or any successor or replacement thereof.

<b>Class A Interest Rate</b>	means the higher of: <ul style="list-style-type: none"><li>(a) the sum of<ul style="list-style-type: none"><li>(i) the applicable Base Rate for the relevant Interest Period; and</li><li>(ii) 0.49 % per annum; and</li></ul></li><li>(b) 0% per annum.</li></ul>
<b>Class A Notes</b>	means the class A floating rate asset backed notes which are issued on the Closing Date in an initial Aggregate Note Principal Amount of EUR 366,000,000 and divided into 3,660 Class A Notes, each having an initial Note Principal Amount of EUR 100,000.00.
<b>Class A Notes Interest Amount</b>	means the aggregate Interest Amount (including any Interest Shortfall) payable in respect of all Class A Notes on any date and in accordance with the Terms and Conditions.
<b>Class A Principal Amount</b>	means as of any date, the sum of the Note Principal Amounts of all Class A Notes.
<b>Class A Principal Redemption Amount</b>	means on each Payment Date during the Replenishment Period: zero; or on each Payment Date falling on or after the redemption in full of the lower of: <ul style="list-style-type: none"><li>(a) an amount equal to the Class A Principal Amount on the preceding Determination Date; and</li><li>(b) an amount equal to the difference between:<ul style="list-style-type: none"><li>(i) the Aggregate Note Principal Amount of all Classes of Notes on the Determination Date immediately preceding such Payment Date; and</li><li>(ii) the Aggregate Principal Balance of the Purchased Receivables on the Determination Date immediately preceding such Payment Date;</li></ul>but not less than zero.</li></ul>
<b>Class B Interest Rate</b>	means 1.00 % per annum.
<b>Class B Notes</b>	means the Class B fixed rate asset backed notes which are issued on the Closing Date in an initial Aggregate Note Principal Amount of EUR 18,700,000 and divided into 187 Class B Notes, each having an initial Note Principal Amount of EUR 100,000.00.
<b>Class B Notes Interest Amount</b>	means the aggregate Interest Amount (including any Interest Shortfall) payable in respect of all Class B Notes on any date and in accordance with the Terms and Conditions.
<b>Class B Principal</b>	means as of any date, the sum of the Note Principal Amounts of all



<b>Amount</b>	Class B Notes.
<b>Class B Principal Deficiency Event</b>	<p>means the event occurring if as of the relevant Payment Date, the Aggregate Note Principal Amount of all Classes of Notes would, if no Principal Deficiency Event would occur on such date, exceed the sum of:</p> <ul style="list-style-type: none"><li>(a) the Aggregate Principal Balance (including Additional Receivables to be purchased on such Payment Date) on the Determination Date immediately preceding such Payment Date; and</li><li>(b) the amount standing to the credit of the Replenishment Shortfall Account (if any)</li></ul> <p>by at least EUR 30,000,000.</p>
<b>Class B Principal Redemption Amount</b>	<p>means on each Payment Date during the Replenishment Period: zero; or on each Payment Date falling on or after the redemption in full of the Class A Notes the lower of:</p> <ul style="list-style-type: none"><li>(a) an amount equal to the Class B Principal Amount on the preceding Determination Date; and</li><li>(b) an amount equal to the difference between:<ul style="list-style-type: none"><li>(i) the Aggregate Note Principal Amount of all Classes of Notes on the Determination Date immediately preceding such Payment Date; and</li><li>(ii) the Aggregate Principal Balance of the Purchased Receivables on the Determination Date immediately preceding such Payment Date;</li></ul>less the Class A Principal Redemption Amount on such Payment Date;</li></ul> <p>but not less than zero.</p>
<b>Class C Interest Rate</b>	means 2.0 % per annum.
<b>Class C Notes</b>	means the Class C fixed rate asset backed notes which are issued on the Closing Date in an initial Aggregate Note Principal Amount of EUR 4,100,000 and divided into 41 Class C Notes, each having an initial Note Principal Amount of EUR 100,000.00.
<b>Class C Notes Interest Amount</b>	means the aggregate Interest Amount (including any Interest Shortfall) payable in respect of all Class C Notes on any date and in accordance with the Terms and Conditions.
<b>Class C Principal Amount</b>	means as of any date, the sum of the Note Principal Amounts of all Class C Notes.
<b>Class C Principal Deficiency Event</b>	means the event occurring if as of the relevant Payment Date, the Aggregate Note Principal Amount of all Classes of Notes would, if no

Principal Deficiency Event would occur on such date, exceed the sum of:

- (a) the Aggregate Principal Balance (including Additional Receivables to be purchased on such Payment Date) on the Determination Date immediately preceding such Payment Date; and
- (b) the amount standing to the credit of the Replenishment Shortfall Amount (if any)

by at least EUR 14,000,000.

**Class C Principal Redemption Amount**

means on each Payment Date during the Replenishment Period: zero; or on each Payment Date falling on or after the redemption in full of the Class B Notes the lower of:

- (a) an amount equal to Class C Principal Amount on the preceding Determination Date; and
- (b) an amount equal to the difference between:
  - (i) the Aggregate Note Principal Amount of all Classes of Notes on the Determination Date immediately preceding such Payment Date; and
  - (ii) the Aggregate Principal Balance of the Purchased Receivables on the Determination Date immediately preceding such Payment Date;

less the sum of

- (i) the Class A Principal Redemption Amount on such Payment Date and
- (ii) the Class B Principal Redemption Amount on such Payment Date;

but not less than zero.

**Class D Interest Rate**

means 3.50 % per annum.

**Class D Notes**

means the Class D fixed rate asset backed notes which are issued on the Closing Date in an initial Aggregate Note Principal Amount of EUR 7,100,000 and divided into 71 Class D Notes, each having an initial Note Principal Amount of EUR 100,000.00.

**Class D Notes Interest Amount**

means the aggregate Interest Amount (including any Interest Shortfall) payable in respect of all Class D Notes on any date and in accordance with the Terms and Conditions.

**Class D Principal Amount**

means as of any date, the sum of the Note Principal Amounts of all Class D Notes.

**Class D Principal**

means the event occurring if as of the relevant Payment Date, the

**Deficiency Event** Aggregate Note Principal Amount of all Classes of Notes would, if no Principal Deficiency Event would occur on such date, exceed the sum of:

- (a) the Aggregate Principal Balance (including Additional Receivables to be purchased on such Payment Date) on the Determination Date immediately preceding such Payment Date; and
- (b) the amount standing to the credit of the Replenishment Shortfall Account (if any)

by at least EUR 9,000,000.

**Class D Principal Redemption Amount** means on each Payment Date during the Replenishment Period: zero; or on each Payment Date falling on or after the redemption in full of the Class C Notes the lower of:

- (a) an amount equal to the Class D Principal Amount on the preceding Determination Date; and
- (b) an amount equal to the difference between:
  - (i) the Aggregate Note Principal Amount of all Classes of Notes on the Determination Date immediately preceding such Payment Date; and
  - (ii) the Aggregate Principal Balance of the Purchased Receivables on the Determination Date immediately preceding such Payment Date;

less the sum of

- (i) the Class A Principal Redemption Amount on such Payment Date;
- (ii) the Class B Principal Redemption Amount on such Payment Date; and
- (iii) the Class C Principal Redemption Amount on such Payment Date;

but not less than zero.

**Class E Interest Rate** means 7.50 % per annum.

**Class E Notes** means the Class E fixed rate asset backed notes which are issued on the Closing Date in an initial Aggregate Note Principal Amount of EUR 4,100,000 and divided into 41 Class E Notes, each having an initial Note Principal Amount of EUR 100,000.00.

**Class E Notes Interest Amount** means the aggregate Interest Amount (including any Interest Shortfall) payable in respect of all Class E Notes on any date and in accordance with the Terms and Conditions.

**Class E Principal Amount** means as of any date, the sum of the Note Principal Amounts of all Class E Notes.

**Class E Principal Deficiency Event** means the event occurring if as of the relevant Payment Date, the Aggregate Note Principal Amount of all Classes of Notes would, if no Principal Deficiency Event would occur on such date, exceed the sum of:

- (a) the Aggregate Principal Balance (including Additional Receivables to be purchased on such Payment Date) on the Determination Date immediately preceding such Payment Date; and
- (b) the amount standing to the credit of the Replenishment Shortfall Account (if any)

by at least EUR 3,800,000.

**Class E Principal Redemption Amount** means on each Payment Date during the Replenishment Period: zero; or on each Payment Date falling on or after the redemption in full of the Class D Notes the lower of:

- (a) an amount equal to the Class E Principal Amount on the preceding Determination Date; and
- (b) an amount equal to the difference between:
  - (i) the Aggregate Note Principal Amount of all Classes of Notes on the Determination Date immediately preceding such Payment Date; and
  - (ii) the Aggregate Principal Balance of the Purchased Receivables on the Determination Date immediately preceding such Payment Date;

less the sum of

- (i) the Class A Principal Redemption Amount on such Payment Date;
- (ii) the Class B Principal Redemption Amount on such Payment Date;
- (iii) the Class C Principal Redemption Amount on such Payment Date; and
- (iv) the Class D Principal Redemption Amount on such Payment Date;

but not less than zero.

**Class(es) of Notes** means each of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes.

**Clean-Up Call** means on any Determination Date, that the Aggregate Principal Balance is less than 10 % of the initial Aggregate Principal Balance as

<b>Event</b>	at the Initial Cut-Off Date.
<b>Clearing System</b>	means Clearstream Luxembourg and Euroclear.
<b>Clearstream Luxembourg</b>	means Clearstream Banking, société anonyme, with its registered address at 42 Avenue John Fitzgerald Kennedy, 1855 Luxembourg, Grand Duchy of Luxembourg.
<b>Closing Date</b>	means 24 April 2019, or such other date as the Issuer and the Arranger may agree.
<b>Collection Account</b>	means any collection account held by the Servicer in its own name to which any payments of the Debtors are made.
<b>Collection Period</b>	means each of the following periods: <ul style="list-style-type: none"><li>(a) as first Collection Period the period from (but excluding) the Initial Cut-Off Date to (and including) the first Determination Date; and</li><li>(b) thereafter each period from (but excluding) a Determination Date to (and including) the next following Determination Date.</li></ul>
<b>Collection (s)</b>	means any collections, including Interest Collections, Principal Collections and Recovery Collections in respect of the Purchased Receivables which are received by the Servicer on behalf of the Issuer during a Collection Period.
<b>Commingling Reserve Account</b>	means the commingling reserve account of the Issuer opened on or before the Closing Date with the Account Bank with the following details: Bank Name: The Bank of New York Mellon, Frankfurt Account Name: Commingling Reserve Account Account Number: 701 483 9714 IBAN: DE59 5033 0300 7014 8397 14 SWIFT: IRVTDEFXXXX or any successor account, bearing an interest rate as separately agreed between the Account Bank and the Issuer.
<b>Commingling Reserve Adjustment Amount</b>	means on the first Calculation Date zero and thereafter the higher of: <ul style="list-style-type: none"><li>(a) the difference between:<ul style="list-style-type: none"><li>(i) the Commingling Reserve Required Amount for the relevant Interest Period and</li><li>(ii) the amount standing to the credit of the Commingling Reserve Account on the Calculation Date, following the adjustment payment of the Originator (if any); or</li></ul></li><li>(b) zero.</li></ul>

<b>Commingling Reserve Distribution Amount</b>	means on the first Calculation Date zero and thereafter the higher of: <ul style="list-style-type: none"> <li>(a) the difference between (i) the amount standing to the credit of the Commingling Reserve Account on the Determination Date and (ii) the Commingling Reserve Required Amount for the relevant Interest Period; or</li> <li>(b) zero.</li> </ul>
<b>Commingling Reserve Required Amount</b>	means on any Payment Date: <ul style="list-style-type: none"> <li>(a) if the Aggregate Note Principal Amount of the Class D Notes is higher than zero on the Determination Date preceding such Payment Date an amount equal to the sum of:                 <ul style="list-style-type: none"> <li>(i) the amount which equals the scheduled Interest Collections and Principal Collections for the Collection Period immediately following the relevant Determination Date; and</li> <li>(ii) 0.5 % of the Aggregate Principal Balance as of the relevant Determination Date;</li> </ul> </li> <li>(b) otherwise zero.</li> </ul>
<b>Common Safekeeper</b>	means the entity appointed by the ICSDs to provide safekeeping for the Notes in new global note form.
<b>COR</b>	means the DBRS critical obligations rating, in relation to a relevant entity, which addresses the risk of default of particular obligations and/or exposures of the relevant entity that in the view of DBRS have a higher probability of being excluded from bail-in and remaining in a continuing bank in the event of the resolution of a troubled bank than other senior unsecured obligations. If the COR assigned by DBRS to the entity is public, it will be indicated on the website of DBRS ( <a href="http://www.dbrs.com">www.dbrs.com</a> ); or if the COR assigned by DBRS to the entity is private, such entity shall give notice to the other party as soon as reasonably practicable upon the occurrence of any change relevant for the purpose of the applicability of the COR.
<b>Corporate Administration Agreement</b>	means the corporate administration agreement entered into between the Issuer and the Corporate Service Provider entered into on or about the Signing Date, as amended.
<b>Corporate Administration Services</b>	means the services provided by the Corporate Service Provider in accordance with the Corporate Administration Agreement.
<b>Corporate Service Provider</b>	means Wilmington Trust SP Services (Frankfurt) GmbH, a company incorporated under the laws of the Federal Republic of Germany, with its registered office at Steinweg 3-5, 60313 Frankfurt am Main and registered in the commercial register at the local court ( <i>Amtsgericht</i> ) in Frankfurt am Main under HRB 76380, or any successor or replacement thereof.

<b>CRA3</b>	means the Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies, as amended from time to time, in particular by Regulation (EU) No 462/2013 of the European Parliament and of the Council of 31 May 2013, as amended from time to time.
<b>CRD IV</b>	means the Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC, as amended from time to time.
<b>Credit and Collection Policy</b>	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.
<b>Credit Risk</b>	means the risk of non-payment in respect of a Purchased Receivable due to a lack of credit solvency ( <i>Bonität</i> ) of the relevant Debtor of such Purchased Receivable.
<b>CRR</b>	means the Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012, as amended from time to time, including as amended by the CRR Amending Regulation.
<b>CRR Amending Regulation</b>	means the Regulation (EU) 2017/2401 of the European Parliament and of the Council of 12 December 2017 amending Regulation (EU) No 575/2013 on prudential requirements for credit institutions and investment firms
<b>Cumulative Loss Ratio</b>	means, in respect of each Collection Period, the ratio (expressed as a percentage) of <ul style="list-style-type: none"><li>(a) the sum of:<ul style="list-style-type: none"><li>(i) the aggregate Outstanding Principal Amount of all Purchased Receivables which have become Defaulted Receivables during such Collection Period (net of Recovery Collections) as determined in the Investor Report relating to such Collection Period (and set out under the item "Current Period Net Default" therein); and</li><li>(ii) the aggregate principal amount (at the time of default) of all Purchased Receivables which became Defaulted Receivables prior to such Collection Period (net of Recovery Collections and as set out in the Investor Report relating to the immediately previous Collection Period under the item "Cumulative Net Default") divided by</li></ul></li></ul>

- (b) the sum of:
  - (i) the Aggregate Principal Balance as at the end of such Collection Period (including for the avoidance of doubt the Outstanding Principal Amount of all Additional Receivables purchased by the Issuer during the Relevant Collection Period) as determined in the Investor Report relating to such Collection Period; and
  - (ii) the aggregate Principal Collections since the Closing Date.

**Cut-Off Date** Means the Initial Cut-Off Date and any Additional Cut-Off Date, as applicable.

**Damages** means damages and losses, including properly incurred legal fees (including any applicable VAT).

**Data Protection Provisions** means the provisions of the GDPR, the German Federal Data Protection Act (*Bundesdatenschutzgesetz*), or any applicable legal requirements on data protection under foreign law, as applicable from time to time.

**Data Release Event** means any of the following events:

- (a) a Debtor Notification Event; or
- (b) a release of the Decryption 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 the Substitute Servicer or a third party appointed by the Substitute Servicer Facilitator for such purpose (as applicable).

**Data Transfer Process** means the delivery of the Decryption Key by the Data Trustee to the Substitute Servicer or to a third party appointed by the Substitute Servicer Facilitator in accordance with the Servicing Agreement and Data Trust Agreement.

**Data Trust Agreement** means the data trust agreement between the Originator, the Issuer and the Data Trustee entered into on or about the Signing Date, as amended.

**Data Trustee** means Wilmington Trust SP Services (Dublin) Limited, a limited liability company, located at Fourth Floor, 3 George’s Dock, IFSC Dublin 1, Ireland, registered in the Companies Registration Office with the company number 318390 or any successor or replacement thereof.

**Day Count Fraction** means the actual number of days in the relevant Interest Period divided by 360.

**DBRS** means DBRS Ratings Limited or any entity that is part of DBRS Ratings Limited and any successor to the relevant rating activity.



<b>Debtor</b>	means: <ul style="list-style-type: none"><li>(a) a Borrower; or</li><li>(b) a Guarantor.</li></ul>
<b>Debtor Deposit Amount</b>	means the aggregate of the Net Debtor Deposit Amounts for all Debtors which owe a Purchased Receivable on the relevant Determination Date.
<b>Debtor Deposits</b>	means, with respect to any Debtor, the actual aggregate amount held by such Debtor in form of money market accounts ( <i>Tagesgeldkonten</i> ) and savings accounts ( <i>Sparkonten</i> ) with the Originator at the relevant time.
<b>Debtor Notification Event</b>	means a Servicer Termination Event.
<b>Debtor Notifications</b>	means notifications of each Debtor of a Purchased Receivable of the sale and transfer of the relevant Purchased Receivable of the Issuer.
<b>Decrypted Data</b>	means the encrypted information provided by the Originator to the Substitute Servicer following the decryption of such data by using the Decryption Key.
<b>Decryption Key</b>	means the decryption key ( <i>Dekodierungsschlüsse</i> ) which allows the decoding of any encrypted information in accordance with the Data Trust Agreement.
<b>Deed of Assignment</b>	means the deed of assignment in respect of rights under the Swap Agreement between the Issuer (as Assignor) and the Trustee, as amended, restated or supplemented from time to time.
<b>Deemed Collection</b>	means an amount equal to the sum of: <ul style="list-style-type: none"><li>(a) the Outstanding Principal Amount of the affected portion of any Purchased Receivable if:<ul style="list-style-type: none"><li>(i) such Purchased Receivable proves to be a Non-Eligible Receivable;</li><li>(ii) the Issuer proves not to have acquired, upon the payment of the Initial Purchase Price or the Additional Purchase Price for such Purchased Receivable, title to such Purchased Receivable and to the Related Collateral contemplated in the relevant Loan Agreement;</li><li>(iii) such Purchased Receivable or Related Collateral contemplated in the relevant Loan Agreement is deferred, redeemed or otherwise modified (in each case other than in accordance with the Servicing Agreement or the Credit and Collection Policy);</li></ul></li></ul>

- (iv) such Purchased Receivable or the relevant Related Collateral contemplated in the relevant Loan Agreement otherwise did not exist in whole or partly prior to its sale and assignment or transfer (as applicable) to the Issuer or ceases to exist for any reason, including, but without limitation, the legally effective revocation (*Widerruf*) of the Loan Agreement by the Borrower (but in any event other than by payment to the Servicer or the Issuer or because of a breach by the relevant Borrower of its payment obligations under the Loan Agreement); or
  - (v) chosen by the Originator to be re-transferred to the Originator to remedy a breach of the Pool Eligibility Criteria in accordance with the Receivables Purchase Agreement; and
- (b) any reduction of the Outstanding Principal Amount of any Purchased Receivable or any other amount owed by a debtor due to:
- (i) any set-off against the Originator due to a counterclaim of the Debtor or any set-off or equivalent action against the relevant Debtor by the Originator; or
  - (ii) any discount or other credit in favour of the Debtor,

in each case as of the date of such reduction for such Purchased Receivable.

**Defaulted Amount** means for any Collection Period, the Outstanding Principal Amount including arrears of all Purchased Receivables that became Defaulted Receivables during such Collection Period.

**Defaulted Receivable** means a Receivable:

- (a) in respect of which the Servicer has terminated the related Loan Agreement for cause (*aus wichtigem Grund*);
- (b) the Servicer has enforced any security provided to secure the Receivable;
- (c) in respect of which the corresponding Borrower is Insolvent; or
- (d) which is delinquent with more than three monthly instalments.

**Delinquent Receivable** means a Receivable which is overdue by two or more instalments but is not a Defaulted Receivable.

<b>Determination Date</b>	means the last calendar day of each calendar month. The first Determination Date will be 30 April 2019.
<b>Distribution Shortfall Amount</b>	means the difference between the amounts to be received by the Paying Agent in accordance with Clause 6.1.3 of the Agency Agreement and the amounts actually received by the Paying Agent.
<b>Downgrade Event</b>	means 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 provide for the Required Rating.
<b>Early Amortisation Event</b>	means the occurrence of any of the following events during the Replenishment Period: <ul style="list-style-type: none"><li>(a) the Cumulative Loss Ratio exceeds 0.3 % as of any Cut-Off Date prior to or on 31 March 2020;</li><li>(b) the amount standing to the credit of the Replenishment Shortfall Account is higher than 10% of the initial Aggregate Note Principal Amount of all Classes of Notes on three consecutive Determination Dates;</li><li>(c) as of any Payment Date, the initial Note Principal Amount of all Classes of Notes would, after the application of the Available Distribution Amount in accordance with the Replenishment Priority of Payments, exceed the sum of:<ul style="list-style-type: none"><li>(i) the Aggregate Principal Balance as of the Determination Date immediately preceding such Payment Date (including the Outstanding Principal Amount of the Additional Receivables to be purchased on such Payment Date); and</li><li>(ii) the amount standing to the credit of the Replenishment Shortfall Account as of such Payment Date;</li></ul></li><li>(d) an Originator Event of Default or an Issuer Event of Default has occurred;</li><li>(e) a Servicer Termination Event has occurred.</li></ul>
<b>ECB or European Central Bank</b>	means the European Central Bank with its main office at Sonnemannstrasse 22, 60314 Frankfurt am Main, Germany.
<b>EC Treaty</b>	means the Treaty originally signed in Rome on 25 March 1957 as the Treaty establishing the European Community, as amended from time to time, including by the Treaty on European Union signed in Maastricht on 7 February 1992 and the Treaty of Amsterdam signed in Amsterdam on 2 October 1997 and as amended and renamed Treaty on the Functioning of the European Union by the Lisbon Treaty signed in Lisbon on 13 December 2007.

**EGBGB** means Introductory Act to the German Civil Code (*Einführungsgesetz BGB*).

**Eligibility Criteria** means the following criteria (*Beschaffenheitskriterien*) in respect of a Receivable:

- (a) the Receivable derives from a Loan Agreement which:
  - (i) has been entered into between a Debtor and the Originator relating to the financing of a Vehicle, excluding any Loan Agreement under any employee programme of the Originator (if any);
  - (ii) constitutes legal valid and binding and enforceable obligations of the respective Debtor in accordance with the laws of Germany;
  - (iii) is based on the Originator's general terms and conditions being in force as at such Loan Agreement's execution date;
  - (iv) is governed by the laws of the Federal Republic of Germany;
  - (v) has been originated in accordance with the Credit and Collection Policy;
  - (vi) in case of a Loan Agreement with a Balloon Instalment the Balloon Instalment, is equal to or lower than 90% of the Vehicle Sale Price;
  - (vii) is a Loan Agreement for which the loan-to-value does not exceed 150% whereas for the purpose of calculating the loan-to-value the outstanding loan balance is calculated as the original principal balance of the loan amount (*Ursprünglicher Nettodarlehensbetrag*) and the value is equal to the purchase price of the vehicle;
  - (viii) is a fully disbursed loan;
  - (ix) has not been terminated;
  - (x) provides for regular monthly instalments until the full amortisation and/or regular monthly instalments plus one higher Balloon Instalment at the end of the contract term;
  - (xi) provides for a Remaining Term of at least two months;

- (xii) provides for an Original Term not longer than 120 months;
  - (xiii) has been created in compliance with applicable German law, 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;
  - (xiv) sets out the correct effective rate of interest (*effektivem Jahreszins*);
  - (xv) is not a subordinated loan (*Nachrangdarlehen*);
  - (xvi) is not a syndicated loan (*Syndizierte Finanzierung*);
  - (xvii) is not a leveraged loan;
  - (xviii) cannot be repaid by the Borrower by handing over the Vehicle in settlement of the Loan Agreement;
- (b) each Debtor is an Eligible Debtor;
- (c) each Receivable:
- (i) is freely assignable and the Originator can dispose of the Receivable free from third party rights, in particular such transfer is not subject to any legal or contractual restrictions which prevents the valid transfer thereof to the Issuer and upon such transfer, such Receivable will not be available to the creditors of the Originator upon its insolvency;
  - (ii) is free of rights of third parties, and has not been, in whole or in part, pledged, assigned, discounted, subrogated, transferred or seized or attached in any way and is free and clear of any adverse claim;
  - (iii) is denominated in EUR;
  - (iv) is amortised on a monthly basis and gives rise to monthly instalment payments consisting of principal and interest;
  - (v) gives rise to monthly instalment payments above or equal to EUR 20.00;

- (vi) has an Outstanding Principal Amount of at least EUR 300.00;
  - (vii) is payable by SEPA Direct Debit Mandate;
  - (viii) is secured by the security transfer (*Sicherungsübereignung*) of legal title to the relevant used or new passenger Vehicle to the Originator;
  - (ix) has no instalments in arrears;
  - (x) is not a Delinquent Receivable or a Defaulted Receivable;
  - (xi) may 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 Receivables;
  - (xii) bears a fixed effective Loan Interest Rate above or equal to 0.30 % which is not subject to an ordinary interest reset from time to time;
  - (xiii) does not constitute or include a claim of the Originator against the respective Debtor for the payment of arrangement fees (*Bearbeitungsgebühren*) received for concluding the loan agreement (*Darlehensvertragsabschluss*);
  - (xiv) is not a transferable security, as defined in point (44) of Article 4(1) of Directive 2014/65/EU; and
  - (xv) is not a Securitisation Position;
- (d) the Vehicle to which the Receivable relates:
- (i) is existing;
  - (ii) is situated in the Federal Republic of Germany on the date on which the title to the Vehicle is transferred to the Issuer; and
  - (iii) has an initial Vehicle Sale Price not exceeding EUR 150,000.00;
- (b) the Originator:

- (i) is the sole creditor of the Receivable;
  - (ii) has not entered into an agreement with a Debtor in respect of the Receivable according to which the repayment of the Receivable would be suspended (other than in accordance with the Credit and Collection Policy of the Servicer); or
  - (iii) has not commenced enforcement proceedings against a Debtor in respect of the Receivable; and
- (c) to the best knowledge of the Originator:
- (i) no Debtor is in breach of any of its obligations in respect of the Receivable in any material respect; or
  - (ii) no Debtor is entitled to or has threatened to invoke any right of rescission, counterclaim, contest, challenge or other defence in respect of such Receivable; or
  - (iii) no Debtor has declared a set-off in respect of the Receivable; and
  - (iv) no litigation is pending in respect of the Receivable.

**Eligible Account Bank**

means a bank which has at least the Required Rating.

**Eligible Debtor**

means a Debtor,

- (a) who does not hold deposits with the Seller;
- (b) who has paid at least one instalment in full in respect of the relevant Receivable;
- (c) who does not qualify as public entity;
- (d) who is a resident in Germany;
- (e) who is not employed with Originator or any of its Affiliates;
- (f) who does not owe to the Originator more than 0.0375% of the Aggregate Principal Balance or EUR 150,000;
- (g) who, to the best of the Seller's knowledge, is not a credit-impaired borrower or guarantor, who on the basis of information obtained (i) from the Debtor of the Purchased Receivables, (ii) in the course of Bank11's servicing of the Purchased Receivables or Bank11's risk management procedures or (iii) from

a third party

- (i) 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 date of transfer of the respective Receivable by the Seller to the Issuer, except if a restructured Receivable has not presented new arrears since the date of the restructuring, which must have taken place at least one year prior to the date of transfer or assignment of the Receivables by the Seller to the Issuer; and the information provided by the Seller and the Issuer in accordance with points (a) and (e)(i) of the first subparagraph of Article 7(1) of the STS Securitisation Regulation explicitly sets out the proportion of restructured receivables, the time and details of the restructuring as well as their performance since the date of the restructuring
- (ii) 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 Seller; or
- (iii) 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 receivables held by Bank11 and which are not assigned to the Issuer.

**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, modified and/or restated from time to time) and/or any supplementing regulations, provisions or regulatory or implementing technical standards (each as amended, modified and/or restated from time to time) being effected under or in connection with Regulation (EU) No 648/2012.

**Encrypted Portfolio Information**

means the encrypted information relating to the Portfolio (including the portfolio data lists and other encrypted information which will be sent by the Originator to the Issuer, the Substitute Servicer and/or the third party appointed by the Substitute Servicer Facilitator in accordance with the terms of the Servicing Agreement, as the case may be).



<b>Enforcement Conditions</b>	means the following cumulative conditions: <ul style="list-style-type: none"><li>(a) the occurrence of an Issuer Event of Default;</li><li>(b) the Security Interests over the Security Assets having become enforceable; and</li><li>(c) an Enforcement Notice has been sent by the Trustee to the Issuer.</li></ul>
<b>Enforcement Event</b>	occurs when the Trustee serves the written notice to the Issuer upon the occurrence of an Issuer Event of Default.
<b>Enforcement Notice</b>	means the written notice by the Trustee which the Trustee shall forthwith serve upon the occurrence of an Issuer Event of Default to the Issuer with a copy to each of the Secured Parties and the Rating Agencies in accordance with the Trust Agreement.
<b>Enforcement Proceeds</b>	means any proceeds received by the Trustee from any enforcement of the Security Interest over the Security Assets, but without prejudice to Clause 7 of the Cash Administration Agreement.
<b>ESMA</b>	means the European Securities and Markets Authority.
<b>ESTER or Euro Short-Term Rate</b>	means the overnight rate calculated on the basis of unsecured borrowing deposit transactions carried out by ECB's money market statistical reporting agents with financial corporations calculated by the European Central Bank.
<b>EU</b>	means European Union.
<b>EU Banking Directives</b>	means the following directives: <ul style="list-style-type: none"><li>(a) Directive 2002/87/EC of the European Parliament and of the Council of 16 December 2002 on the supplementary supervision of credit institutions, insurance undertakings and investment firms in a financial conglomerate and amending Council Directives 73/239/EEC, 79/267/EEC, 92/49/EEC, 92/96/EEC, 93/6/EEC and 93/22/EEC, and Directives 98/78/EC and 2000/12/EC of the European Parliament and of the Council; and</li><li>(b) CRD IV;</li><li>(c) CRR; and</li><li>(d) each successor EU directive or regulation, each as amended from time to time.</li></ul>
<b>EUR or Euro</b>	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).
<b>EURIBOR</b>	has the meaning given to such term on any relevant Interest Determination Date for Euro and for a period equal in length to the

	relevant Interest Period in Clause 4.3 (Interest Rate) of the Terms and Conditions.
<b>Euroclear</b>	means Euroclear Bank S.A./N.V., at 1 Boulevard du Roi Albert II, Brussels, Kingdom of Belgium, or its successors, as operator of the Euroclear System.
<b>Eurosystem</b>	means the monetary system which comprises the European Central Bank (ECB) and the national central banks of the EU Member States which have adopted the Euro.
<b>Euro-zone</b>	means the region comprising member states of the European Union that have adopted the single currency, the euro, in accordance with the EC Treaty.
<b>Excess Swap Collateral</b>	means an amount equal to the value of the Swap Collateral (or the applicable part thereof) which is in excess of the Swap Counterparty's liability (prior to any netting in respect of the Swap Collateral) under the Swap Agreement as at the date of termination of the Swap Agreement or which it is otherwise entitled to have returned to it under the terms of the Swap Agreement.
<b>FATCA</b>	means certain provisions of the U.S. Internal Revenue Code.
<b>FATCA Agreement</b>	means an agreement between the Issuer and the U.S. Internal Revenue Service pursuant to which it agrees to report to the IRS information about their investors qualifying as a "United States person" or "United States owned foreign entity."
<b>Final Discharge Date</b>	means 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).
<b>GDPR</b>	means the Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data (General Data Protection Regulation, <i>Datenschutzgrundverordnung</i> ).
<b>German Act on Debt Securities</b>	means the German Act on Debt Securities of Entire Issues ( <i>Gesetz über Schuldverschreibungen aus Gesamtemissionen</i> ).
<b>Global Note</b>	means a temporary or permanent global bearer note without interest coupons representing a Class of Notes and issued in connection with the Transaction, as applicable.
<b>Guarantor</b>	means any Person providing a guarantee ( <i>Garantie</i> ) or surety ( <i>Bürgschaft</i> ) to, or for the performance by a Debtor in relation to a Receivable.
<b>ICSD</b>	means each of Euroclear and Clearstream, Luxembourg.
<b>IGA</b>	means the agreement between the United States and the Federal Republic of Germany to "Improve International Tax Compliance and with respect to the United States Information and Reporting Provisions Commonly Known as the Foreign Account Tax Compliance

Act" concluded on 31 May 2013.

<b>Increased Costs</b>	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.
<b>Independent Appraiser</b>	means any disinterested third party expert who shall be an internationally recognised auditor which is located in Germany but is not an affiliate of the Issuer or the Originator.
<b>Initial Cut-Off Date</b>	means 31 March 2019.
<b>Initial Purchase Price</b>	means an amount of EUR 399,989,204.55 equal to the aggregate Outstanding Principal Amount of the Initial Receivables as of the Initial Cut-Off Date.
<b>Initial Receivable (s)</b>	means a Receivable offered for sale by the Originator to the Issuer on or about the Closing Date.
<b>InsO</b>	means the German Insolvency Code ( <i>Insolvenzordnung</i> ).
<b>Insolvency Proceeding (s)</b>	means any insolvency proceedings ( <i>Insolvenzverfahren</i> ) within the meaning of the InsO or any similar proceedings under applicable foreign law.
<b>Insolvent or Insolvency</b>	means: <ul style="list-style-type: none"><li>(a) in relation to any Person which is not a Debtor:<ul style="list-style-type: none"><li>(i) that the relevant Person is either:<ul style="list-style-type: none"><li>(A) unable to fulfil its payment obligations as they become due and payable (including, without limitation, <i>Zahlungsunfähigkeit</i> pursuant to section 17 InsO); or</li><li>(B) is presumably unable to pay its debts as they become due and payable (including, without limitation, imminent inability to pay (<i>drohende Zahlungsunfähigkeit</i>) pursuant to section 18 InsO), or</li></ul></li><li>(ii) that the liabilities of that Person exceed the value of its assets (including, without limitation, over-indebtedness (<i>Überschuldung</i>) pursuant to section 19 InsO), or</li><li>(iii) that any measures have been taken in respect of the Person pursuant to section 46a <i>et seqq.</i> KWG (including, without limitation, a moratorium); or</li></ul></li></ul>

- (iv) that any measures pursuant to section 21 InsO have been taken in relation to the Person, or
- (b) in relation to any Person being a Debtor:
  - (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) is presumably unable to pay its debts as they become due and payable (including, without limitation, *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), or
  - (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; or
  - (iv) that a written statement listing the claims of a party against the Debtor is requested in accordance with section 305 paragraph 2 InsO;
  - (v) that it commences negotiations with one or more of its creditors with a view to the readjustment or rescheduling of any of its indebtedness including negotiations as referred to in section 305 paragraph 1 number 1 and section 305a InsO; or
  - (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 corresponds to those listed in (a) or (b) above.

**Interest Amount** means the amount of interest payable in respect of each Note on any Payment Date calculated in accordance with the Terms and Conditions.

**Interest Collections** means with respect to the Purchased Receivables the sum of all collections of interest under the Performing Receivables that have been received by the Servicer on behalf of the Issuer during the Relevant Collection Period, but excluding Principal Collections and Recovery Collections received by the Servicer during the Relevant Collection Period.

**Interest Determination Date** means each day which is two (2) Business Days prior to a Payment Date or, in the case of the first Interest Period, the Closing Date.

**Interest Period** means each period:

- (a) from and including the Closing Date to but excluding the first Payment Date; and
- (b) 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 the Terms and Conditions.

**Interest Shortfall** means, with respect to any Note, accrued interest not paid on any Payment Date related to the Interest Period in which it accrued.

**Intermediary Base Rate** means the Base Rate as determined by the Alternative Base Rate Determination Agent after the occurrence of a Base Rate Modification Event in accordance with the Terms and Conditions.

**Investor Report** means the investor report to be provided by the Cash Administrator in accordance with the Cash Administration Agreement on the basis of the relevant investor report of the Servicer which the Cash Administrator has received.

**Investor Reporting Date** means each 4<sup>th</sup> Business Day preceding a Calculation Date.

**IRS** means the U.S. Internal Revenue Service.

**Issue Price** means an amount equal to 100 % of the Note Principal Amount on the Closing Date.

**Issuer** means RevoCar 2019 UG (*haftungsbeschränkt*), a limited liability company (*Unternehmergesellschaft (haftungsbeschränkt)*) under the laws of the Federal Republic of Germany, with its registered office at Steinweg 3-5, 60313 Frankfurt am Main, Federal Republic of Germany and registered in the commercial register at the local court (*Amtsgericht*) in Frankfurt am Main under HRB 114262.

**Issuer Event of Default** means any of the following events:

- (a) the Issuer becomes Insolvent;
- (b) the Issuer fails to make a payment of interest on the Class A Notes on any Payment Date and such default is not remedied within two Business Days of its occurrence;
- (c) subject to the Available Distribution Amount and in accordance with the Pre-Enforcement Priority of Payments, the Issuer fails to make a payment of interest or principal on the Legal Maturity Date and such default is not remedied within five Business Days of its occurrence in respect of any of the Classes of Notes;
- (d) the Issuer fails to perform or observe any of its other material obligations under the Terms and Conditions or the Transaction Documents and such failure continues for a period of 30 Business Days following written notice from the Trustee or any other Secured Party; or
- (e) it is or will become unlawful for the Issuer to perform or comply with any of its material obligations under or in respect of any Class of Notes, or any Transaction Document.

**Issuer Obligations** means the obligations of the Issuer to Noteholders under the Notes and to the other Secured Parties under the Transaction Documents.

**Issuer Proceeds** means the sum of

- (i) the Available Distribution Amount;
- (ii) the Enforcement Proceeds; and
- (iii) (to the extent not included in the Available Distribution Amount or Enforcement Proceeds) any credit balance on the Operating Account (as applicable in each case, but without prejudice to clause 5 of the Cash Administration Agreement).

**KWG** means the German Banking Act (*Kreditwesengesetz*).

**Lead Manager** means UniCredit Bank AG, a stock corporation incorporated under the laws of the Federal Republic of Germany, registered with the commercial register of the local court (Amtsgericht) in Munich under HRB 42148 with its registered office at Arabellastrasse 12, 81925 Munich, Federal Republic of Germany.

**Legal Maturity Date** means the Payment Date falling in April 2033.

**Limited Recourse** means the limitations in respect to the recourse against the Issuer set out in the Terms and Conditions.

**Liquidity Reserve** means the liquidity reserve account of the Issuer opened on or before

<b>Account</b>	<p>the Closing Date with the Account Bank with the following details:</p> <p>Bank Name: The Bank of New York Mellon, Frankfurt</p> <p>Account Name: Liquidity Reserve Account</p> <p>Account Number: 701 483 9711</p> <p>IBAN: DE43 5033 0300 7014 8397 11</p> <p>SWIFT: IRVTDEFXXX</p> <p>or any successor account, bearing an interest rate as separately agreed between the Account Bank and the Issuer.</p>
<b>Liquidity Reserve Distribution Amount</b>	<p>means an amount equal to the amount standing to the credit of the Liquidity Reserve Account exceeding the Liquidity Reserve Required Amount.</p>
<b>Liquidity Reserve Required Amount</b>	<p>means:</p> <ul style="list-style-type: none"><li>(a) on the Closing Date and on any Payment Date falling into the Replenishment Period, an amount equal to EUR 2,800,000; and</li><li>(b) on any other Payment Date 0.7 % multiplied by the Outstanding Principal Amounts of all Purchased Receivables as of the relevant Determination Date.</li></ul>
<b>Liquidity Reserve Transfer Event</b>	<p>means the event that the Servicer fails to transfer Collections to the Issuer in accordance with the Servicing Agreement in the event of the occurrence of a Servicer Termination Event.</p>
<b>Loan Administration Fees</b>	<p>means all fees received by the Servicer in its capacity as loan originator except arrangement fees (<i>Bearbeitungsgebühren</i>) received for concluding the loan agreement (<i>Darlehensvertragsabschluss</i>).</p>
<b>Loan Agreement</b>	<p>means any loan agreement (<i>Darlehensvertrag</i>) between the Originator in its capacity as lender (<i>Darlehensgeber</i>) and a borrower in relation to the financing of any Vehicle.</p>
<b>Loan Interest Rate</b>	<p>means in respect of a Loan Agreement the interest rate agreed in the Loan Agreement.</p>
<b>Lower Bound</b>	<p>means in respect of the Swap Agreement for each Calculation Period the amount defined as the lower bound in the swap transaction confirmation.</p>
<b>Luxembourg Competent Authority</b>	<p>means the Commission de Surveillance du Secteur Financier.</p>
<b>Luxembourg Stock Exchange</b>	<p>means the Luxembourg Stock Exchange. Société de la Bourse de Luxembourg, Société Anonyme with its registered office at 35A Boulevard Joseph II L-1840 Luxembourg.</p>
<b>Member State</b>	<p>means a member state of the European Union.</p>
<b>MiFID</b>	<p>means Directive 2004/39/EC of the European Parliament and of the Council of 21 April 2004 on markets in financial instruments amending Council Directives 85/611/EEC and 93/6/EEC and Directive</p>

2000/12/EC of the European Parliament and of the Council and repealing Council Directive 93/22/EEC as amended from time to time or any successor directive.

<b>MiFID II</b>	means Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU, as amended from time to time or any successor directive.
<b>MiFIR</b>	means Regulation (EU) No 600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Regulation (EU) No 648/2012, as amended from time to time or any successor regulation.
<b>Moody's</b>	means Moody's Investors Service Limited a private limited company incorporated under the laws of England and Wales, registered with the Companies House of England and Wales under company number 1950192 with its registered office at One Canada Square, Canary Wharf, London, E14 5FA, United Kingdom, or any successor to its rating business.
<b>Net Debtor Deposit Amount</b>	means with respect to a Debtor which owes a Purchased Receivable the lower of:  <ul style="list-style-type: none"><li>(a) the Outstanding Principal Amount; and</li><li>(b) the amount standing to the credit of a Debtor Deposit.</li></ul>
<b>New Issuer</b>	means a substitute debtor 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 the Terms and Conditions.
<b>New Vehicle</b>	means a new vehicle ( <i>Neufahrzeug</i> ) which has been registered for the first time ( <i>Erstzulassung</i> ) not more than 15 (fifteen) month prior to the date of the application of the Loan Agreement.
<b>NGN</b>	means new global note.
<b>Non-Eligible Receivable</b>	means a Purchased Receivable which does not comply (in whole or in part) with the Eligibility Criteria as at the Cut-Off Date.
<b>Note Principal Amount</b>	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 of EUR 100,000 on the Closing Date, reduced by all amounts paid prior to such date on such Note in respect of principal.
<b>Noteholder(s)</b>	means a holder of a Note respectively the holders of the Notes.
<b>Noteholder's Representative</b>	means each noteholder's representative duly elected by the Noteholders for the relevant Class of Notes in accordance with Clause 17.2.1 of the Terms and Conditions.
<b>Notes</b>	means the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes.



<b>Notes Definitions Schedule</b>	means the definitions schedule attached to each of the Global Notes.
<b>Offer</b>	means an offer by the Originator to the Issuer to sell Additional Receivables to the Issuer in accordance with the Receivables Purchase Agreement.
<b>Offer Date</b>	means during the Replenishment Period, each fourth Business Day preceding a Calculation Date.
<b>Operating Account</b>	means an account of the Issuer opened on or before the Closing Date with the Account Bank with the following details: Bank Name: The Bank of New York Mellon, Frankfurt Account Name: Operating Account Account Number: 701 483 9710 IBAN: DE70 5033 0300 7014 8397 10 SWIFT: IRVTDEFXXX or any successor account, bearing an interest rate as separately agreed between the Account Bank and the Issuer.
<b>Original Term</b>	means the time period between the origination of a Receivable (due to the initial disbursement under a Loan Agreement) and the scheduled redemption date of such Receivable.
<b>Originator</b>	means Bank11.
<b>Originator Event of Default</b>	means the Originator being Insolvent.
<b>Outstanding Principal Amount</b>	means in respect of a Receivable, at any time, the amount of principal owed by the Debtor under such Receivable as at the Cut-Off Date as reduced by the aggregate amount of Principal Collections received by the Issuer in respect of such Receivable.
<b>Paying Agent</b>	means The Bank of New York Mellon, London Branch, or any successor or replacement thereof
<b>Payment Date</b>	means each 21 <sup>st</sup> calendar day of each month, in each case subject to the Business Day Convention. The first Payment Date will be 21 May 2019, the last Payment Date, unless the Notes are redeemed earlier in full, shall be the Legal Maturity Date.
<b>Performing Receivable</b>	means a Purchased Receivable that is neither a Defaulted Receivable, nor a Purchased Receivable in respect of which all instalments have been paid.
<b>Person</b>	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.
<b>Personal Data</b>	means any Debtor-related personal data ( <i>persönliche Daten</i> ), in particular the name and address of the Debtor and any co-debtor

and/or Guarantor.

**Pool Eligibility  
Criteria**

means the following criteria:

- (a) the weighted average Loan Interest Rate in relation to all Purchased Receivables is at least equal to 3.25 % per annum;
- (b) the portion of the Aggregate Principal Balance of Additional Receivables purchased at the relevant Purchase Date that relates to Loan Agreements financing New Vehicles is at least equal to 30 %;
- (c) the weighted average Remaining Term of the Loan Agreements does not exceed 65 months;
- (d) the portion of the Aggregate Principal Balance that relates to private customers (consumers) is at least equal to 90 %; and
- (e) the portion of the Aggregate Principal Balance that relates to Loan Agreements with Balloon Instalment does not exceed 25 %.

**Portfolio**

means, at any time, all Purchased Receivables (including the Related Claims and Rights).

**Post-Enforcement  
Priority of  
Payments**

means the following priority of payments as set out in section 8.1 of the Terms and Conditions.

After the Enforcement Conditions being fulfilled, the Trustee applies all Issuer Proceeds 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 each case, only if and to the extent that payments or provisions of a higher priority have been made in full):

- (i) any due and payable Statutory Claims;
- (ii) any due and payable Trustee Expenses;
- (iii) any due and payable Administration Expenses;
- (iv) any due and payable Servicing Fee to the Servicer;
- (v) all amounts (if any) due and payable to the Swap Counterparty under the Swap Agreement (including termination payments but excluding Subordinated Swap Amounts);
- (vi) to the payment of Class A Notes Interest Amount due and payable on such Payment Date, on a *pro rata* and *pari passu* basis on the Class A Notes;

- (vii) to the payment (on a *pro rata* and *pari passu* basis) in respect of the redemption of the Class A Notes until the Class A Principal Amount is reduced to zero;
- (viii) to the payment of Class B Notes Interest Amount due and payable on such Payment Date, on a *pro rata* and *pari passu* basis on the Class B Notes;
- (ix) to the payment (on a *pro rata* and *pari passu* basis) in respect of the redemption of the Class B Notes until the Class B Principal Amount is reduced to zero;
- (x) to the payment of Class C Notes Interest Amount due and payable on such Payment Date, on a *pro rata* and *pari passu* basis on the Class C Notes;
- (xi) to the payment (on a *pro rata* and *pari passu* basis) in respect of the redemption of the Class C Notes until the Class C Principal Amount is reduced to zero;
- (xii) to the payment of Class D Notes Interest Amount due and payable on such Payment Date, on a *pro rata* and *pari passu* basis on the Class D Notes;
- (xiii) to the payment (on a *pro rata* and *pari passu* basis) in respect of the redemption of the Class D Notes until the Class D Principal Amount is reduced to zero;
- (xiv) to the payment of Class E Notes Interest Amount due and payable on such Payment Date, on a *pro rata* and *pari passu* basis on the Class E Notes;
- (xv) to the payment (on a *pro rata* and *pari passu* basis) in respect of the redemption of the Class E Notes until the Class E Principal Amount is reduced to zero;
- (xvi) any Subordinated Swap Amounts;
- (xvii) to the payment of the Additional Servicing Fee to the Servicer;
- (xviii) to the payment of the Transaction Gain to the shareholders of the Issuer.

**Pre-Enforcement  
Priority of  
Payments**

means the following priority of payments as set out in section 8.1 of the Terms and Conditions.

Prior to the Enforcement Conditions being fulfilled, the Issuer will

distribute the 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 priorities of payments (in each case, only if and to the extent that payments or provisions of a higher priority have been made in full):

- (i) any due and payable Statutory Claims;
- (ii) any due and payable Trustee Expenses;
- (iii) any due and payable Administration Expenses;
- (iv) any due and payable Servicing Fee to the Servicer;
- (v) all amounts (if any) due and payable to the Swap Counterparty under the Swap Agreement (Including termination payments, but excluding any Subordinated Swap Amounts);
- (vi) to the payment of Class A Notes Interest Amount due and payable on such Payment Date, on a pro rata and pari passu basis on the Class A Notes
- (vii) if no Class B Principal Deficiency Event is occurring, to the payment of Class B Notes Interest Amount due and payable on such Payment Date, on a pro rata and pari passu basis on the Class B Notes;
- (viii) if no Class C Principal Deficiency Event is occurring, to the payment of Class C Notes Interest Amount due and payable on such Payment Date, on a pro rata and pari passu basis on the Class C Notes;
- (ix) if no Class D Principal Deficiency Event is occurring, to the payment of Class D Notes Interest Amount due and payable on such Payment Date, on a pro rata and pari passu basis on the Class D Notes;
- (x) if no Class E Principal Deficiency Event is occurring, to the payment of Class E Notes Interest Amount due and payable on such Payment Date, on a pro rata and pari passu basis on the Class E Notes;
- (xi) during the Replenishment Period, to the payment of the Additional Purchase Price for Additional Receivables;
- (xii) during the Replenishment Period, to the Payment of the Replenishment Shortfall

Amount to the Replenishment Shortfall Account

- (xiii) after expiration of the Replenishment Period to the payment (on a pro rata and pari passu basis) of the Class A Principal Redemption Amount in respect of the redemption of the Class A Notes until the Class A Principal Amount is reduced to zero;
- (xiv) if a Class B Principal Deficiency Event is occurring, to the payment of Class B Notes Interest Amount due and payable on such Payment Date, on a pro rata and pari passu basis on the Class B Notes;
- (xv) after expiration of the Replenishment Period to the payment (on a pro rata and pari passu basis) of the Class B Principal Redemption Amount in respect of the redemption of the Class B Notes until the Class B Principal Amount is reduced to zero;
- (xvi) if a Class C Principal Deficiency Event is occurring, to the payment of Class C Notes Interest Amount due and payable on such Payment Date, on a pro rata and pari passu basis on the Class C Notes;
- (xvii) after the expiration of the Replenishment Period to the payment (on a pro rata and pari passu basis) of the Class C Principal Redemption Amount in respect of the redemption of the Class C Notes until the Class C Principal Amount is reduced to zero;
- (xviii) if a Class D Principal Deficiency Event is occurring, to the payment of Class D Notes Interest Amount due and payable on such Payment Date, on a pro rata and pari passu basis on the Class D Notes;
- (xix) after the expiration of the Replenishment Period to the payment (on a pro rata and pari passu basis) of the Class D Principal Redemption Amount in respect of the redemption of the Class D Notes until the Class D Principal Amount is reduced to zero;
- (xx) if a Class E Principal Deficiency Event is occurring, to the payment of Class E Notes Interest Amount due and payable on such Payment Date, on a pro rata and pari

passu basis on the Class E Notes;

- (xxi) to the payment (on a pro rata and pari passu basis) of the Class E Principal Redemption Amount in respect of the redemption of the Class E Notes until the Class E Principal Amount is reduced to zero;
- (xxii) after the expiration of the Replenishment Period to the payment of the Commingling Reserve Adjustment Amount to the Commingling Reserve Account;
- (xxiii) to the payment of the Set-Off Risk Reserve Adjustment Amount to the Set-Off Risk Reserve Account;
- (xxiv) any Subordinated Swap Amounts;
- (xxv) to the payment of the Additional Servicing Fee to the Servicer;
- (xxvi) to the payment of the Transaction Gain to the shareholders of the Issuer.

<b>Principal Collections</b>	means the all collections of principal under the Performing Receivables, including Deemed Collection, but excluding Recovery Collections which are received by the Servicer on behalf of the Issuer during a Collection Period.
<b>Principal Deficiency Event</b>	means the Class B Principal Deficiency Event, the Class C Principal Deficiency Event, the Class D Principal Deficiency Event and the Class E Principal Deficiency Event.
<b>Prospectus</b>	means the prospectus prepared by the Issuer for the purposes of admission to trading of all Classes of Notes.
<b>Prospectus Directive</b>	means Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 (as amended, <i>inter alia</i> , by Directive 2010/73/EU) and includes any relevant implementing measure in the Relevant Member State.
<b>Purchase Date</b>	means each Payment Date during the Replenishment Period.
<b>Purchase Price</b>	means the Initial Purchase Price and the Additional Purchase Price, as applicable.
<b>Purchased Receivables</b>	means the Initial Receivables and the Additional Receivables (in each case including any Related Claims and Rights) purchased by the Issuer from the Originator subject to the Receivables Purchase Agreement and not repurchased by the Originator thereafter.
<b>Rated Notes</b>	means the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes.
<b>Rating Agencies</b>	means Moody's and DBRS.

<b>Receivable</b>	means a claim by the Originator for the payment of principal and interest (including fees) under a Loan Agreement.
<b>Receivables Purchase Agreement</b>	means the receivables purchase agreement between the Issuer and the Originator entered into on or about the Signing Date, as amended.
<b>Recovery Collections</b>	means the sum of all collections that have been paid on Defaulted Receivables (including any payment by any insurance company under a payment protection insurance or other insurance and any payment by any debt collection agency due to bad debt sales in relation to such Defaulted Receivable) during the Relevant Collection Period which are received by the Servicer on behalf of the Issuer during a Collection Period.
<b>Redemption Event</b>	means the occurrence of a: <ul style="list-style-type: none"><li>(a) Tax Event; or</li><li>(b) Regulatory Change Event.</li></ul>
<b>Reference Banks</b>	means the four major banks in the Euro-zone interbank market selected by the Paying Agent from time to time and if any such bank is unable or unwilling to continue to act, such other bank as may be appointed by the Paying Agent on behalf of the Issuer to act in its place, in each case subject to and in accordance with the Benchmark Regulation.
<b>Reference Bank Rate</b>	means the arithmetic mean of the rate(s) (rounded upwards to four decimal places) notified to the Cash Administrator at its request by the Reference Bank(s) selected by the Cash Administrator at which such Reference Bank(s) could borrow funds in the European interbank market in euro and for the relevant 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.
<b>Regulation S</b>	means Regulation S under the Securities Act.
<b>Regulatory Change Event</b>	means: <ul style="list-style-type: none"><li>(a) any enactment or establishment of, or supplement or amendment to, or change in any law, regulation, rule, policy or guideline of any relevant competent international, European or national body (including the ECB or the German Federal Financial Supervisory Authority (<i>Bundesanstalt für Finanzdienstleistungsaufsicht</i>) or any other relevant competent international, European or national regulatory or supervisory authority) or the application or official interpretation of, or view expressed by any such competent body with respect to, any such law, regulation, rule, policy or guideline which becomes applicable on or after the Closing Date or</li><li>(b) a notification by or other communication from the</li></ul>

applicable regulatory or supervisory authority is received by the Originator with respect to the transactions contemplated by the Transaction Documents on or after the Closing Date

which, in each case, in the reasonable opinion of the Originator, has the effect of materially adversely affecting the rate of return on capital of the Issuer and/or the Originator or materially increasing the cost or materially reducing the benefit to the Originator of the transactions contemplated by the Transaction Documents. Provided that the Originator may reasonably assume that there is no such adverse effect as long as in connection with (a) and (b) above there is a grandfathering available with respect to the Originator's interests or obligations under this Transaction.

For the further avoidance of doubt, the declaration of a Regulatory Change Event will not be excluded by the fact that, prior to the Closing Date:

- (a) the event constituting any such Regulatory Change Event was:
  - (i) announced or contained in any proposal (whether in draft or final form) for a change in the laws, regulations, applicable regulatory rules, policies or guidelines (including any accord, standard, or recommendation of the Basel Committee on Banking Supervision), as officially interpreted, implemented or applied by the Federal Republic of Germany or the European Union; or
  - (ii) incorporated in any law or regulation approved and/or published but the effectiveness or application of which is deferred, in whole or in part, beyond the Closing Date or
  - (iii) expressed in any statement by any official of the competent authority in expert meetings or other discussions in connection with such Regulatory Change Event or
- (b) the competent authority has issued any notification, taken any decision or expressed any view with respect to any individual transaction, other than this Transaction.

**Rejection Event**

means, in respect of the Class A Interest Rate Adjustment, the occurrence of one or more of the following events:

- (a) a resolution of the current Noteholders of the Class A Notes being passed rejecting the Base Rate Adjustment in accordance with Clause 17.1 (*Noteholder Resolutions*) of the Terms



and Conditions by a qualified majority of the Noteholders of the Class A Notes; or

- (b) the Swap Benchmark Rate Adjustment not being made to the Swap Agreement.

**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 Loan 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 loan instalment) and other claims against the Debtor or third parties which are deriving from the Loan Agreement, eg pursuant to the (early) termination of such Loan 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 Loan Agreement following the revocation (*Widerruf*) or rescission (*Rücktritt*) by a Debtor;
  - (v) restitution claims (*Bereicherungsansprüche*) against the relevant Debtor in the event the underlying Loan Agreement is void;
  - (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 Loan Agreement is altered, in particular the right of termination (*Recht zur Kündigung*), if any, and the right of rescission (*Recht zum Rücktritt*), 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 Loan

Agreement against a relevant Debtor.

<b>Related Collateral</b>	means any claims and rights assigned and any collateral securing the Receivables transferred by the Originator to the Issuer pursuant to the Receivables Purchase Agreement, including, in addition, any other right <i>in rem</i> transferred to the Issuer by operation of law.
<b>Relevant Collection Period</b>	means, in respect of a Payment Date, the Collection Period immediately preceding such Payment Date.
<b>Relevant Member State</b>	means each Member State of the European Economic Area which has implemented the Prospectus Directive.
<b>Remainder</b>	means, as applicable: <ul style="list-style-type: none"><li>(a) with respect to the Pre-Enforcement Priority of Payments, the remaining amounts of the Available Distribution Amount after payment of the amounts as set out in item first to twenty-four (inclusive) of the Pre-Enforcement Priority of Payments; and</li><li>(b) with respect to the Post-Enforcement Priority of Payments, the remaining amount of the Issuer Proceeds after payment of the amounts as set out in item first to seventeen (inclusive) of the Post-Enforcement Priority of Payments.</li></ul>
<b>Remaining Term</b>	means the time period between the applicable Cut-Off Date and the scheduled redemption date of such Purchased Receivable.
<b>Repayment Claims</b>	means those amounts: <ul style="list-style-type: none"><li>(a) previously deposited to a Collection Account representing a payment by SEPA Direct Debit Mandate which direct debit has been revoked by the relevant Borrower or the bank holding the account to which the direct debit relates;</li><li>(b) previously deposited to a Collection Account representing a payment by a cheque returned for insufficient funds;</li><li>(c) which it is required to repay to a Debtor or a person claiming under the Debtor resulting from the Insolvency of the Debtor or similar proceedings being taken against the Debtor; or</li><li>(d) refunded to a Debtor in respect of excess payments made by such Debtor.</li></ul>
<b>Replenishment Available Amount</b>	shall mean, as of any Purchase Date, the amount by which the Aggregate Note Principal Amount of all Classes of Notes exceeds the Aggregate Principal Balance as of the Cut-Off Date immediately preceding such Purchase Date.
<b>Replenishment Period</b>	means the period starting on the Closing Date and ending on the earlier of the Payment Date following (i) the occurrence of an Early Amortisation Event and (ii) the 12 <sup>th</sup> Payment Date (including) after

the Closing Date.

**Replenishment Shortfall Account**

means the replenishment shortfall account of the Issuer opened on or before the Closing Date with the Account Bank with the following details:

Bank Name: The Bank of New York Mellon, Frankfurt

Account Name: Replenishment Shortfall Account

Account Number: 701 483 9712

IBAN: DE16 5033 0300 7014 8397 12

SWIFT: IRVTDEFXXX

or any successor account, bearing an interest rate as separately agreed between the Account Bank and the Issuer

**Replenishment Shortfall Amount**

means, on any Purchase Date, the excess, if any, of the Replenishment Available Amount over the Additional Purchase Price payable in accordance with the Receivables Purchase Agreement for all Additional Receivables purchased by the Issuer on such Purchase Date.

**Replacement Swap Premium**

means an amount received by the Issuer from a replacement Swap Counterparty upon entry by the Issuer into an agreement with such replacement Swap Counterparty to replace the outgoing Swap Counterparty, which shall be applied by the Issuer in accordance with the Cash Administration Agreement, the Trust Agreement and the Deed of Assignment.

**Repository**

means the securitisation repository (*Verbriefungsregister*) (if any)

- (a) which has been approved by ESMA; and
- (b) which has been communicated to the investors in accordance with the Terms and Conditions as the securitisation repository which will be used for the communication with the investors in accordance with the Securitisation Regulation.

**Repurchase Agreement**

has the meaning given to this term in schedule 3 (*Form of Repurchase Agreement*) of the Receivables Purchase Agreement.

**Repurchase Notice**

means a written notice of the Issuer to the Originator (with a copy to the Trustee) on the exercise of a repurchase option set out in Clause 21.2 of the Receivables Purchase Agreement.

**Repurchase Price**

means an amount equal to the sum of:

- (a) the Outstanding Principal Amount of all Purchased Receivables which are neither Delinquent Receivables nor Defaulted Receivables plus interest accrued on such Purchased Receivables until such repurchase is affected; and
- (b) in respect of Delinquent Receivables or Defaulted Receivables the current value of such receivables as determined by the Independent Appraiser appointed by the Issuer in accordance with the

Trust Agreement.

<b>Repurchased Receivables</b>	means any Purchased Receivable which is repurchased in accordance with the Receivables Purchase Agreement.
<b>Required Rating</b>	means, at any time in respect of the Account Bank: <ul style="list-style-type: none"><li>(a) a short-term deposit rating of at least P-1 (or its replacement) by Moody's (or, if it does not have a short-term deposit rating assigned by Moody's, the short-term unsecured, unsubordinated and unguaranteed debt obligations of the Account Bank are assigned a rating of at least P-1 (or its replacement) by Moody's) or a long-term deposit rating of at least A2 (or its replacement) by Moody's; and</li><li>(b)<ul style="list-style-type: none"><li>(i) if it does have a DBRS Critical Obligations Rating, (y) a DBRS Critical Obligations Rating of at least A(high) or (z) a long-term senior unsecured debt rating of at least A from DBRS; or</li><li>(ii) if it does not have a DBRS Critical Obligations Rating, an issuer rating or deposit rating or long-term senior unsecured debt rating of at least A from DBRS, or (iii) such other rating from time to time notified or published by DBRS replacing any of the above ratings or implementing a rating requirement;</li></ul></li></ul> or such other rating or ratings as may be agreed by the relevant Rating Agency from time to time to maintain the then current ratings of the Notes.
<b>Reserve Funding Fee</b>	means an amount of EUR 10,000.
<b>Retention RTS</b>	means the regulatory technical standards, set out in Commission Delegated Regulation (EU) No 625/2014 of 13 March 2014 supplementing Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012, and in particular Article 410(2) thereof as amended from time to time or any successor regulatory technical standards.
<b>RevoCar 2019</b>	means RevoCar 2019 UG ( <i>haftungsbeschränkt</i> ), a limited liability company ( <i>Unternehmergeellschaft (haftungsbeschränkt)</i> ) under the laws of the Federal Republic of Germany, with its registered office at Steinweg 3-5, 60313 Frankfurt am Main, Federal Republic of Germany and registered in the commercial register at the local court ( <i>Amtsgericht</i> ) in Frankfurt am Main under HRB 114262.
<b>Sample Files</b>	means encrypted sample files containing data to which the German

Federal Data Protection Act (*Bundesdatenschutzgesetz*) and the GDPR do not apply and which are provided to the Data Trustee for the purpose of checking whether the Decryption Key delivered to it allows for the deciphering of the relevant data.

<b>Savings Directive</b>	means Council Directive 2015/2060/EU of 10 November 2015 repealing Directive 2003/48/EC on taxation of savings income in the form of interest payments.
<b>Scheduled Maturity Date</b>	means the Payment Date falling in April 2030.
<b>SchVG</b>	means the German Act on Issues of Debt Securities dated 31 July 2009 ( <i>Gesetz über Schuldverschreibungen aus Gesamtemissionen</i> ).
<b>Secured Parties</b>	means: <ul style="list-style-type: none"><li>(a) the Noteholders;</li><li>(b) each party to the Trust Agreement (other than the Trustee) as creditor of the Issuer Obligations;</li><li>(c) the Swap Counterparty; and</li><li>(d) the Trustee as creditor of the Trustee Claim and as party to the Deed of Assignment.</li></ul>
<b>Securities Act</b>	means the United States of America's Securities Act of 1933, as amended.
<b>Securitisation</b>	means a securitisation as defined in the Securitisation Regulation.
<b>Securitisation Regulation Disclosure Requirements</b>	means the disclosure requirements set out in Articles 7 and 43 para. 8 of the Securitisation Regulation and the related regulatory technical standards adopted by the EU Commission (if any).
<b>Securitisation Position</b>	means an exposure to a Securitisation.
<b>Securitisation Regulation</b>	means the 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/EG, 2009/138/EG and 2011/61/EU and Regulation (EG) 1060/2009 and Regulation (EU) 648/2012, as amended.
<b>Security Assets</b>	means the assets pledged and to be pledged, assigned and to be assigned or otherwise transferred for security purpose in accordance with the Trust Agreement and the Deed of Assignment.
<b>Security Interest</b>	means any pledge, lien, charge, assignment or security interest or other agreement or arrangement having the effect of conferring security.

<b>Senior Person</b>	means any shareholder, member, executive, officer and/or director of the relevant Person.
<b>SEPA Direct Debit Mandate</b>	means a mandate to debit an account of Debtor using direct debit in accordance with Regulation (EU) No 260/2012 of the European Parliament and of the Council of 14 March 2012 establishing technical and business requirements for credit transfers and direct debits in euro and amending Regulation (EC) No 924/2009 (as amended from time to time).
<b>Servicer</b>	means: <ul style="list-style-type: none"><li>(a) before the occurrence of the Servicer Termination Event, Bank11 or at any time the Person then authorised pursuant to the Servicing Agreement to service, administer and collect Purchased Receivables; or</li><li>(b) after the occurrence of the Servicer Termination Event and the appointment of the Substitute Servicer, the Substitute Servicer.</li></ul>
<b>Servicer Expenses Reimbursement Amount</b>	means an amount which is equal to the Loan Administration Fee to the extent the Issuer has actually received such amount.
<b>Servicer Expenses Reimbursement Claim</b>	means the claim of the Servicer in the amount of the Servicer Expenses Reimbursement Amount which will compensate the Servicer for expenses in connection with the administration of the Loans.
<b>Servicer Termination Event</b>	means any of the following events: <ul style="list-style-type: none"><li>(a) the Servicer is Insolvent;</li><li>(b) the Servicer fails to make any payment or deposit required by the terms of the Servicing Agreement or any other Transaction Document within three (3) Business Days of the date such payment or deposit is required to be made;</li><li>(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; or</li><li>(d) any representation or warranty given in the Servicing Agreement or in any report provided by the Servicer, is materially false or incorrect and such inaccuracy, if capable of remedy, is not remedied within 30 Business Days of notice from the Issuer and has a material adverse effect in relation to the Issuer;</li><li>(e) the revocation or restriction of the banking licence and/or the encashment service licence (<i>Inkassolizenz</i>), as applicable, of the Servicer;</li></ul>

- (f) the initiation of any of the proceedings referred to in or any action under section 45 to 47 of the German Banking Act (*Kreditwesengesetz*) (after the relevant grace period shall have elapsed) with respect to the Originator or the Servicer (including, without limitation, a moratorium event); or
- (g) only if the Servicer is identical to the Originator,
  - (i) the Originator fails to make any payment or deposit required by the terms of the Receivables Purchase Agreement or any other Transaction Document within three (3) Business Days of the date such payment or deposit is required to be made;
  - (ii) the Originator fails to perform any of its other material obligations under the Receivables Purchase Agreement and such breach, if capable of remedy, is not remedied within 20 Business Days of notice from the Issuer.

**Services** means the services owed by the Servicer under the Servicing Agreement.

**Servicing Agreement** means the servicing agreement between the Issuer and the Servicer entered into on or about the Signing Date, as amended.

**Servicing Fee** means the sum in the amount of:

- (a) 0.5 % of the aggregate of the Outstanding Principal Amounts of all Purchased Receivables as outstanding at the end of the immediately preceding Payment Date or, in case of the first Interest Period, the Closing Date, in each case multiplied by the applicable Day Count Fraction and
- (b) the Servicer Expenses Reimbursement Claim.

**Set-Off Risk Reserve Account** means the set-off risk reserve account of the Issuer opened on or before the Closing Date with the Account Bank with the following details:

Bank Name: The Bank of New York Mellon, Frankfurt

Account Name: Set-Off Risk Reserve Account

Account Number: 701 483 9713

IBAN: DE86 5033 0300 7014 8397 13

SWIFT: IRVTDEFXXX

or any successor account, bearing an interest rate as separately agreed between the Account Bank and the Issuer.

**Set-Off Risk Reserve** means on the first Calculation Date zero and thereafter the higher of:

<b>Adjustment Amount</b>	<p>(a) the difference between:</p> <ul style="list-style-type: none"> <li>(i) the Set-Off Risk Reserve Required Amount for the relevant Interest Period and</li> <li>(ii) the amount standing to the credit of the Set-Off Risk Reserve Account on the Calculation Date, following the adjustment payment of the Originator (if any); or</li> </ul> <p>(b) zero.</p>
<b>Set-Off Risk Reserve Distribution Amount</b>	<p>means on the first Calculation Date zero and thereafter the higher of:</p> <ul style="list-style-type: none"> <li>(a) the difference between (i) the amount standing to the credit of the Set-Off Risk Reserve Account on the Determination Date and (ii) the Set-Off Risk Reserve Required Amount for the relevant Interest Period; or</li> <li>(b) zero.</li> </ul>
<b>Set-Off Risk Reserve Required Amount</b>	<p>means on any Payment Date:</p> <ul style="list-style-type: none"> <li>(a) if the Aggregate Note Principal Amount of the Class D Notes is higher than zero on the Determination Date preceding such Payment Date an amount equal to the Debtor Deposit Amount;</li> <li>(b) otherwise zero.</li> </ul>
<b>Significant Reporting Event</b>	<p>means any of the following events:</p> <ul style="list-style-type: none"> <li>(a) the Originator or the Issuer are obliged to make public any inside information relating to the Transaction 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;</li> <li>(b) a material breach of the obligations of the Originator or the Issuer under the Transaction Documents, including any remedy, waiver or consent subsequently provided in relation to such a breach;</li> <li>(c) a change in the structural features of the Transaction that could materially impact the performance of the securitisation;</li> <li>(d) a change in the risk characteristics of the securitisation or of the underlying exposures that can materially impact the performance of the securitisation;</li> <li>(e) an event which has the effect that the securitisation ceases to meet the STS Requirements or where competent authorities have</li> </ul>



taken remedial or administrative actions in that regard; or

- (f) any material amendment to the Transaction Documents.

<b>Significant Reporting Event Notice</b>	means the notice prepared by the Servicer on behalf of the Issuer in relation to the occurrence of a Significant Reporting Event.
<b>Signing Date</b>	means 18 April 2019, or such other date as the Issuer and the Arranger may agree.
<b>Solvency II</b>	means Directive 2009/138/EC of the European Parliament and of the Council of 25 November 2009 on the taking-up and pursuit of the business of Insurance and Reinsurance, as amended from time to time.
<b>Solvency II Delegated Regulation</b>	means the Delegated Regulation EU 2015/35 of 10 October 2014 supplementing Directive 2009/138/EC of the European Parliament and of the Council on the taking-up and pursuit of the business of Insurance and Reinsurance, as amended from time to time.
<b>Standard of Care</b>	means standard of care in one's own affairs ( <i>Sorgfalt in eigenen Angelegenheiten</i> ).
<b>Statutory Claims</b>	means the following statutory claims: <ul style="list-style-type: none"> <li>(a) any taxes payable by the Issuer to the relevant tax authorities;</li> <li>(b) any amounts, which are due and payable by the Issuer to the insolvency administrator of the Issuer or the court appointing and/or administering such insolvency administrator; and</li> <li>(c) any amounts (including taxes) which are due and payable to any person or authority by law.</li> </ul>
<b>STS Criteria</b>	means the requirements relating to simplicity (article 20 of the Securitisation Regulation), to standardisation (article 21 of the Securitisation Regulation) and to transparency (article 22 of the Securitisation Regulation) set out in the Securitisation Regulation and as regulated .
<b>STS Guidelines</b>	means the final guidelines on STS Criteria for non-ABCP securitisation EBA/GL/2018/09 published by the European Banking Association (EBA) on 12 December 2018.
<b>STS Notification</b>	means the notification prepared and submitted to ESMA by the Originator in accordance with the Securitisation Regulation.
<b>STS Verifying Party</b>	means SVI.
<b>Subordinated Swap Amounts</b>	means any termination amount payable by the Issuer to the Swap Counterparty under the Swap Agreement as a result of either (a) an Event of Default (as defined in the Swap Agreement) where the Swap

Counterparty is the Defaulting Party or (b) an Additional Termination Event (as defined in the Swap Agreement) which occurs as a result of the failure of the Swap Counterparty to comply with the requirements of the rating downgrade provision set out under the Swap Agreement

- Substitute Account Bank** means at any time a bank or financial institution having at least the Required Rating 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 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 Data Trustee** means at any time the Person appointed as substitute data trustee pursuant to the Data Trust Agreement.
- Substitute Paying Agent** means at any time the Person appointed as substitute Paying Agent pursuant to the Agency Agreement.
- Substitute Servicer** means at any time the Person appointed as substitute servicer pursuant to the Servicing Agreement.
- Substitute Servicer Facilitator** Wilmington Trust SP Services (Frankfurt) GmbH
- Substitute Trustee** means at any time the Person appointed as substitute trustee pursuant to the Trust Agreement.
- Suitable Entity** means a Person which fulfils the following criteria:
- (a) it has experience (or is able to demonstrate that it has the capability) of not less than five years to administer receivables substantially similar to the Purchased Receivables being administered by the Servicer or is a fully licensed bank;
  - (b) senior staff, other than members of the management body, who are responsible for managing the Person's servicing of exposures of a similar nature to those securitised, have relevant professional experience in the servicing of exposures of a similar nature to the Purchased Receivables, at a personal level, of at least five years;
  - (c) it is willing to accede to the Servicing Agreement or enter into a similar agreement whereby it will be remunerated at such a rate as is agreed by the Issuer upon obtaining three quotes (or such lower number of quotes which are provided) and is otherwise on substantially the same terms as the Servicing Agreement;
  - (d) it is willing to co-operate with the Servicer and the

Issuer to obtain a SEPA Direct Debit Mandate from the Borrowers to pay the amounts due under the Purchased Receivables or put in place alternative payment arrangements in relation to those Borrowers that do not permit a SEPA Direct Debit Mandate to be made to their respective bank accounts or if an existing SEPA Direct Debit Mandate in relation to a Borrower is cancelled;

- (e) it has obtained and maintained all authorisations, approvals, licences and consents required in connection with its business pursuant to any requirement of law applicable to the provision of the Services; and
- (f) it undertakes to administer and use the records and any licenses or sub-licenses to be received pursuant to the Servicing Agreement in compliance with any requirement of law.

**SVI** means the STS Verification International GmbH, which has been authorised by the BaFin as third party verification agent pursuant to Article 28 of the Securitisation Regulation.

**Swap Agreement** means the 2002 ISDA Master Agreement in respect of the Class A Notes between the Issuer and the Swap Counterparty dated on or about the Signing Date, including (i) the ISDA Schedule, (ii) the ISDA Credit Support Annex, (iii) any other credit support documents related thereto and (iv) any Transactions evidenced by confirmations entered into from time to time, each as amended, restated or supplemented from time to time (or such replacement swap agreement(s) as the Issuer may enter into in accordance with the Transaction Documents).

**Swap Benchmark Rate** means the floating rate option of the Swap Agreement.

**Swap Benchmark Rate Adjustment** means the adjustment of the Swap Benchmark Rate following the occurrence of a Benchmark Trigger Event.

**Swap Calculation Agent** means the calculation agent under the Swap Agreement.

**Swap Collateral** means an amount equal to the value of the collateral (or the applicable part of any collateral) provided by the Swap Counterparty to the Issuer in respect of the Swap Counterparty's obligations to transfer collateral to the Issuer under the Swap Agreement, which, for the avoidance of doubt, shall include any amount of interest credited to the Swap Collateral Account.

**Swap Collateral Account** means an account of the Issuer opened on or before the Closing Date with the Account Bank with the following details:

Bank Name: The Bank of New York Mellon, Frankfurt

Account Name: Swap Collateral Account

Account Number: 701 483 9715

IBAN: DE32 5033 0300 7014 8397 15

SWIFT: IRVTDEFXXX

or any successor account, bearing an interest rate as separately agreed between the Account Bank and the Issuer.

<b>Swap Counterparty</b>	means UniCredit Bank AG, a stock corporation incorporated under the laws of the Federal Republic of Germany, registered with the commercial register of the local court ( <i>Amtsgericht</i> ) in Munich under HRB 42148 with its registered office at Arabellastrasse 12, 81925 Munich, Federal Republic of Germany including its permitted transferees and assignees.
<b>Swap Tax Credits</b>	means any credit, allowance, set-off or repayment received by the Issuer in respect of tax from the tax authorities of any jurisdiction relating to any deduction or withholding giving rise to an increased payment by the Swap Counterparty to the Issuer, the amounts of which shall be applied by the Issuer in accordance with the Cash Administration Agreement.
<b>Swap Termination Payment</b>	means any payment due to the Swap Counterparty upon the early termination of a Transaction under the Swap Agreement.
<b>TARGET2 System</b>	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.
<b>Tax Event</b>	means the event that Issuer is or becomes at any time required by law to deduct or withhold in respect of any payment under the Notes current or future taxes, levies or governmental charges, regardless of their nature, which are imposed under any applicable system of law or in any country which claims fiscal jurisdiction by, or for the account of, any political subdivision thereof or government agency therein authorised to levy taxes.
<b>Taxes</b>	means any stamp duty, sales, exercise, registration and other tax (including value added tax, income tax (other than the income tax payable by the Issuer or its shareholder at its place of incorporation or at its registered office) and the German trade tax ( <i>Gewerbesteuer</i> ), duties and fees) due and payable by the Issuer and reasonably evidenced in connection with the execution, filing or recording of the Receivables Purchase Agreement or the purchase, transfer or retransfer of Receivables or their financing under or pursuant to the Receivables Purchase Agreement or the other documents to be delivered under or relating to the Receivables Purchase Agreement or in any way connected with any Transaction contemplated by the Receivables Purchase Agreement or the Servicing Agreement.
<b>Termination Date</b>	means the date on which the first early redemption notice from a Noteholder is received ( <i>Zugang</i> ) by the Issuer pursuant to Clause 10 ( <i>Early Redemption for Default</i> ) of the Terms and Conditions, unless the Issuer Event of Default has been remedied prior to such receipt.
<b>Terms and Conditions</b>	means the terms and conditions of the Notes, as amended.
<b>The Bank of New</b>	means the Bank of New York Mellon Corporation, a corporation,

**York Mellon,  
Frankfurt Branch**

incorporated under the laws of Delaware, United States, registered with the Division of Corporations under the File Number 4299124 and with its registered office at 225 Liberty Street, New York, NY 10286, United States and acting through its Frankfurt Branch whose office is at MesseTurm, Friedrich-Ebert-Anlage 49, 60327 Frankfurt am Main, and registered with the commercial register at the local court (*Amtsgericht*) in Frankfurt am Main under HRB 12731.

**The Bank of New  
York Mellon,  
London Branch**

means The Bank of New York Mellon Corporation, a corporation, incorporated under the laws of Delaware, United States, registered with the Division of Corporations under the File Number 4299124 and with its registered office at 225 Liberty Street, New York, NY 10286, United States and acting through its London Branch whose office is at One Canada Square, Canary Wharf, London E14 5AL, England, and registered with the Companies House under the UK establishment number BR000818.

**TPP**

means an authorised third party provider that has identified itself to the Account Bank and acted in accordance with its obligations under the Second Payment Services Directive 2015/366/EC (as amended from time to time), as applicable.

**Transaction**

means the transaction established by the Transaction Documents together with the conclusion and performance of the Transaction Documents as well as all other acts, undertakings and activities connected therewith.

**Transaction  
Account**

means:

- (a) the Operating Account;
- (b) the Liquidity Reserve Account;
- (c) the Set-Off Risk Reserve Account;
- (d) the Replenishment Shortfall Account;
- (e) the Commingling Reserve Account; and
- (f) the Swap Collateral Account.

**Transaction  
Definitions  
Schedule**

means this transaction definitions schedule, as amended.

**Transaction  
Documents**

means:

- (a) the Notes (including the Transaction Definitions Schedule),
- (b) the Trust Agreement,
- (c) the Deed of Assignment;
- (d) the Receivables Purchase Agreement, the Servicing Agreement,
- (e) the Data Trust Agreement,

- (f) the Corporate Administration Agreement,
- (g) the Account Bank Agreement,
- (h) the Agency Agreement,
- (i) the Cash Administration Agreement,
- (j) the Subscription Agreement,
- (k) the Swap Agreement,

and any other agreement or document which has been designated a Transaction Document by the Trustee.

**Transaction Gain** means the lower of:

- (a) the Remainder; and
- (b) EUR 100.00.

**Transaction Parties** means the Account Bank, the Arranger, the Cash Administrator, the Corporate Service Provider, the Data Trustee, the Originator, the Paying Agent, the Servicer, the Lead Manager, the Substitute Servicer, Substitute Servicer Facilitator, the Swap Counterparty and the Trustee.

**Transfer Claim** means a claim of the Issuer for assignment by the Originator of the Initial Receivables and the Additional Receivables and any claim of the Issuer for transfer by the Originator of the Related Collateral (if any) arising under the Receivables Purchase Agreement.

**Transparency Documents** mean the following documents:

- (a) the articles of association of the Issuer;
- (b) the resolution of the managing directors of the Issuer approving the issue of the Notes and the Transaction;
- (c) this Prospectus , the Trust Agreement, the Data Trust Agreement, the Servicing Agreement, the Account Bank Agreement, the Cash Administration Agreement, the Corporate Administration Agreement, the Agency Agreement, the Receivables Purchase Agreement, the Subscription Agreement;
- (d) all audited annual financial statements of the Issuer;
- (e) each Investor Report; and
- (f) all notices given to the Noteholders pursuant to the Terms and Conditions.

**Trust Agreement** means the trust agreement between the Issuer, the Trustee and the other Secured Parties (other than the Noteholders) entered into on or

about the Signing Date, as amended.

<b>Trustee</b>	means Wilmington Trust SP Services (Dublin) Limited, a limited liability company, located at Fourth Floor, 3 George's Dock, IFSC Dublin, registered in the Companies Registration Office with the company number 318390 or any successor or replacement thereof.
<b>Trustee Claim</b>	means the claim granted to the Trustee pursuant to the Trust Agreement.
<b>Trustee Expenses</b>	means the fees and expenses as well as any indemnities payable to the Trustee under the Trust Agreement, the Deed of Assignment or any other Transaction Document.
<b>Trustee Services</b>	has the meaning given to such term in the Trust Agreement.
<b>U.S. Account</b>	means the reporting if the Issuer to the IRS information about their investors qualifying as a "United States person" or "United States owned foreign entity".
<b>U.S. Risk Retention Rules</b>	means the final rules promulgated under Section 15G of the U.S. Securities Exchange Act of 1934, as amended, adopted pursuant to the requirements of Section 941 of the Dodd-Frank Wall Street Reform and Consumer Protection Act.
<b>United States</b>	means the United States of America.
<b>Upper Bound</b>	means in respect of the Swap Agreement for each Calculation Period the amount defined as the upper bound in the swap transaction confirmation.
<b>Used Vehicle</b>	means a vehicle which is not classified as a New Vehicle.
<b>VAT</b>	means any value added tax chargeable in the Federal Republic of Germany and/or in any other jurisdiction.
<b>Vehicle Sale Price</b>	means the agreed price for the purchase of a Vehicle between the relevant seller and the purchaser.
<b>Vehicle(s)</b>	means the New Vehicles and the Used Vehicles.
<b>Website</b>	means the website which will be used for the communication with the investors in accordance with the Securitisation Regulation as notified to the Noteholders.

**THE ISSUER**

*RevoCar 2019 UG (haftungsbeschränkt)*  
Steinweg 3-5  
60313 Frankfurt am Main  
Federal Republic of Germany

**THE ORIGINATOR / SERVICER**

*Bank11 für Privatkunden und Handel GmbH*  
Hammer Landstraße 91  
41460 Neuss  
Federal Republic of Germany

**THE TRUSTEE / DATA TRUSTEE**

*Wilmington Trust SP Services (Dublin) Limited*  
Fourth Floor  
3 George 's Dock  
IFSC Dublin 1  
Ireland

**THE CORPORATE SERVICE PROVIDER**

*Wilmington Trust SP Services (Frankfurt) GmbH*  
Steinweg 3-5  
60313 Frankfurt am Main  
Federal Republic of Germany

**THE SUBSTITUTE SERVICER FACILITATOR**

*Wilmington Trust SP Services (Frankfurt) GmbH*  
Steinweg 3-5, 60313  
Frankfurt am Main  
Federal Republic of Germany

**THE ARRANGER / LEAD MANAGER / SWAP COUNTERPARTY**

*UniCredit Bank AG*  
Arabellastrasse 12  
81925 Munich  
Federal Republic of Germany

**THE ACCOUNT BANK**

*The Bank of New York Mellon, Frankfurt Branch*  
Friedrich-Ebert-Anlage 49  
60327 Frankfurt am Main  
Germany

**LISTING AGENT**

*The Bank of New York Mellon SA/NV, Luxembourg Branch*  
Vertigo Building - Polaris  
2-4 rue Eugène Ruppert  
L-2453 Luxembourg

**THE PAYING AGENT / CASH ADMINISTRATOR**

*The Bank of New York Mellon, London Branch*  
One Canada Square  
Canary Wharf  
London E14 5AL  
England

**LEGAL ADVISOR**

*Bryan Cave Leighton Paisner LLP*  
Park Building  
An der Welle 3  
60322 Frankfurt am Main  
Federal Republic of Germany